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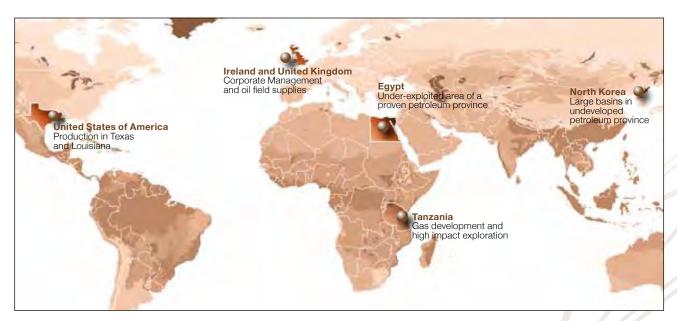
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Aminex at a glance



Chairman's Statement

Dear Shareholder,

The reporting year has been an active one for your Company in terms of both securing funds for business growth and progressing it operationally, starting with an issue of new capital in the first quarter and followed by the spudding of a new well in the Nyuni licence, Tanzania during the second quarter. Late in the year a further new well was spudded in the Ruvuma PSA, Tanzania which, since the end of the reporting period, has led to the first onshore gas discovery in the Ruvuma Basin. Also during the year, recompletion of the Sunny Ernst-2 well in Texas increased oil and gas production, the Nyuni PSA in Tanzania was increased in size and renewed and a development licence granted for the Kiliwani North gas field. At the very end of the year, we placed new shares for cash, within the Directors' existing authority and at a premium to the prevailing market price, with Asian investors, principally Dr. Chan Chai Ruayrungruang, a leading Chinese businessman. We believe that this may lead in due course to a significant strategic relationship with important Chinese interests and we look forward enthusiastically to the challenges and opportunities that such a relationship will bring.

In September your Board was pleased to appoint Stuard Detmer as Chief Executive of the Aminex Group. Mr. Detmer has a distinguished reputation in the oil industry, with a career which

spanned management roles in both major and independent oil companies. Most recently he took over the management of Sibir Energy PLC in Russia after it had experienced financial difficulties and he subsequently turned its fortunes around, eventually selling it on to a major Russia energy company on favourable terms for investors. New management will bring new ideas and give refreshed impetus to existing projects. We warmly welcome Stuard Detmer as Chief Executive and he will of course be supported not only by your Board but by our very professional and experienced operating staff.



Drilling operations at Ntorya-1

In December I announced my plans to retire from a full-time role in the Company after nearly 21 years at the helm. At the beginning of this year I stepped down as Executive Chairman and an independent non-executive chairman will in due course be appointed. Meanwhile I will be pleased to serve the Company as Chairman or in any other capacity for as long as required. I would like to thank the many shareholders, colleagues and advisors who have supported Aminex over the past two decades, in a remarkable journey which has included Russia, the USA, the Far East and, today, East Africa. It is this support which has made it possible and worthwhile.

Aminex expects to become involved in new projects and new areas in 2012 and beyond. I am confident that we have selected the right team to take your Company forward to the next stage of its development.

Yours sincerely,

Brian Hall Chairman

Chief Executive's Report

Dear Shareholder,

Since becoming Chief Executive of the Aminex Group in September 2011, I have had the opportunity to evaluate the Company's activities worldwide. My report hightlights the progress we have made and the opportunities ahead of us.

Tanzania

Shortly before year-end, Aminex, as operator of a consortium including Tullow Oil and Solo Oil, spudded the Ntorya-1 well onshore, leading to a gas discovery in the Company's Ruvuma Basin acreage in the extreme southeast of Tanzania close to the border with Mozambique. After deepening the well beyond the original target depth of 2,000 metres, we encountered a 25-metre gross sand interval with a 3-metre net gas bearing pay zone and a 16.5-metre lower sandstone interval with further possible gas pay. After running a 7 inch liner to 2,750 metres, the well was deepened and logged to 3,150 metres to test an additional objective but without any further discovery. Following completion and testing of the well, Aminex plans a comprehensive seismic programme to establish the full potential of the discovered reservoir and guide future drilling plans. Ntorya-1 is the first on-shore discovery in the Ruvuma Basin and extends the play fairway from deepwater in Mozambique and Tanzania where recent discoveries are reported to total over 50 TCF of gas.

Earlier in the year on the Nyuni PSA in Tanzania, the Nyuni-2 well was drilled to a measured depth of 3,450 metres, but suspended due to operational problems. The prospectivity of the Nyuni block was not affected by this setback, but a further seismic programme is planned prior to follow-up drilling. Following suspension of Nyuni-2, the rig was moved in order to re-enter the Nyuni-1A well originally drilled in 2004 and an independent review of the results is being carried out. The Nyuni PSA reached its full term during the year and in October a new PSA was signed with the Minister of Energy & Minerals, covering the existing acreage and four new adjoining blocks to the north. The new Nyuni PSA, known as the Nyuni Area PSA, extends from onshore, through the transition zone shelf, and into deep water which comprises roughly 30% of the licence

area. The Company plans to implement an extensive seismic programme on the Nyuni block in 2012 and 2013, with priority given to transition zone and deep-water segments.

The Kiliwani North discovery, which flowed gas at 40 MMcfd under full production test conditions, has now been carved out of the Nyuni PSA as a separate gas field and, in April, the Minister of Energy & Minerals formally granted a 25-year field development licence. Line pipe to connect this field to existing infrastructure is being delivered from a mill in China. Tanzania has a pressing need for additional supplies of natural gas, principally for power generation. Nevertheless, current infrastructure is limited by capacity and this has so far delayed putting Kiliwani North on stream, despite severe power shortages in Dar es Salaam. The Government of Tanzania has more than one option for increasing processing and pipeline capacity and we expect to see implementation of new infrastructure projects in the near future. In the meantime, Aminex continues to press for an interim solution that will see Kiliwani North gas flowing as soon as possible.

United States

In April, the Sunny Ernst-2 well at Alta Loma, Galveston County, Texas was recompleted in the 'S' Sands and resulting production increase has materially improved the Group's production performance. **Further** drilling at Shoats Creek, Louisiana, has not yet started. In early 2012 the Company successfully completed the disposal of the Somerset Field in south Texas for a total consideration of over \$700,000, thus eliminating considerable future plugging and abandonment cost. Somerset is a mature field and, due to high operating costs, its profitability was marginal, with no value attributed to its reserves.

North Korea

On the Korean Peninsula, in-house evaluation of the geological potential of the East Sea has continued but no exploration work has so far been carried out on location.

Egypt

At the West Esh el Mellaha-2 concession in Egypt, two further wells are due to be drilled but no firm plans have yet been made. The Company is free-carried with a 10% interest in this concession through to first commercial production.

Funds Raised

During the first quarter of the reporting year, the Company issued new shares to fund its exploration and development activities, through a combination of an institutional placing and an open offer to existing shareholders. Both were oversubscribed and consequently scaled back. New funds raised were over \$40 million before expenses and these enabled an active drilling programme to be launched in Tanzania.

Shortly before year-end, new shares were issued for cash consideration to Dr. Chan Chai Ruayrungruang, a prominent Chinese businessman, and to Empire Asia Group. These were placed at a premium to the market price and raised approximately \$3 million after expenses. Dr. Chan Chai and Empire Asia Group now jointly own 4.76% of the issued share capital of the Company and acquired it with the purpose of establishing a strategic relationship with the Company. This is an exciting development and we warmly welcome our new investors.

STRATEGIC REVIEW

Beginning in November 2011 Aminex conducted a thorough review of its current asset base, geographical focus, funding strategy and risk management in order to position the Company for a step-change in growth and value creation for shareholders. The strategic recommendations resulting from that review are outlined below.

Focus on Africa

Today, the Company's Tanzanian interests, consisting of the Nyuni and Ruvuma PSAs together with the Kiliwani North gas field, form the core of its asset base, offering the greatest potential among its existing holdings for high impact on shareholder value, as emphasised by the recent Ntorya-1 gas discovery in the Ruvuma area. However, Aminex recognises that these core assets, though important, are not by themselves sufficient to achieve its ambitions.

Chief Executive's Report continued

Building on its position in Tanzania, Aminex plans to expand its presence in Africa and transform the Company into a primarily African-focused E&P company. We will initially look to strengthen our position in East Africa where we believe that we can still find assets with a good risk/value profile. Secondly, we plan to expand in areas outside the East African coastal margin, diversifying our portfolio across multiple countries and geographic plays, while concentrating on high-value phases of the development cycle.

Focusing on Africa leverages the Company's proven capability for working in frontier areas and builds on the already strong position in Tanzania. We believe that Africa offers the greatest array of high-impact opportunities to drive shareholder value for the Company.

Grow Through Acquisition

The coming years are expected to be a period of increased M&A activity in the African E&P sector. As smaller cash-constrained companies struggle to raise capital and larger players divest non-core assets, Aminex sees a unique opportunity to build a diverse African portfolio through acquisition and farmins that will support an aggressive drilling campaign in the years to come.

By leveraging our Full Listing, Aminex believes it can achieve superior market valuations for acquired assets, creating shareholder value for existing Aminex shareholders and those of target companies.

Finally, growing the portfolio in Africa will give our shareholders exposure to a greater range of assets, thus spreading risk across a more diverse asset base.

Rationalise the Portfolio

We plan to take an active approach to managing the Company's portfolio.

The strategic decision to concentrate the Company's resources on Africa naturally implies movement away from assets in non-core geographies and to that end Aminex plans to divest its remaining North American assets.

The rationale for this step is threefold. Firstly, it will bring cash into the Company that can be re-deployed in our target African opportunities where investments should have greater impact and see higher returns for shareholders; and secondly, it redirects management time and attention towards growing the African portfolio. Thirdly, the North American assets are mature and do not have the capability to add significant shareholder value. These assets are worth more to regional North American companies with local expertise and resources to exploit them effectively.

Aminex will also seek to reduce exposure to its exploration interests off the Korean peninsula by working with regional partners better able to shoulder the costs of the exploration programme and to manage the long-term political nature of this project.

The Company's plan to build a larger, more diverse African asset base will give it greater flexibility in optimising its work commitments in the future through a continuous programme of farm-outs, sales of assets that have not performed to expectation and acquisition of new assets. Looking ahead, active portfolio management will become a key competency for Aminex.

Manage Exploration Risk

In both new and existing projects, Aminex's target will be to hold working interests of 25% - 30%, so as to be able to manage exposure to work commitments on individual projects, invest across a larger portfolio and spread exploration risk. As a first step, Aminex is seeking farm-in partners for its Nyuni and Ruvuma PSAs in Tanzania where it currently has 70% and 75% working interests respectively.

To reduce exploration risk, the Company plans to invest more heavily than in the past in seismic evaluation, ensuring that leads are as far as possible adequately de-risked before drilling. The Company believes that this is one of the most cost-effective ways to increase the value of its existing and future properties, making them more attractive to farmin partners, potential acquirers and Aminex shareholders. Starting in 2012, an 800 kilometre seismic programme is planned for the Nyuni PSA and a new seismic programme will be developed for the Ruvuma PSA, following the Company's recent gas discovery at Ntorya-1.

Establish Strategic Partnerships To Fund Growth

Developing the African portfolio will require funding. In the near term we plan to use existing resources and proceeds from the divestment of non-core assets to grow our portfolio and fund our work commitments.

To make larger acquisitions possible, Aminex has been actively seeking partners who share its strategic vision and have the capability to help fund its growth plans.

As noted above, in December 2011 Aminex held negotiations with Asian investors led by prominent Chinese businessman, Dr. Chan Chai, who is seeking to channel significant investment into oil and gas assets in Africa. Our discussions led to an issue of approximately 5% of the Company's capital at a 45% premium to the market to Dr. Chan Chai and to Empire Asia Group as a first step towards a broader strategic relationship that would see these new investors take a larger stake in the Company.

The current aversion to risk in the financial markets is at odds with the long-term demand for oil and gas in the developing world and this provides unique opportunities for those who can see beyond the turmoil. We believe that partnering with investors who share our view will allow Aminex to establish a winning portfolio for the long term.

The Road Ahead

Our strategic vision for the future is clear and executable. Indeed, it is already being put into practice, as evidenced by the divestiture of the Somerset field in Texas, introduction of strategic Asian investors to the Company in December and the launch of an extensive seismic programme for the Nyuni PSA in 2012. Much more remains to be done.

These are but the first steps on the road towards achieving our ambitions. In the coming years, Aminex plans to grow the Company for the benefit of its investors, the communities where it operates and a world that has increasing energy demands. We hope you will join us on our journey.

Yours sincerely,

Stuard Detmer

Chief Executive

Financial Review

Financing and future operations

During the year, Aminex raised \$42.2 million (net of expenses) through an institutional placing and an oversubscribed Open Offer to existing shareholders, completed in March 2011, and a dis-application placing to Asian investors in December 2011. In February 2011, Aminex entered into a farm-in agreement with Key Petroleum Ltd, and following the drilling of the Nyuni-2 well, increased its interest in the Nyuni PSA to 65%, including the Kiliwani North gas field. Subsequently, under the terms of an asset swap agreement with Key Petroleum, Aminex relinquished its interest in the West Songo-Songo PSA in order to increase its interest in the new Nyuni Area PSA to 70%. On the Ruvuma PSA, Aminex also entered into a farm-in agreement with Tullow Oil in September 2011, increasing the Group's interest to 56.25%. Since the year-end, Tullow Oil has decided not to participate further in Ruvuma operations and has withdrawn from the PSA. enabling Aminex to increase its interest further to 75%. Although the Group has increased its share of its principal Tanzanian assets, the relinquishment of the interest in West Songo-Songo and the delays experienced with the tie-in of the Kiliwani North-1 well and US drilling activity have ensured that the Group has adequate cash reserves to meet planned expenditure over the next twelve months.

2011 financial results

Total production in the US increased by 62% from 80,500 BOE to 130,250 BOE following the successful re-completion of the Sunny Ernst-2 well in the 'S' Sands and a full year's production from wells drilled at Shoats Creek in 2010. Oil production increased year-on-year by 14% because of the re-completion at Alta Loma but partially offset by declining production at Somerset. Field-by-field, the percentage of oil production was: Alta Loma 38%, Somerset 34%,





◆ Taking cutting samples at Ntorya-1

Shoats Creek 27% and South Weslaco and other legacy interests 1%. Gas production increased by 107% through a combination of increased production at Alta Loma, Shoats Creek and South Weslaco. Field-by-field, the percentage of gas production was: Alta Loma 78%, South Weslaco 17%, Shoats Creek and other legacy interests 5%. The average oil price achieved on US operations was \$93.84 per barrel, up 23% from \$76.46 per barrel in 2010. The average gas price achieved fell marginally from \$4.74 per MCF in 2010 to \$4.54 per MCF in 2011. Historically, Aminex's average oil price has been depressed by the discount applied to the production from the Somerset field, categorised as South Texas Sour. Aminex obtains premiums on gas production at Alta Loma and on both oil and gas production at Shoats Creek (with reference to West Texas Intermediate and Henry Hub pricing).

The increases in production and oil prices led to an overall increase of 32% in Group revenues. Revenues from oil and gas operations increased by 46%. Revenues arising from equipment sales by the AMOSSCO division and other services provided by the Group to third parties and to the Group's joint operations increased by 7%.

Cost of sales increased to \$5.6 million, up \$0.4 million on the previous year. This reflects the benefit of increased gas production from Alta Loma following the re-completion of the Sunny Ernst-2 in the 'S' Sands. The depletion and decommissioning charge has risen by 56% to \$1.87 million as a result of increased production. No impairment

provision has been made in the year under review: a provision of \$0.55 million was made in 2010 against the carrying value of the South Weslaco field in the US.

As a result, the Group's gross profit has improved from \$0.16 million in 2010 to \$1.87 million in 2011.

Group administrative expenses fell by 23% from \$4.65 million to \$3.59 million. The decrease of \$1.06 million arose mainly as a result of a reduction in the share-based payment charge of \$0.75 million, the 2010 charge being higher because of a grant of options in January 2010 and December 2010. Underlying administrative charges remain in line with the previous year although sterling-based costs were greater due to a higher average US Dollar exchange rate for the year. The effect was offset by an increase in the Group's charges to joint operations for technical and management services, including the Ruvuma joint operation where it assumed operatorship in October 2011 prior to drilling Ntorya-1. Including depreciation charges against other fixed assets and a gain of \$0.68 million on the disposal of the Somerset field in the US, the loss from operating activities for the year was \$1.08 million compared to \$4.57 million in 2010.

After net finance income of \$0.19 million (2010: \$0.07 million), the resulting loss before tax for the year ended 31 December 2011 was \$0.9 million (2010: loss \$4.49 million), with basic and diluted loss per share of 0.12 US cents (2010: 1.06 US cents).

Financial Review continued

Balance sheet

The Group's total non-current assets increased by \$23.8 million from \$58.0 million to \$81.8 million. The movement represents a net increase in exploration and evaluation assets of \$12.1 million, a net increase in property, plant and equipment of \$11.8 million and a reduction in other investments of \$0.03 million, following the disposal of an unlisted investment.

The increase in exploration and evaluation assets is net of the carrying cost of \$11.1 million for the Kiliwani North Development Licence which was re-classified to property plant and equipment in April 2011. The gross additions in the year therefore amounted to \$23.2 million. Expenditure on the Nyuni licence amounted to \$20.6 million, including the Group's share of drilling the Nyuni-2 well and side-track, the re-entry of the Nyuni-1A well and subsequent plugging and general licence costs. A further \$2.6 million was expended on the Ruvuma PSA for general licence costs and the preliminary costs of the Ntorya-1 well spudded on 22 December.

The net increase of \$11.8 million in property, plant and equipment includes the re-classification of the carrying cost of \$11.1 million in the Kiliwani North field to producing and development assets following the grant of the Development Licence by the Tanzanian authorities in April 2011. A further \$1.3 million was spent on the licence following

re-classification from exploration and evaluation assets, relating to longlead items and the continuing costs associated with connecting to the Songas gas plant. In the US, additions amounted to \$1.55 million, which mainly comprises the cost of the drilling and completion for Olympia Minerals-1 and Olympia Minerals 10-1 and related production facilities at the Shoats Creek field. The disposal of the Somerset field released a net amount of \$0.75 million from the carrying value of the production assets, while an increase in the decommissioning provision on the remaining US assets increased the cost base by \$0.48 million. The deduction of depletion charges of \$1.87 million and depreciation of \$0.04 million resulted in the carrying value of property, plant and equipment, including development assets, amounting to \$29.8 million at the end of the year.

As with each reporting period, the Directors have performed an extensive review of the Group's portfolio of assets to determine whether any of the assets have been impaired. The Directors consider the carrying value of each production sharing agreement separately. Since publication of the 2010 Annual Report, the Group has successfully negotiated a replacement Nyuni Area PSA to replace the Nyuni/ East Songo-Songo PSA and is committed to further exploration on the licence. Because the result of the Nyuni-2 well was inconclusive and



drilling was suspended due to wellbore conditions, the Nyuni Prospect has been neither proved nor disproved. The Directors have decided to acquire further seismic over the island as part of planned transition zone seismic and have concluded that there are no indicators of impairment. On the Ruvuma PSA, the Directors consider that the gas discovery at Ntorya-1 indicates that no impairment provision is required. For the Group's producing assets, the Directors have compared the carrying value of each cashgenerating field in the US, with updated independent reserves reports prepared as at 1 January 2012. No impairment provision has been considered necessary. For the Group's Tanzanian producing assets, management has compared the carrying value with the estimated net recoverable value. Based on the results of this assessment, the Directors are satisfied that there is no evidence of impairment.

The Group's current assets at 31 December 2011 amounted to \$25.2 million (2010: \$5.0 million), comprising cash balances of \$21.1 million (2010: \$2.9 million) and trade and other receivables of \$4.1 million (2010: \$1.7 million). Assets available for sale of \$0.4 million held at 31 December 2010 were sold during the year. Current liabilities increased to \$7.4 million compared to \$4.4 million in the prior year. Trade and other payables included amounts due to suppliers for Nyuni drilling operations and early Ntorya-1 drilling costs which have been settled since the year-end. Non-current liabilities have decreased by \$0.3 million due mainly to the reduction in the decommissioning provision following the disposal of the Somerset field.



Ntorya-1 casing racks

Financial Review continued



Mud tanks at Ntorya-1

Cash movements

The Company raised \$42.2 million (net of expenses) during the year, of which \$39.2 million was from the institutional placing and Open Offer to existing shareholders in the first quarter of the year and a further \$3.0 million was from Asian investors under a dis-application placing in December. Net cash used in operating activities was \$0.4 million (2010: \$0.4 million). The Group invested \$4.7 million in property, plant and equipment during the year, comprising \$3.6 million on US operations and \$1.1 million on Kiliwani North which is now classified as a development asset. The Group invested \$19.8 million on exploration and evaluation assets during the year, mainly on the drilling of the Nyuni-2 well and the side-track and the re-entry of Nyuni-1 and subsequent plugging operation. Also included are the general licence costs for Nyuni and Ruvuma. The Group received \$0.4 million on the disposal of the Somerset field and related assets (with the balance of the sales proceeds received in 2012), and \$0.4 million on the disposal of shares in listed and unlisted investments. Interest received amounted to \$0.1 million and debt finance decreased by a net amount of \$0.02 million. As a result of operations, financing and investing activity, cash and cash equivalents increased by \$18.2 million to \$21.1 million at the year-end.

Going concern

The Directors have given careful consideration to the Group's ability to continue as a going concern. The Directors have concluded that following the placings and open offer in 2011 which raised approx \$42 million net of transaction costs, the Group has sufficient ongoing operating cash flows to continue as a going concern. The Group's ability to continue to make planned capital expenditure, in particular in its areas of interest in Africa and the

USA, can be assisted if necessary by the successful sale of assets, deferral of planned expenditure or an alternative method of raising capital. The Directors have a reasonable expectation that the Group will be able to implement this strategy.

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, North Africa, North Korea and the USA. We carry out periodic reviews to identify risk factors which might affect our 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 our business, we consider the following to be the principal risks and uncertainties:

Exploration risk - our exploration and development activities may be delayed or adversely affected by factors outside our 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 renewal of any required authorisations, environmental regulations - in particular in relation to plugging and abandonment of wells, or changes in law).

Production risks – our operational activities may be delayed or adversely affected by factors outside our control,

in particular: blowouts; unusual or unexpected geological conditions: performance of joint venture partners 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; and actions of host governments or other regulatory authorities.

Commodity prices – the demand for, and price of, oil and gas is dependant 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 our 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 our equity funding), thus creating currency exposure.

Political risks—as a consequence of our 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, exposure to less developed legal systems.

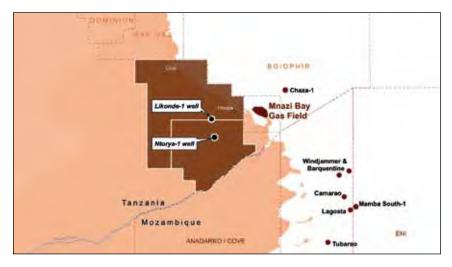
Financial risk management policies and objectives are set out in Note 20 to these financial statements.

Max Williams

Chief Financial Officer



Operations and Business Review



ΤΔΝΖΔΝΙΔ

Ruvuma PSA

Aminex	75% (operator)
Solo Oil Plc	25%

Following the drilling of the Likonde-1 well in 2010 in which over 800 feet of reservoir quality sands with gas and oil shows were encountered, a programme of seismic reprocessing and remapping was carried out resulting in the identification of several up dip pinch-out plays at the level of the Basal Tertiary and Upper Cretaceous sands seen in the Likonde-1 well. One of the pinch-out plays mapped by Aminex was selected for drilling as the Ntorya-1 well.

The Ntorya-1 well was spudded on 22 December 2011 with a planned total depth of 2,026 metres. The target reservoir sands expected at 1,800 to 1,900 metres were not encountered and drilling was continued to 2,500 metres before electric logs and a check shot survey were run to establish a tie to the seismic. On the basis of the logging data, Aminex proposed to deepen the well by a further 250 metres to a deeper horizon seen on the seismic. Tullow elected not to participate in the deepening of the well. A 25 metre gross sand interval with strong gas shows was subsequently drilled from 2,660 to 2.685 metres and an electric logging programme carried out at 2,750 metres. The logs showed an upper sand with 3 metres of net gas pay and a 16.5 metre lower sand with possible gas pay. A 7 inch liner was set at 2,750 metres to case off the pay zone before drilling a further 400 metres to evaluate a deeper seismic event. The well reached a final total depth of 3,150 metres, but no further reservoir quality rocks were penetrated over this interval. This was confirmed by wireline logs. At the time of writing, preparations were underway to run a completion prior to suspending the well for testing after the rig has been moved off location.

With the encouragement from the Ntorya-1 gas discovery, a programme of seismic acquisition is planned in 2012 to delineate the Ntorya find as well as infill seismic across previously defined leads.

In October 2011, operatorship of the Ruvuma PSA was transferred from Tullow to Aminex which also involved a pro-rata transfer of equity from Tullow to both Aminex and Solo. resulting in Aminex having 56.25% as operator. This left Tullow with 25% and increased Solo's interest to 18.75%. After participating in the Ntorya-1 well to a depth of 2,500 metres, Tullow withdrew from the Ruvuma PSA and Aminex and Solo have committed to the first extension period of the PSA with interests of 75% and 25% respectively. In accordance with the requirements of the Ruyuma PSA, 50% of the PSA area was relinquished at the end of the first exploration period. The relinquished area covers shallow basement in the western half of the PSA.

Nyuni Area PSA

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

During 2011 the Tanzanian Government approved an application by Aminex's subsidiary Ndovu Resources Limited for a new PSA covering the same area plus four graticular blocks to the north. This new PSA replaced the Nyuni/East

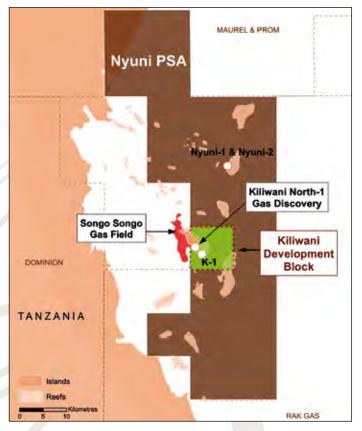
Songo Songo PSA (reported separately below) which completed its full 11-year term, having satisfied all commitments under the licence.

The Nyuni Area PSA was signed with the Ministry of Energy & Minerals in Dar es Salaam on 27 October 2011, for an 11year term, expiring in 2022. The licence area now extends from the coastline near the Rufiji Delta, across the shallow water reef platform into the deep water on the east side of the licence. An extensive seismic programme is planned in the first year of the licence, with 335 kilometres of transition zone seismic profiles to be acquired using ocean bottom cable in the shallow water platform area and a 2D marine seismic programme in the deepwater area to the east. This is the first time that the deepwater portion of the Nyuni Licence will have been evaluated with seismic.

In September 2011, Aminex announced that it had reached an agreement with Key Petroleum Ltd. ('Key') whereby Key relinquished its 5% interest in the Nyuni Area PSA and Aminex withdrew from the West Songo-Songo PSA. Aminex therefore has a 70% interest in the new PSA.

The Nyuni-2 exploration well was spudded in mid-June 2011 on the Nyuni Prospect, a large seismically-defined fault closure with a Lower Cretaceous (Neocomian) primary reservoir target. Nyuni-2 was drilled as a directional well from Nyuni Island to a bottom-hole target 1,200 metres to the southeast of the island. The well reached a final total measured depth of 3,450 metres (true vertical depth of 3,112 metres). Thin sands of Neocomian age and younger Cretaceous age were intersected, with some minor indications of gas, but the main Neocomian sands were not reached. Efforts to obtain a full suite of electric logs to target depth were hampered by obstructions in the wellbore and a decision was made to sidetrack the hole around the obstructions. Further difficulties with obstructions in the sidetrack hole resulted in the loss of the bit and mud motor and the decision was taken to suspend the well for possible future re-entry. The structural high at Nyuni remains a prime exploration target, but improvements in seismic data quality are required before any further drilling can be considered.

Operations and Business Review continued



Following the suspension of the Nyuni-2 well, the Caroil-6 rig was skidded across to Nyuni-1A and the well was reentered. After drilling out cement plugs, wireline logs and pressure tests were recorded across the Lower Cretaceous Albian/Aptian sands. At the time of drilling Nyuni-1A in 2004, gas shows were recorded across this interval and subsequent electric logging indicated a gas reservoir. An independent evaluation of the results of the re-entry programme was being carried out at the time of report preparation and the results will be reported once they are available.

At the conclusion of the drilling operations on Nyuni, the rig was demobilised and the Nyuni/East Songo Songo PSA reached the end of its term.

Kiliwani North Development Licence

Aminex	65%
RAK Gas commission	25%
Key Petroleum	5%
Bounty Oil	5%

The Development Licence for Kiliwani North Field was signed by the Minister for Energy & Minerals with an effective date of 1 April 2011, for a 25 year term. The licence covers one block comprising

an area of 81 km². Since the award of the licence, Aminex has completed the engineering design of the Kiliwani North-1 (KN-1) tie-in to the Songas Processing Plant and the order for the 6" line pipe to connect KN-1 to the processing plant is being completed at a mill in China. The tie-in is designed for a daily throughput of up to 20 MMcfd. Subject to finalising commercial terms for a Gas Sales Agreement and a Tie-In Agreement, tenders are ready to be issued for the construction of the pipeline connection, hook-up and commissioning.

Capacity restrictions on the existing processing and pipeline infrastructure have hampered efforts to secure access for Kiliwani North gas, so until one of two possible schemes proposed for expanding the processing and transportation capacity have been approved by the Government of Tanzania, Aminex is continuing to pursue an interim solution to obtain a short term tie-in to the existing facilities.

USA

Shoats Creek Field, Louisiana

The Shoats Creek leases cover approximately 2,100 acres in south-western Louisiana. Principal oil and gas bearing horizons are the Frio sands at

a depth of 5,000 to 6,000 feet, multiple zones in the Cockfield sands at 8.500 to 9,500 feet and the Upper and Lower Wilcox sands below 10,000 feet. Shoats Creek is a mature field, but found new life with the acquisition of 3D seismic which enabled the Wilcox sands to be explored. However, the OM10-1 well drilled in 2010 in the Upper Wilcox sands and the OM-1 well targeting the Cockfield sands have produced inconsistently. In 2011 permission was granted by the State of Louisiana to convert a depleted production well to water disposal and, when this project is on stream coupled with the intended perforation of the lowest two of the five zones originally tested, the production profile should improve. Two further Wilcox wells proposed by the operator, El Paso E&P, in the Wilcox Unit for 2011 have not yet been drilled and the timing of future drilling is still under evaluation. In the meantime, Aminex has also identified five further locations for development.

Alta Loma Field, Texas

Following the planned recompletion of the Sunny Ernst-2 ('SE-2') well, a new producing zone known as the 'S' sands was brought onstream in April 2011. This significantly increased production which had been declining from the Upper Andrau sands originally completed in 2008. The already depleted Sunny Ernst-1 ('SE-1') well is being evaluated for conversion to salt water disposal and this will boost production while reducing operating costs. Future development will be based on 3D seismic, which has identified possible new well locations. Sunny Ernst-3 has been proposed, but not yet drilled. El Paso, field operator, recently disposed of its 25% interest in Alta Loma, which has been acquired by a company within the Hunt Oil group. Aminex has a 37.5% working interest in Alta Loma and another partner, Activa Resources, has recently taken over operatorship from El Paso.

South Weslaco, Texas

South Weslaco is a mature gas field and, given the weak market for gas, Aminex does not plan to participate in any further drilling on the property, but will continue to receive its share of production from its existing wells. Aminex has a 25% interest in this property, which is operated by Kaler Energy.

Operations and Business Review continued



Somerset Field, Texas

In early 2012 the Company's US subsidiary, Aminex USA, Inc, completed agreements signed in late 2011 to sell leases and other assets comprising the Somerset Field for a total consideration of approximately \$700,000. Somerset contributed gross production, but high per barrel operating costs and the low sales price of Somerset oil made it only marginally profitable. The sale of the Somerset properties will relieve the Aminex Group of future abandonment costs without affecting the profitability of US operations. Reserves values will not be affected as recent independent reports attributed no reserves to the field.

EGYPT

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

Aminex Petroleum (Egypt) Ltd	80%
Karl Thomson Holdings	20%

WEEM-2 PSC

NW Tanan-1

Malak-1

South Malak-1

Luholl Field

Two further exploration wells are due to be drilled at WEEM-2 in 2012 prior to expiry of the second exploration period and Aminex has a 10% interest in the PSC with a free carry through to first production under any development lease awarded.

The block is located along the south-western onshore margins of the oil-prone Gulf of Suez Basin. Drilling under the current PSC has proven the presence of a working petroleum system but commercial flow rates have not been established. One well, South Malak-1, was abandoned after it tested limited volumes of oil from two reservoir horizons, but failed to find the main target.

WEEM-2 is close to major oil and gas producing fields and there is good local infrastructure, which would enable any discovery to be commercialised rapidly.

KOREAN PENINSULA

Through a 50% shareholding in Korex Ltd, Aminex participates in exploration of an offshore area of over 55,000 km² in the Korean East Sea of the Democratic People's Republic of Korea. Aminex believes that the large area covered by the Korex PSC is prospective in both deep and shallow water. Politics on the Korean peninsula are undergoing change and are difficult to predict. To date, Korex's work has been at the evaluation stage, but Korex is likely to commence seismic evaluations on site in the first half of 2012. Korex plans to create partnerships with larger, better-resourced oil and gas companies to provide financial resources and reduce risk.

OILFIELD SUPPLY & LOGISTICS

AMOSSCO (Aminex Oilfield Services & Supply Company, a wholly-owned subsidiary) provides specialised logistics services to the oil industry from a base in London and sources oilfield equipment and consumables to international oil companies. Typically AMOSSCO procures goods and materials on behalf of its customers from suppliers in many different countries and then consolidates them into packages to meet the needs and delivery times of the customer. During 2011, AMOSSCO provided considerable support to the Group's operations in Tanzania, in particular the sourcing of materials, equipment and services for the drilling of Nyuni-2 and Ntorya-1.



Corporate And Social Responsibility



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, exceed 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 practise, 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 workplace exposure to hazards
- understands and works to meet the expectations of the community and provides appropriate training to employees and contractors to ensure occupation, 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. Its relationship with employees, neighbours and the wider community is important to the long term success and sustainability of its operations.

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

- working closely with neighbours and co-owners of the land;
- supporting the 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, 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 our 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 our 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 major supporter of the WA Surgical Mission (www.asanterafiki.com) and the Australia Tanzania Young Ambassadors (www.youngambassadors.com.au). In Tanzania Aminex directly contributes to the local community by supporting the drilling of water wells and helping to maintain and improve schools and hospitals. In the UK, Aminex is a corporate sponsor of the London Children's Safety Education Foundation (www.csef.net) and of U can do IT, an information technology charity for disabled people.

Aminex is a corporate sponsor of Asia House, which promotes business and cultural links with Asian countries.

Board of Directors



Brian Hall, (66) (UK)
Non Executive Chairman *#

Brian Hall has managed the Company since 1991, leading it into Russia in 1994 and successfully exiting its main Russian project

on a profitable basis 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 has served on the boards of four publicly-traded oil companies and has held executive roles in several others. He is a Chartered Accountant and was a co-founder of Halyard Offshore, an offshore industry consulting company. In December 2011 Mr Hall stepped down from an executive role in the Company and in February 2012 was co-opted on to the Audit and Remuneration committees.



Stuard Detmer, (48) (USA)Executive Director,
Chief Executive Officer

Prior to joining Aminex, Stuard Detmer was CEO of Sibir Energy plc, where he led the

company out of crisis and concluded its successful sale to Gazprom. He started his oil industry career with Mobil Oil Corporation in various positions in Russia, Latin America and the United States. He holds an MBA from the Darden School of Business Administration at the University of Virginia, a BA from Vanderbilt University and attended Leningrad State University. Mr. Detmer is Senior Independent Director of Exillon Energy plc, a London-listed oil company with interests in the Russian Federation. He was appointed to the Aminex Board and became CEO in September 2011.



Antonio Prado, (66) (USA) Executive Director, President, Aminex USA, Inc.

Tony Prado has been associated with companies which are now within the

Aminex group since 1984 and joined Aminex full-time in 1994 as president of the group's US subsidiaries. He has full responsibility for the Group's operations in the USA and is also involved in the Group's international operations. He was formerly vice-president finance at City Exploration Company of Houston, Texas and for nine years managed its Latin American operations, including oil production in the Republic of Ecuador. He has held a number of management roles in other US oil and gas companies. Tony Prado holds an MBA from the University of Arizona and became a Director of Aminex in 1996.



Michael Rego, (51) (UK)
Group Exploration Director
Mike Rego is a Petroleum Geologist. He

Mike Rego is a Petroleum Geologist. He joined Aminex in 1998 as Resident Manager in Tatarstan (Russia), becoming Group

Exploration Manager in 2001 and Group Exploration Director in 2006. He has previously worked for BP, LASMO and other oil companies and has lived and worked in Russia, Libya, Egypt and USA as well as in the United Kingdom. He leads the Company's exploration effort in East Africa. Mike Rego is well known in the oil industry for his work on the East African Margin. He is a geology graduate from the University of Swansea, UK.



David Hooker, (69) (UK)
Senior Non-Executive Director *#

David Hooker has managed several oil and gas exploration and production companies, including Candecca Resources Ltd, Plascom

Ltd. (a subsidiary of Tarmac plc) and Aberdeen Petroleum plc. From 1993 to 1995 he was Chairman of Bakyrchic Gold plc. He is a non-executive director of Oceaneering International Inc, a US corporation, and various other companies. David Hooker was appointed a Director of Aminex in June 2001. He is a graduate of Cambridge University and holds degrees in law and geology.



Derek Tughan, (70) (UK)

Non-Executive Director *#

Derek Tughan is a solicitor and an independent businessman who was formerly a partner in Tughan & Co., a leading firm of solicitors in

Northern Ireland. He is currently chairman of Hardcastle Homes plc's group of BES companies as well as Chairman of two long established charitable housing associations in Northern Ireland. He joined the Board of Aminex in March 1991 and served as Chairman from June 2006 until June 2007.



Andrew Hay, (60) (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

LCF Edmond de Rothschild Securities Ltd., the London arm of the LCF 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, (57) (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 a 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.

Member of Remuneration Committee

^{*} Member of Audit 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 2011.

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 the United States of America, East Africa, North Africa and North Korea.

As set out in the Group Income Statement on page 25, the Group loss after tax amounted to US\$895,000 which compares with a loss after tax of US\$4,495,000 for 2010. No dividends were paid during the year.

The Company has a single class of shares which is divided into Ordinary Shares of €0.06 each. The Ordinary Shares are in registered form. At 31 December 2011 the Company's authorised share capital was €54,000,000 comprising 900,000,000 Ordinary Shares of €0.06 each. At 31 December 2011, the number of shares in issue was 818,658,421 (2010: 454,006,961). Details of increases in issued share capital during the year, amounting to 364,651,460 Ordinary Shares, are set out in Note 21 to the financial statements.

Resolutions have been proposed to renew the Directors' authority to allot share capital and to increase the authorised share capital of the Company and 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 15 to 16.

Directors and their interests

Biographies of all Directors are set out on page 12. In accordance with the Articles of Association, Mr. A.G. Prado and Mr. K.J. Phair retire from the Board and being eligible offer themselves for re-election. Mr. Detmer was appointed an Executive Director and the Chief Executive Officer on 20 September 2011 and offers himself for election at the Annual General Meeting. Mr Detmer has a service contract with an unexpired term of less than one year. Mr. Murcia retired as an Executive Director on 31 December 2011.

With the exception of the transactions stated in Note 26 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 31 December 2011 had no beneficial interests in any of the shares of the Company and Group companies other than as follows:

Director	Number of Ordinary Shares				
	11 April 2012	31 December 2011	31 December 2010		
L.S. Detmer	-	-	-		
B.A. Hall	5,000,000	5,000,000	4,000,000		
A.N.J. Hay	200,000	200,000	-		
D.S. Hooker	869,215	869,215	453,375		
K.J. Phair	2,564,422	2,564,422	1,200,000		
A.G. Prado	220,498	220,498	160,498		
M.C.P. Rego	128,471	128,471	101,277		
F.D. Tughan	5,192,698	5,192,698	3,280,203		

At 11 April 2012 Mr. M.V. Williams, the Company Secretary, has an interest in 423,973 Ordinary Shares of the Company. At 31 December 2011 Mr Williams had an interest in 423,973 Ordinary Shares of the Company (2010: 200,000). At 31 December 2011 he held 1,900,000 options over the Ordinary Share capital of the Company (2010: 1,900,000).

Details of the Directors' share options are set out in the Remuneration Report on pages 20 to 21.

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 24,807,908 3.03

EIM Nominees Limited (formerly Rickerbys Nominees Limited)

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

Directors' Report continued

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 5 to 7. Key performance indicators principally relate to production, net oil and gas reserves and the Group's exploration licences, as detailed within the Chief Executive's Statement, the Financial Review and the Operations and Business Review.

Operations and Business Review

A review of exploration and production activities and outlook for 2012 are set out in the Chief Executive's Report on pages 3 to 4 and in the Operations and Business Review on pages 8 to 10.

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 the principles of the 2010 UK Corporate Governance Code 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 17 to 19. The report on Directors' remuneration is set out on pages 20 to 21.

Post-Balance sheet events

In February 2012, Aminex announced a gas discovery at the Ntorya-1 Well in the Ruvuma PSA.

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

B.A. Hall

Director

L.S. Detmer

Director 11 April 2012

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 Shares are defined in the Company's Articles. 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 at a general meeting 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.

Additional Information for Shareholders continued

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

Variation of rights

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

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

Appointment and replacement of Directors

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

The Company may, by ordinary resolution of which extended notice has been given in accordance with the Companies 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 2010 UK Corporate Governance Code (the "Code") published in June 2010 as adopted by the Irish Stock Exchange ("ISE") and London Stock Exchange ("LSE") throughout the financial year ended 31 December 2011. 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 compiled 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 Board 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 eight members and comprises a Non-Executive Chairman, three Executive Directors and four Non-Executive Directors. The Non-Executive Directors 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 judgement. The Board recognises that Mr. F.D. Tughan and Mr. D.S. Hooker do not meet the independence criteria of the Corporate Governance Code as they have served on the Board for more than nine years. Nevertheless, the Board considers that Mr. Tughan's and Mr. Hooker's independence is not prejudiced or compromised by their length of service when taken with their experience and knowledge of the Group's business. They remain independent, challenging and valuable contributors to the Board. Brief biographies of the Directors are set out on page 12.

There is a clear division of responsibilities between the Non-Executive Chairman, Mr. B.A. Hall, and the Chief Executive Officer, Mr. L.S. Detmer. The Senior Independent Director is Mr. D.S. Hooker.

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. Mr. Prado is not expected to attend all meetings in person because of distance. 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 next Annual General Meeting are Mr. Prado and Mr Phair. Mr. Detmer 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

During the year, the Audit Committee comprised Mr. F.D. Tughan, Mr. D.S. Hooker, Mr. A.N.J. Hay and Mr. K.J. Phair. Mr B.A. Hall was co-opted on to the Committee in February 2012. All members of the Committee are deemed to be financially competent and suitably qualified. 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 including tax advice. The Audit Committee has primary responsibility for recommending the reappointment and removal of the external auditor.

The Audit Committee monitors the level of audit and non-audit services provided by the Group's external auditor. 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

Corporate Governance continued

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 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. 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.

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, Mr. D.S. Hooker, Mr. A.N.J. Hay and Mr. K.J. Phair. Mr B.A. Hall was co-opted on to the Committee in February 2012. The Remuneration Committee met once during the year to consider the remuneration of the Group's Executive Directors and the granting of options under the Aminex PLC Executive Share Option Scheme.

Nominations Committee

During the year the Nominations Committee comprised of all the Directors.

Directors' attendance at Board and Committee Meetings

The table below sets out the attendance record of each Director at scheduled Board and Committee meetings during 2011.

	Board (Main)	Audit Committee	Remuneration Committee
Number of meetings	6	2	1
	Meetings attended	Meetings attended	Meetings attended
L.S. Detmer (appointed 20 September 2011)	2	n/a	n/a
B.A. Hall	6	n/a	n/a
A.N.J. Hay	6	2	1
D.S. Hooker	5	2	1
D.M. Murcia	6	n/a	n/a
K.J. Phair	5	2	1
A.G. Prado	6	n/a	n/a
M.C.P. Rego	6	n/a	n/a
F.D. Tughan	6	2	1

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

Mr L.S. Detmer was appointed to the Board on 20 September 2011 and attended all Board meetings held since that date.

During 2011, 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 after 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, an Executive Director, Mr. A.G. Prado, and one senior member of the management team, Mr. M.V. Williams, is charged with the review of the key risks inherent in the business and the system

Corporate Governance continued

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 Company 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 and a network of finance managers 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 senior management. 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 Directors have given careful consideration to the Group's ability to continue as a going concern. The Directors have concluded that the Group has sufficient ongoing operating cash flows to continue as a going concern. The Group's ability to continue to make planned capital expenditure, in particular in its areas of interest in Africa and the USA, can be assisted if necessary by the successful sale of assets, deferral of planned expenditure or an alternative method of raising capital. The Directors have a reasonable expectation that the Group will be able to implement this strategy.

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 details of Executive Directors' contracts are stated on page 20 and are in excess of one year.

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.

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 five Non-Executive Directors, the Board views these Non-Executive Directors as sufficiently independent of management and as being capable of exercising independent judgement.

The Group has not yet instigated any formal whistle blowing procedures. The Board believes the problem is overcome by the fact that the small number of staff is well known by the Directors.

As stated in the Directors' Remuneration Report, 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

B.A. Hall Director

L.S. Detmer

Director 11 April 2012

Directors' Remuneration Report

In preparing this Report, the Remuneration Committee ("the Committee") has followed the provisions of the UK Corporate Governance Code, 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 Non-Executive 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:

	2011 US\$'000	2010 US\$'000
F.D. Tughan	32	31
A.N.J. Hay	32	31
D.S. Hooker	32	31
K.J. Phair	32	31
Total	128	124

The remuneration of the Executive Directors was as follows:

	Bas	Basic Salary		Basic Salary Benefits in kind		fits in kind	Sub total		Pension		Total	
	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 JS\$'000		
L.S. Detmer	97	-	-	-	97	-	-	-	97	-		
B.A. Hall	256	247	12	10	268	257	77	83	345	340		
A.G. Prado	213	213	26	14	239	227	27	27	266	254		
D.M. Murcia	353	257	10	5	363	262	32	27	395	289		
M.C.P. Rego	204	196	6	3	210	199	19	20	229	219		
Total	1,123	913	54	32	1,177	945	155	157	1,332	1,102		

Salaries are reviewed annually with effect from 1 January. Benefits in kind comprise life insurance, health insurance and company car. Contributions are made to the private pension plans of certain Executive Directors. As at 31 December 2011, there were three Executive Directors (2010: four) and five Non-Executive Directors (2010: four). There was an average number of four Executive Directors and four Non-Executive Directors holding office during the year.

During the year a further expense of US\$3,000 (2010: US\$593,000) has been charged to the income statement in respect of share options granted to Directors.

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 and 2009.

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.

Directors' Remuneration Report continued

The Directors who held office at 31 December 2011 had the following beneficial interests in options over the Company's Ordinary Shares:

Name	Options held at 1 January 2011 Number	Options granted/ (lapsed) during the year Number	Options held at 31 December 2011 Number	Exercise price Sterling	Per of exe From	
L.S. Detmer	-	22,500,000	22,500,000	Stg5.07p	Vesting	Dec-21
B.A. Hall	250,000	-	250,000	Stg17.5p	Jul-02	Jul-12
	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
D 0 11 1	200,000	-	200,000	Stg8.5p	Jan-10	Jan-20
D.S. Hooker	100,000	-	100,000	Stg17.5p	Jul-02	Jul-12
	50,000	-	50,000	Stg12.5p	Jul-04	Jul-14
	50,000	-	50,000	Stg29.75p	Jan-06	Jan-16
	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
A.G. Prado	175,000	-	175,000	Stg17.5p	Jul-02	Jul-12
	400,000	-	400,000	Stg12.5p	Jul-04	Jul-14
	300,000	-	300,000	Stg29.75p	Jan-06	Jan-16
	1,000,000	-	1,000,000	Stg21p	Jul-07	Jul-17
	200,000	-	200,000	Stg22p	May-08	May-18
	1,750,000	-	1,750,000	Stg8.5p	Jan-10	Jan-20
M.C.P. Rego	150,000	-	150,000	Stg12.5p	Feb-06	Jul-14
	300,000	-	300,000	Stg29.75p	Jan-06	Jan-16
	1,000,000	-	1,000,000	Stg21p	Jul-07	Jul-17
	200,000	_	200,000	Stg22p	May-08	May-18
	1,750,000	_	1,750,000	Stg8.5p	Jan-10	Jan-20
F.D. Tughan	100,000	-	100,000	Stg17.5p	Jul-02	Jul-12
-	50,000	_	50,000	Stg12.5p	Jul-04	Jul-14
	50,000	<u>_</u>	50,000	Stg29.75p	Jan-06	Jan-16
	200,000	_	200,000	Stg21p	Jul-07	Jul-17
	100,000	<u>√</u>	100,000	Stg22p	May-08	May-18
	200,000	<u>-</u>	200,000	Stg8.5p	Jan-10	Jan-20

14,775,000 22,500,000 37,275,000

No options were exercised and no options lapsed during the year. No options were granted during the year at below market value. No options have been granted to Directors since the year end and none has lapsed.

The market price of the shares during the year ranged between Stg2.61p/€0.033 and Stg9.768p/€0.125 and at 31 December 2011 was Stg4.025p/€0.045.

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 two 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 for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU and have elected to prepare the parent Company financial statements in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Acts, 1963 to 2009.

The Group and Company financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Group and the Company. The Companies Acts, 1963 to 2009 provide in relation to such financial statements that references in the relevant part of those Acts to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the EU as applied in accordance with the Companies Acts, 1963 to 2009; 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.

Under applicable law and the requirements of the Listing Rules issued by the Irish Stock Exchange, the Directors are also responsible for preparing the Directors' Report and reports relating to directors' remuneration and corporate governance that comply with that law and those Rules. In particular, in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 ("the Transparency Regulations"), the Directors are required to include in their report a fair review of the business and a description of the principal risks and uncertainties facing the Group and the Company and a responsibility statement relating to these and other matters, included below.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that its financial statements comply with the Companies Acts, 1963 to 2009 and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement in accordance with the Transparency Regulations

Each of the Directors, whose names and functions are listed on page 12, confirms that, to the best of each person's knowledge and belief:

- the Group financial statements, prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities and financial position of the Group at 31 December 2011 and its loss for the year then ended;
- the Company financial statements, prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the Companies Acts, 1963 to 2009, give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2011; and
- 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 the Company, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board

B.A. HallDirector

L.S. Detmer
Director

Independent Auditor's Report to the Members of Aminex PLC

We have audited the Group and Company financial statements (the "financial statements") of Aminex PLC for the year ended 31 December 2011 which comprise the Group Income Statement, the Group Statement of Other Comprehensive Income, the Group and Company Balance Sheets, the Group and Company Statements of Cashflows, the Group and Company Statement of Changes in Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This 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.

Respective responsibilities of Directors and auditor

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 22.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with IFRSs as adopted by the EU and have been properly prepared in accordance with the Companies Acts, 1963 to 2009, and in the case of the Group financial statements, Article 4 of the IAS Regulation. We also report to you in our opinion whether proper books of account have been kept by the Company; whether at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Company balance sheet is in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law or the Listing Rules of the Irish Stock Exchange regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We are required by law to report to you as to whether the description of the main features of the internal control and risk management systems in relation to the process for preparing the consolidated Group financial statements, set out in the annual Corporate Governance statement, is consistent with the consolidated financial statements. In addition, we review whether the Corporate Governance Statement reflects the Company's compliance with the nine provisions of the UK Corporate Governance Code and two provisions of the Irish Corporate Governance Annex specified for our review by the Listing Rules of the Irish Stock Exchange, and we report if it does not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report, the Chairman's Statement, Chief Executive's Report, the Financial Review, the Operations and Business Review, the Corporate Governance Statement and the Directors' Remuneration Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Independent Auditor's Report to the Members of Aminex PLC

continued

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

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 2011 and of its loss for the year then ended;
- the Company financial statements give 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 2009, of the state of the Company's affairs as at 31 December 2011:
- the Group financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009 and Article 4 of the IAS Regulation; and
- the Company financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in the Basis of Preparation paragraph in the Statement of Accounting Policies concerning the Group's ability to continue as a going concern. In view of this, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Other matters

We have obtained all the information and explanations which we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Company. The Company balance sheet is in agreement with the books of account.

In our opinion, the information given in the Directors' Report and the description in the annual Corporate Governance statement of the main features of the internal control and risk management systems in relation to the process for preparing the consolidated Group financial statements is consistent with the financial statements.

The net assets of the Company, as stated in the Company balance sheet on page 26 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 2011 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.

Patricia Carroll

for and on behalf of

Hotera Caxell

KPMG

Chartered Accountants, Statutory Audit Firm

11 April 2012 Dublin, Ireland

Group Income Statement

for the year ended 31 December 2011

Revenue Cost of sales	Notes 2	2011 US\$'000 (5,592)	2011 US\$'000 9,329	2010 US\$'000 (5,174)	2010 US\$'000 7,081
Depletion, depreciation and decommissioning of oil and gas interests Impairment provision against producing assets	12 12	(1,866) -		(1,194) (550)	
Total cost of sales			(7,458)		(6,918)
Gross profit Administrative expenses Depreciation of other assets	12	(3,593) (38)	1,871	(4,652) (79)	163
			(3,631)		(4,731)
Loss from operating activities before other items Gain on disposal of property, plant and equipment	6		(1,760) 677		(4,568)
Loss from operating activities			(1,083)		(4,568)
Gain on disposal of exploration asset Finance income Finance costs	6 7 8		- 431 (243)		238 3 (168)
Loss before tax Income tax expense	5 9		(895)		(4,495)
Loss for the financial year attributable to equity holders of the Company			(895)		(4,495)
Basic and diluted loss per Ordinary Share (in US cents)	10		(0.12)		(1.06)

Group Statement of Other Comprehensive Income

for the year ended 31 December 2011

	2011 US\$'000	2010 US\$'000
Loss for the financial year	(895)	(4,495)
Other comprehensive income:		
Currency translation differences	(155)	(40)
Net change in fair value of available for sale financial asset	49	(22)
Net change in fair value of available for sale		
financial asset reclassified to income statement	(27)	-
Total comprehensive income for the financial year		
attributable to the equity holders of the Company	(1,028)	(4,557)

On behalf of the Board

B.A. Hall L.S. Detmer

Director Director 11 April 2012

Group and Company Balance Sheets

at 31 December 2011

		Gro	up	Com	oany
	Notes	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000
ASSETS	Notes	υ σφ ουσ	00φ 000	034 000	ΟΟΦ 000
Exploration and evaluation assets	11	51,478	39,404	-	-
Property, plant and equipment	12	29,823	18,048	-	
Investments in subsidiary undertakings	13	_	-	6,971	6,976
Loans to subsidiary undertakings	14	-	-	67,628	40,858
Other investments	13	500	532	500	532
Total non-current assets		81,801	57,984	75,099 ———	48,366
Available for sale financial asset	13	-	356	- /	356
Trade and other receivables	15	4,112	1,715	110	21
Loans to subsidiary and joint venture undertakings	14	-	-	19,421	18,901
Cash and cash equivalents	16	21,106	2,905	14,630	1,073
Total current assets		25,218	4,976	34,161	20,351
Total assets		107,019	62,960	109,260	68,717
LIABILITIES					
Current liabilities					
Loans and borrowings	19	(17)	(53)	-	-
Trade and other payables	17	(7,232)	(4,128)	(193)	(167)
Decommissioning provision	18	(160)	(206)		-
Total current liabilities		(7,409)	(4,387)	(193)	(167)
Non-current liabilities					
Loans and borrowings	19	(58)	(44)	-	-
Decommissioning provision	18	(1,803)	(2,116)	-	-
Total non-current liabilities		(1,861)	(2,160)	-	-
Total liabilities		(9,270)	(6,547)	(193)	(167)
NET ASSETS		97,749	56,413	109,067	68,550
Equity					
Equity Issued capital	21	65,629	35,611	65,629	35,611
Share premium	21	79,431	67,228	79,431	67,228
Capital conversion reserve fund		234	234	234	234
Share option reserve		3,763	3,620	3,763	3,620
Fair value reserve		-	(22)	-	(22)
Foreign currency translation reserve		(814)	(659)	-	_
Retained earnings		(50,494)	(49,599)	(39,990)	(38,121)
TOTAL EQUITY		97,749	56,413	109,067	68,550

On behalf of the Board

B.A. Hall L.S. Detmer

Director Director 11 April 2012

Group Statement of Changes in Equity

for the year ended 31 December 2011

				3,763					
Loss for the financial year		_						(895)	(895)
Currency translation differen	ces -	-	-	-	-	-	(155)	-	(155)
available for sale financial as	set -	-	-	-	-	22	-	-	22
Net change in fair value of									
Comprehensive income:									
Share based payment charg	ge -	-	-	143	-	-	-	-	143
Shares issued	30,018	12,203	-	-	-	-	-	-	42,221
recognised directly in equity									
At 1 January 2011 Transactions with sharehold	35,611	67,228	234	3,620	-	(22)	(659)	(49,599)	56,413
	OF 611	67,000		2,600		(00)	(GEO)		
Loss for the financial year	-	_	-	_	-	_	-	(4,495)	(4,495)
Currency translation differen		_	_	_	_	()	(40)	_	(40)
available for sale financial as	set -	_	_	_	_	(22)	_	_	(22)
Net change in fair value of									
Comprehensive income:	=	5,005	-	-	(0,000)	-	-	-	-
Released on exercise/(lapsing of share warrants	y)	5,665			(5,665)				
Share based payment charge		-	=	891	=	-	-	-	891
Shares issued	3,212	1,100	-	-	-	-	-	-	4,312
recognised directly in equity									
Transactions with sharehold									
At 1 January 2010	32,399	60,463	234	2,729	5,665	-	(619)	(45, 104)	55,767
	capital US\$'000	premium US\$'000	fund US\$'000	reserve US\$'000	reserve US\$'000	reserve US\$'000	reserve US\$'000	earnings US\$'000	Total US\$'000
	Share	Share	reserve	option	warrant	value	currency translation	Retained	
			Capital conversion	Share	Share	Fair	Foreign		
for the year ended 31 Decemb	001 2011		Attrib	utable to equit	y shareholders	of the Compa	any		

Company Statement of Changes in Equity for the year ended 31 December 2011

for the year ended 31 December 2011	
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At 31 December 2011	65,629	79,431	234	3,763	-	-	(39,990)	109,067
Loss for the financial year							(1,869)	(1,869)
available for sale financial asset	-	-	-	-	-	22	-	22
Net change in fair value of								
Comprehensive income:								
Share based payment charge	-	-	-	143	-	-	-	143
recognised directly in equity Shares issued	30,018	12,203	-	-	-	-	-	42,221
Transactions with shareholder	S					. ,	, , ,	
At 1 January 2011	35,611	67,228	234	3,620		(22)	(38,121)	68,550
available for sale financial asset Loss for the financial year	<u>-</u>	<u>-</u>	- -	-	-	(22)	(2,834)	(22) (2,834)
Net change in fair value of								
Comprehensive income:					(-,,			
of share warrants	-	5,665	_	_	(5,665)	-	_	-
Released on exercise/(lapsing)	_	-	<u>-</u>	091	-	-	-	091
Share based payment charge	3,212	1,100	-	- 891	-	-	-	4,312 891
recognised directly in equity Shares issued	0.010	1 100						4.010
Transactions with shareholder	S							
At 1 January 2010	32,399	60,463	234	2,729	5,665	-	(35,287)	66,203
	Share capital US\$'000	Share premium US\$'000	conversion reserve fund US\$'000	Share option reserve US\$'000	Share warrant reserve US\$'000	Fair value reserve US\$'000	Retained earnings US\$'000	Total US\$'000
for the year ended 31 December	2011		Attributable Capital	e to equity shar	eholders of the (Company		

Group and Company Statements of Cashflows

for the year ended 31 December 2011

		Group		Company		
	Notes	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000	
Operating activities						
Loss for the financial year		(895)	(4,495)	(1,869)	(2,834)	
Depletion, depreciation and decommissioning		1,904	1,273	-	<u> </u>	
Impairment provision against producing assets		-	550	-	- -	
Foreign exchange gains		(155)	(41)	(4)	-	
Finance income		(113)	(3)	(113)	(3)	
Finance costs		212	168	-		
Gain on disposal of exploration and evaluation assets		-	(238)	-	(234)	
Loss on disposal of non quoted financial instrument		31	-	31	A Property and the second	
Net change in fair value of available for sale financial asset						
reclassified from equity		(27)	-	(27)	-	
Gain on disposal of property, plant and equipment		(677)	-	- //	-//	
Impairment provision against intercompany loans		-	-	1,012	2,489	
Equity-settled share-based payment charge		143	891	3	59	
Provision against doubtful debts		312	-			
(Increase)/decrease in trade and other receivables		(2,382)	913	(74)	16	
Increase in trade and other payables		1,648	721	30	65	
				-	//	
Net cash absorbed by operations		1	(261)	(1,011)	(442)	
Cost of decommissioning		(384)	(135)	-	· ,	
Interest paid		` (5)	(11)	_	-	
Net cash outflows from operating activities		(388)	(407)	(1,011)	(442)	
Investing activities						
Acquisition of property, plant and equipment		(4,657)	(5,789)	_	-	
Expenditure on exploration and evaluation assets		(19,833)	(6,955)	-	-	
Increase in intercompany loans		-	-	(28,162)	(11,733)	
Acquisition of non quoted financial instrument		(200)	-	(200)	-	
Proceeds from sale of available for sale financial asset		405	90	405	90	
Proceeds from sale of property, plant and equipment		371	<u> </u>	-	-	
Proceeds from sale of non quoted financial instrument		201	-	201	-	
Interest received		103	3	103	3	
Net cash outflows from investing activities		(23,610)	(12,651)	(27,653)	(11,640)	
Financing activities						
Proceeds from the issue of share capital		44,993	4,647	44,993	4,647	
Payment of transaction costs on issue of share capital		(2,772)	(335)	(2,772)	(335)	
Loans repaid		(2,112) (79)	(70)	(2,112)	(333)	
Loans received		(19) 57	32	-	-	
Loans received				_		
Net cash inflows from financing activities		42,199	4,274	42,221	4,312	
Net increase/(decrease) in cash and cash equivalents		18,201	(8,784)	13,557	(7,770)	
Cash and cash equivalents at 1 January		2,905	11,689	1,073	8,843	
Cash and cash equivalents at 31 December	15	21,106	2,905	14,630	1,073	

for the year ended 31 December 2011

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 2011 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) that are adopted by the European Union (EU).

The Directors have given careful consideration to the Company's and the Group's ability to continue as a going concern. The Directors have concluded that the Group has sufficient ongoing operating cash flows to continue as a going concern. The Group's ability to continue to make planned capital expenditure, in particular in its areas of interest in Africa and the USA, can be assisted if necessary by the successful sale of assets, deferral of planned expenditure or an alternative method of raising capital. The Directors have a reasonable expectation that the Group will be able to implement this strategy.

The Financial Statements are presented in US dollars, the functional currency of the Company, rounded to the nearest thousand (US\$'000) except when otherwise indicated. The Financial Statements are prepared on a historical cost basis except for share options which are measured at the fair value on the date of grant and available for sale financial assets which are held at fair value. The preparation of Financial Statements requires management to use judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements, except as otherwise stated below.

The Financial Statements were approved for issuance by the Board on 11 April 2012.

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 2009 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 2011. There was no material impact to the financial statements in the current year from these standards set out below:

- Amendments to IAS 32: Financial Instruments Presentation Classification of Rights Issues.
- IFRIC 19: Extinguishing Financial Liabilities with equity instruments
- Improvements to IFRSs 2010 various standards
- IAS 24: Related Party Disclosures (revised 2009)

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 to the financial statements if these standards had been applied in the current accounting period. These will be applied as required on a prospective basis.

- IFRS 9: Financial Instruments
- IFRS 10: Consolidated financial statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of interests in other entities
- IFRS 13: Fair value measurement
- IAS 19: Employee benefits (amended 2011)
- IAS 27: Separate financial statements
- IAS 28: Investments in associates and joint ventures

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 has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities. 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.

for the year ended 31 December 2011

1 Statement of Accounting Policies (continued)

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 joint 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.

Revenue recognition

Revenue comprises oil and gas sales and the provision of oilfield services and equipment. 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 associated 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. 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.

Finance costs

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

for the year ended 31 December 2011

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 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 which 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 substantially 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:

			rear-end		
US\$1 equals	2011	2010	2011	2010	
Pound sterling	0.6238	0.6474	0.6467	0.6387	
Australian dollar	0.9700	1.0896	0.9828	0.9755	

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.

for the year ended 31 December 2011

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. Where there are no developed and producing properties, the impaired costs of exploration and evaluation are charged immediately to 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 unwinding 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.

for the year ended 31 December 2011

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 costs of 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 expenditure arising on business combinations is determined through discounting the amounts payable to their present 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 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.

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

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.

for the year ended 31 December 2011

1 Statement of Accounting Policies (continued)

Trade and other receivables

Trade receivables, which generally have 30 to 90 day terms, are recognised and carried at original invoice amount less an allowance for any potential shortfall in receipt. An estimate of any shortfall in receipt is made when there is objective evidence that a loss has been incurred. Bad debts are written off when identified.

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 it 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

	Producing oil and gas properties USA		Provision of oilfield goods and services Europe		Total	
	2011	2010	2011	2010	2011	2010
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Country of destination						
America	6,511	4,456	675	1,366	7,186	5,822
Africa	-	-	1,630	858	1,630	858
Asia	-	-	- /	141	-	141
Europe	-	-	513	260	513	260
Revenue	6,511	4,456	2,818	2,625	9,329	7,081

The exploration activities in Africa and Asia do not give rise to any revenue at present.

for the year ended 31 December 2011

2 Segmental Information (continued)

, ,		
	2011 US\$'000	2010 US\$'000
Segment profit/(loss) for the financial year		224 222
US - producing assets	1,113	(984)
Africa and Asia – exploration assets	(282)	(997)
Europe – oilfield services and supplies assets	(148)	(37)
Europe – Group costs (*)	(1,578)	(2,477)
Total Group loss for the financial year	(895)	(4,495)
Segment assets		
US – producing assets	18,602	19,448
Africa and Asia – exploration assets	66,003	40,544
Europe – oilfield services and supplies assets	602	631
Europe – Group assets (**)	21,812 ———	2,337
Total assets	107,019	62,960
* Group costs primarily comprise salary and related costs. ** Group assets primarily comprise cash and working capital.		
Segment liabilities		
US – producing assets	(2,586)	(4,809)
Africa and Asia – exploration assets	(5,801)	(1,170)
Europe – oilfield services and supplies	(636)	(164)
Europe – Group activities	(247)	(404)
Total liabilities	(9,270)	(6,547)
Capital expenditure		
US – producing assets	1,551	7,463
Africa and Asia – exploration assets	23,195	6,156
Africa and Asia – producing assets	1,270	-
Europe – Group assets	8 	18
Total capital expenditure	26,024	13,637
Other non-cash items:		
US: depletion and decommissioning charge	1,866	1,194
US: impairment charge against producing assets	-	550
Europe: depreciation – Group assets	38	79
Europe: impairment charge against other investments held	- (00)	374
Europe: fair value adjustment against current asset investments	(22)	22

for the year ended 31 December 2011

3 Employment

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

	2011 US\$'000	2010 US\$'000
Salaries and wages	2,560	2,474
Social security costs	295	278
Other pension costs	326	298
Share based payment charge	143 	891
	3,324	3,941
Employment costs capitalised	(402)	(264)
Employment costs charged against the Group operating loss	2,922	3,677

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:

	Number	Number
Europe	14	14
USA	19	19
Tanzania	8	8
	41	41

Average numbers of employees in USA operations include 15 (2010:15) relating to production activities.

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

	2011	2010
	US\$'000	US\$'000
Share based payment charge	3	59

The Company incurs no other employment costs and has no employees.

Directors' emoluments and interests (which are included in administrative expenses) are shown in the Directors' Remuneration Report on pages 20 to 21.

for the year ended 31 December 2011

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 except for the options granted to Mr L.S. Detmer in December 2011, which are subjected to performance-related targets. All options are equity settled.

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

	2011	2010
	US\$'000	US\$'000
Share based payment charge on vesting of share options	143	891

The fair values of options granted in the period were calculated using the following inputs into the binomial option-pricing model:

Date of grant	15 December 2011
Contractual life	10 years
Exercise price*	Stg 5.07p
Number of options granted (vesting period variable)	22,500,000
Expected volatility	60%
Vesting conditions – weighting average vesting period	4 years
Fair value per option – vesting period	Stg 0.72p
Expected dividend yield	-
Risk-free rate	3.5%

^{*}The exercise price is based upon the closing share price on the day before the date of grant or par, if the exercise price is less than par

The binomial option-pricing model is used to estimate the fair value of the Company's share options because it better reflects the possibility of exercise before the end of the options' life. The binomial option-pricing model also integrates possible variations in model inputs such as risk-free interest rates and other inputs, which may change over the life of the options.

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

	of options	exercise price
Outstanding at 1 January 2011	27,715,000	Stg16.5p
Granted	22,500,000	Stg5.07p
Outstanding at 31 December 2011	50,215,000	Stg10.76p
Exercisable at 31 December 2011	24,015,000	Stg16.44p

On 31 December 2011, there were options over 50,215,000 (2010: 27,715,000) Ordinary Shares outstanding which are exercisable at prices ranging from Stg5.07 pence to Stg29.75 pence per share and which expire at various dates up to 15 December 2021. The weighted average remaining contractual life of the options outstanding is 7.88 years.

for the year ended 31 December 2011

5 Loss before tax

The loss before tax has been arrived at after charging/(crediting) the following items:

	US\$'000	US\$'000
Depletion, depreciation and decommissioning on oil and gas interests	1,866	1,194
Depreciation of other property, plant and equipment	38	79
Impairment provision against producing assets	-	550
Auditor's remuneration – audit	89	85
Auditor's remuneration – tax advisory services	13	12
Auditor's remuneration – other assurance	15	15
Auditor's remuneration – other non audit services	104	10
Net change in fair value of available for sale financial assets		
reclassified from equity	27	-
Loss on disposal of non quoted financial asset	(31)	-/
Provision against other investments	-	374
Operating lease payments – land and buildings	196	184
Profit on disposal of property, plant and equipment	(20)	<u> </u>

6 Gain on disposal

6(a) Gain on disposal of property, plant and equipment

During the year, the Group entered Into agreements to dispose of its interest in the Somerset field in the USA and other field-related assets. The gain on disposal amounted to \$677,000, which was made up as follows:

2011

	US\$'000
Net book value of field assets	(746)
Release of decommissioning provision (see Note 18)	657
Other assets and liabilities	4
	(85)
Sale proceeds	762
Gain on disposal of property plant and equipment	677

6(b) Gain on disposal of exploration asset

No exploration assets were disposed of during the period. In the prior period the Group disposed of 50% of its 100% shareholding in the wholly owned subsidiary, Korex Limited, which holds exploration rights in the Korean East Sea. The interest was sold for a consideration of US\$500,000 and the profit on disposal amounted to US\$306,000. In line with IAS 27, the remaining investment of Korex Limited was adjusted to its fair value at the date of the change in control which resulted in an additional revaluation of US\$306,000. In conjunction with this transaction the Directors concluded that the investment in Kobril Limited, a related Korean financial asset, of US\$374,000 was impaired and therefore made full provision against this balance. The total impact on the comparative income statement from the disposal is set out below:

	US\$'000
Proceeds from disposal of shares in Korex Limited	500
Fair value of interest retained in Korex Limited	500
Amounts written off exploration and evaluation assets	(388)
Gain on disposal of 50% shareholding	612
Impairment of investment in Kobril Limited	(374)
Gain on disposal of exploration asset	238

for the year ended 31 December 2011

7 Finance income

	2011 US\$'000	2010 US\$'000
Net change in fair value of available for sale financial a	sset reclassified	
from equity (Note 13)	27	-
Foreign exchange gains	291	-
Deposit interest income	113	3
	431	3

8 Finance costs

	2011 US\$'000	2010 US\$'000
Other finance costs – decommissioning provision interest charge (see Note 18)	207	157
Bank loans	-	1
Other finance charges	5	10
Loss on disposal of non quoted financial investment (Note 13)	31	-
	243	168

9 Income tax expense

The components of the income tax expense for the years ended 31 December 2011 and 2010 were as follows:

2011 US\$'000	2010 US\$'000
_	_
<u> </u>	
	US\$'000

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:

	2011 US\$'000	2010 US\$'000
Loss before tax	(895)	(4,495)
Irish standard tax rate	12.5%	12.5%
Taxes at the Irish standard rate	(112)	(562)
Effect of different tax rates in foreign jurisdiction	(223)	-
Depreciation in Excess of Capital Allowances	7	-
Expenses not deductible for tax purposes	232	467
Income taxed at higher rate of corporation tax	12	95
Losses Forward	84	

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.

	2011 US\$'000	2010 US\$'000
Net operating losses	11,020	10,725

for the year ended 31 December 2011

9 Income tax expense (continued)

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

	Ireland 2011 US\$'000	US 2011 US\$'000	UK 2011 US\$'000	ROW 2011 US\$'000	Total 2011 US\$'000
One year					
Two years	-	708	-	-	708
Three years	-	-	-	-	-
Four years	-	-	-	-	
Five years More than five years	2,927	10,044	13,268	9,402	35,641
Total	2,927	10,752	13,268	9,402	36,349
	Ireland 2010 US\$'000	US 2010 US\$'000	UK 2010 US\$'000	ROW 2010 US\$'000	Total 2010 US\$'000
One year		49			49
Two years	-	203	-	-	203
Three years	-	1,019	-	- /	1,019
Four years	-	-	-	- ///	-
Five years	-	-	-	0.400	05.051
More than five years	2,898	10,729	12,802	9,422	35,851
Total	2,898	12,000	12,802	9,422	37,122

At 31 December 2011, the US subsidiary undertaking had net operating losses available to be carried forward for income tax purposes of approximately US\$10.8 million (2010: US\$12 million). The net operating losses will expire from 31 December 2013 through to 31 December 2026.

At 31 December 2011, 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\$2.9 million, US\$13.3 million and US\$9.4 million respectively (2010: Ireland US\$2.9 million, UK US\$12.8 million, Australia US\$9.4 million). These losses can be carried forward indefinitely but may only be offset against taxable profits earned from the same trade or trades.

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 2011 and 2010 are as follows:

	2011	2010
Loss for the financial year (US\$'000)	(895)	(4,495)
Weighted average number of Ordinary Shares ('000)	728,145	425,738
Basic and diluted loss per Ordinary Share (US cents)	(0.12)	(1.06)

There is no difference between the basic loss per Ordinary Share and the diluted loss per Ordinary Share for the years ended 31 December 2011 and 2010 as all potentially dilutive Ordinary Shares outstanding are anti-dilutive. There were 50,215,000 (2010: 27,715,000) anti-dilutive share options in issue as at 31 December 2011.

for the year ended 31 December 2011

11 Exploration and evaluation assets

Group

	Tanzania	Asia	Total
	US\$'000	US\$'000	US\$'000
Cost			
At 1 January 2010	38,022	388	38,410
Additions	5,892	-	5,892
Employment costs capitalised	264	-	264
Decrease in decommissioning provision (see Note 18)	(46)	-	(46)
Released by disposal		(388)	(388)
At 1 January 2011	44,132	-	44,132
Additions	22,793	-	22,793
Reclassification as developed and producing assets (Note12)	(11,121)	-	(11,121)
Employment costs capitalised	402		402
At 31 December 2011	56,206		56,206
Provisions for impairment			
At 1 January and 31 December	4,728		4,728
Net book value			
At 31 December 2011	51,478		51,478
At 31 December 2010	39,404	-	39,404

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 exceptions of the partial write down of 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 and Business Review. 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.

for the year ended 31 December 2011

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 2010	-	17,784	414	18,198
Additions in the year	-	7,463	18	7,481
Increase in decommissioning provision (see Note 18)	-	672	-	672
Exchange rate adjustment			(9)	(9)
At 1 January 2011	-	25,919	423	26,342
Additions in the year	1,270	1,551	8	2,829
Reclassification from exploration	,	,		
and evaluation assets (see Note 11)	11,121	-	-/	11,121
Increase in decommissioning provision	-	475	-	475
Released by disposal	-	(4,269)	-	(4,269)
Exchange rate adjustment	-	-	5	5
At 31 December 2011	12,391	23,676	436	36,503
Depreciation				
At 1 January 2010	-	6,172	308	6,480
Charge for the year	-	1,194	79	1,273
Impairment write down		550	-	550
Exchange rate adjustment	-	-	(9)	(9)
At 1 January 2011		7,916	378	8,294
Charge for the year	-	1,866	38	1,904
Released by disposal	-	(3,523)		(3,523)
Exchange rate adjustment	-	-	5	5
At 31 December 2011		6,259	421	6,680
Net book value				
At 31 December 2011	12,391	17,417	15	29,823
At 31 December 2010		18,003	45	18,048

As at 31 December 2011, "Other assets" comprises plant and equipment US\$14,000 (2010: US\$27,000), fixtures and fittings US\$1,000 (2010: US\$5,000), and leasehold premises US\$nil (2010: US\$13,000).

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

	US\$'000	US\$'000
Net book value	75	97
Depreciation charge for the year	19	31

The majority of the Group's property, plant and equipment comprises its producing oil and gas properties which are depleted on a unit of production basis, based on proven and probable reserves at each field. At 1 January 2012, an independent valuation was carried out based on estimated future discounted cash flows of each producing property at the Shoats Creek, South Weslaco and Alta Loma fields, as set out in more detail in the Operations Review. The directors are satisfied that no further impairment to the property, plant and equipment is considered to have occurred.

During the year the Group disposed of its 100% interest in the Somerset field, further details in respect of the disposal are set out in Note 6.

Following the award of the Kiliwani North Development Licence by the Tanzanian government in April 2011, the directors are satisfied that the Kiliwani North field is commercially viable based on management's review of the carrying value compared with estimated net recoverable value. In line with accounting standards and the Group's accounting policies, the carrying cost relating to the development licence was subsequently reclassified as a development asset under property, plant and equipment. Depletion will be charged once the field commences commercial production.

for the year ended 31 December 2011

13 Investment in subsidiaries and other investments

	2011 US\$'000	2010 US\$'000
Company		
At 1 January	6,976	6,980
Disposal of interest in dormant subsidiaries	(5)	(4)
At 31 December	6,971	6,976

Subsidiary undertakings

During 2011, the company placed two dormant subsidiaries into voluntary liquidation. As at 31 December 2011 the Company had the following principal subsidiary undertakings, in which the Company held ordinary shares:

	Proportion held by	Proportion held by	Country of
	Company	Subsidiary	Incorporation
Oil and Gas Exploration, Development and Production Aminex Petroleum Services Limited (1)	on	,	
	100%	_	UK
Aminex USA, Inc. (2)	62% 100%	38%	USA Australia
Tanzoil NL (3) Ndovu Resources Limited (4)	100%	100%	Tanzania
Oilfield services Amossco Limited (1) Amossco ODS Limited (1) Halyard Offshore Limited (1)	-	100%	UK
	-	100%	UK
	-	100%	UK

Registered offices

- 1. 7 Gower Street, London WC1E 6HA, UK.
- 2. C/O CT Corporation System, 1021 Main Street, Suite 1150, Houston, TX 77002, USA.
- 3. 3rd Floor, MPH Building, 23 Barrack Street, Perth, WA6000, Australia.
- 4. 11th Floor, PPF Tower, Ohio Street, Garden Avenue, Dar es Salaam, Tanzania.

Other investments - Group and Company

Cost	2011 US\$'000	2011 US\$'000
At 1 January	532	532
Acquisition of non quoted financial instruments	200	200
Disposal of non quoted financial instruments	(232)	(232)
At 31 December	500	500

The fair value balance of other investments at 31 December 2011 comprises 50 shares in Korex Limited with a valuation of US\$500,000. Aminex does not have a controlling or significant influence over this entity and consequently accounts for this interest as an investment. During the year the company acquired 16 million shares in an unlisted company, Triton Petroleum Pte Limited ("Triton") for a consideration of US\$200,000. The company subsequently disposed of its entire holding in Triton for a consideration of US\$201,000. The loss arising on disposal was US\$31,000.

Available for sale financial asset - Group and Company

	US\$'000
At 1 January	356
Increase in fair value in the period	49
Released by disposal	(405)
At 31 December	

During the period the company disposed of its remaining 665,661 shares held in Kulczyk Oil Venture Inc, a company listed on the Warsaw Stock Exchange, for a consideration of US\$405,000. The fair value gain in the year of US\$49,000 has been recorded in other comprehensive income. The net gain on disposal of the shares amounted to US\$27,000 and has been reclassified from equity to the income statement (see note 7).

for the year ended 31 December 2011

14 Loans to subsidiary undertakings

Company	2011 US\$'000	2010 US\$'000
Balance at 1 January	59,759	50,071
Loans advanced to subsidiary undertakings during the year	28,162	11,733
Share based payments charged to subsidiary undertakings	140	832
Provision against carrying value	(1,012)	(2,489)
Loan reclassified to other investment		(388)
	87,049	59,759
Included in non-current assets	67,628	40,858
Included in current assets	19,421	18,901
Balance at 31 December	87,049	59,759

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

The balance of US\$67,628,000 (2010: US\$40,858,000) represents loans provided to Group 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\$1,012,000 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 Trade and other receivables

	Group		Company	
	2011	2010	2011	2010
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables	1,282	999	-	-
Amounts due from partners in joint operations	685	-	-	-
Other receivables	1,597	517	-	-
Prepayments and accrued income	548	199	110	21
	4,112	1,715	110	21

All amounts fall due within one year.

16 Cash and cash equivalents

		поар	001	прапу
	2011	2010	2011	2010
	US\$'000	US\$'000	US\$'000	US\$'000
Cash in hand	6,623	2,745	147	913
Short term deposits	14,483	160	14,483	160
	21,106	2,905	14,630	1,073
	14,483	160	14,483	16

Included in cash and cash equivalents is an amount of US\$2,138,000 (2010: US\$440,000) held on behalf of partners in joint operations.

for the year ended 31 December 2011

17 Trade and other payables

	Group		Company	
	2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000
Trade payables	5,555	2,863	90	87
Overseas employment-related taxes	75	51	-	-
Amounts due to partners in joint operations	1,340	805	-	-
Other payables	21	69	-	-
Accruals	241	340	103	80
	7,232	4,128	193	167

18 Provisions – decommissioning

Group	US\$'000
At 1 January 2010	1,674
Decrease in decommissioning provision in exploration and evaluation assets (see Note 11)	(46)
Increase in decommissioning provision on property, plant and equipment (see Note 12)	672
Discount unwound in the year (see Note 8)	157
Payments made in the year	(135)
At 1 January 2011	2,322
Increase in decommissioning provision on property, plant and equipment (see Note 12)	475
Release from decommissioning provision on disposal of property plant and equipment (see Note 6)	(657)
Discount unwound in the year (see Note 8)	207
Payments made in the year	(384)
At 31 December 2011	1,963
2011 US\$*000	2010 US\$'000
Current 160	206
Non-current 1,803	2,116
Total decommissioning provision 1,963	2,322

Decommissioning costs are expected to be incurred over the remaining lives of the fields, which are estimated to be between 2012 and 2020. The original provision for decommissioning was set up in 2005 and it is reviewed annually. Following the disposal of Somerset field during 2011, the balance on the decommissioning provision for the field of US\$657,000 has been released. The provision which relates to wells in the US has been increased by US\$475,000 and the provision which relates to wells in Tanzania remains unchanged. 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.

19 Loans and borrowings

			roup	Company		
		2011 US\$'000	2010 US\$'000	2011 US\$'000	2010 US\$'000	
Obligations under finance leases		75	97			
Comprising: Current liabilities		17	53	_	-	
Non-current liabilities		58	44			
		75	97			

The obligations under finance leases are secured on specific items of plant and equipment.

for the year ended 31 December 2011

20 Financial instruments and risk management

(a) The Group

Financial Risk Management

The Group's financial instruments comprise bank finance leases available for sale financial assets, 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 2011.

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. The Group's liquid resources were held on short term deposit at the year end. There are no undrawn borrowing facilities available to the group at present.

b) Commodity risk

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

c) Foreign currency risk

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

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

	Available for sale 2011 US\$'000	Loans and receivables 2011 US\$'000	Liabilities at amortised cost 2011 US\$'000	Total carrying amount 2011 US\$'000	Fair value 2011 US\$'000
Trade receivables	-	1,282	-	1,282	1,282
Amounts due from partners in joint operations	-	685	-	685	685
Other receivables	-	1,597	- /	1,597	1,597
Cash and cash equivalents	-	21,106	-	21,106	21,106
Loans and borrowings	-	-	(75)	(75)	(73)
Trade payables	-	-	(5,555)	(5,555)	(5,555)
Amounts due to partners in joint operations	-	-	(1,340)	(1,340)	(1,340)
Other payables	-	-	(21)	(21)	(21)
Accruals	-	-	(241)	(241)	(241)
	-	24,670	(7,232)	17,438	17,440
				Total	
	Available for sale	Loans and receivables	Liabilities at amortised cost	carrying amount	Fair value
	2010	2010	2010	2010	2010
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Other investments	356	-	-	356	356
Trade receivables	-	999	-	999	999
Other receivables	-	517	-	517	517
Cash and cash equivalents	-	2,905	- ,	2,905	2,905
Loans and borrowings	-	= ,	(97)	(97)	(95)
Trade payables	-	= "."	(2,863)	(2,863)	(2,863)
Amounts due to partners in joint operations	-	= 1	(805)	(805)	(805)
Other payables	-	-	(69)	(69)	(69)
Accruals	-	-	(340)	(340)	(340)
	356	4,421	(4,174)	603	605

for the year ended 31 December 2011

20 Financial instruments and risk management (continued)

Estimation of fair values

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.

Other investments

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 joint operations are expected to be settled within less than six months and so the carrying value is deemed to reflect fair value.

Trade and other receivables/payables

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.

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 finance lease liabilities. The fair value of the finance lease liabilities is based on the present value of future cash flows discounted at market rates at the balance sheet date. The fair value of the finance lease liabilities was not materially different from the carrying value at the balance sheet date.

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, 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 and deposits with banks.

The carrying value of the Group's various financial assets, as presented within the fair value table set out on page 48, 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:

	2011	2010
	US\$'000	US\$'000
America	825	872
Africa	197	18
Asia	260	109
	1,282	999

At the balance sheet date, the Group had \$312,000 of trade receivables beyond the due date. The directors made a provision against this amount and were satisfied that no further provisions were required.

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 joint operations is considered to be current and receivable with no provisions required.

for the year ended 31 December 2011

20 Financial instruments and risk management (continued)

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 2012.

Cash and short-term deposits

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

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible that it has sufficient liquidity to meet its liabilities as they fall due. The Group manages liquidity risk by monitoring rolling forecasts of expected cash flows against actual cash flows. The Directors have given careful consideration to the Group's ability to continue as a going concern. The Group's ability to continue to make planned capital expenditure, in particular in its areas of interest in Africa and the USA, can be assisted if necessary by the successful sale of assets, deferral of planned expenditure or an alternative method of raising capital. The Directors have a reasonable expectation that the Group will be able to implement this strategy.

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

	Carrying amount 2011 US\$'000	Contractual cashflows 2011 US\$'000	6 months 2011 US\$'000	6-12 months 2011 US\$'000	1-2 years 2011 US\$'000	2-5 years 2011 US\$'000	More than 5 years 2011 US\$'000
Finance lease liabilities	75	82	10	10	20	42	-
Trade payables	5,555	5,555	5,555	-	-/	-	-
Amounts due to partners in joint operation	ns 1,340	1,340	1,340	-	- /	-	
Other payables	21	21	21	-	-/-	-	-
Accruals	241	241	241		<u> </u>		
	7,232	7,239	7,167	10	20	42	
	Carrying amount 2010 US\$'000	Contractual cashflows 2010 US\$'000	6 months 2010 US\$'000	6-12 months 2010 US\$'000	1-2 years 2010 US\$'000	2-5 years 2010 US\$'000	More than 5 years 2010 US\$'000
Finance lease liabilities	97	100	27	27	26	18	2
Trade payables	2,863	2,863	2,863	_	-	-	-
Amounts due to partners in joint operation	ons 805	805	805	-	-	_	-
Other payables	69	69	69	-	-	-	-
Accruals	340	340	340	-	-	-	-1
	4,174	4,177	4,104	27	26	18	2

The Group's only borrowings relate to hire purchase financing agreements which are secured against the asset purchased for each agreement and amount to US\$75,000 at 31 December 2011 (2010: US\$97,000).

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 and Business Review.

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.

for the year ended 31 December 2011

20 Financial instruments and risk management (continued)

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

	(14)	23	191	1,815	205	153
Trade payables	(68)	(21)	(199)	(61)	(236)	(112)
Cash and cash equivalents	54	44	371	1,876	263	105
Trade receivables	-	-	19	-	178	160
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
	Sterling	Euro	US dollars	Sterling	Euro	US dollars
	2011	2011	2011	2010	2010	2010

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 2011 (2010: 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	15% decrease	15% increase	15% decrease
	2011	2011	2010	2010
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables	3	(3)	51	(51)
Cash and cash equivalents	70	(70)	337	(337)
Trade payables	(43)	43	(61)	61
Tax impact				
After tax	30	(30)	327	(327)

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 only finance lease borrowings and no bank borrowings or overdraft facility at year end. The Group's liquid resources were held on short term deposit at the year end.

The interest rate profile of the Group's interest bearing financial instruments at 31 December 2011 was as follows:

	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
	2011	2011	2011	2010	2010	2010
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents	=	21,106	21,106	-	2,905	2,905
Finance lease obligations	(75)	<u>-</u>	(75)	(97)		(97)
	(75)	21,106	21,031	(97)	2,905	2,808

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. For 2010 the analysis was performed on the basis of a 500 basis point increase/decrease:

	500 bps increase	500 bps decrease	500 bps increase	500 bps decrease	
	profit	profit	profit	profit	
	2011	2011	2010	2010	
	US\$'000	US\$'000	US\$'000	US\$'000	
Cash and cash equivalents	1,055	-	145	-	
Tax impact	<u> </u>	-		-	
After tax	1,055	-	145	-	

The Group only has fixed rate loans. As there are no variable rate loans, there is no potential impact to profit.

for the year ended 31 December 2011

20 Financial instruments and risk management (continued)

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows i) Level 1; quoted prices (unadjusted) in active markets for identical assets or liabilities ii) Level 2; inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) iii) Level 3; inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Following the sale of the Group's available for sale financial assets, the Group did not carry any financial instruments at fair value at 31 December 2011. Details of the prior year are set out below:

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	2011	2011	2011	2011	2010	2010	2010	2010
	US\$'000							
Available for sale financial asset		-	_		356			356

During 2011 the Company recognised a fair value gain of US\$49,000 in other comprehensive income on Level 3 assets. Level 3 assets are initially measured at cost as best estimate of fair value. Once audited accounts are available the fair value is adjusted to value on an earnings basis or similar appropriate basis. During the year the Group disposed of its available for sale financial asset. See Note 13 for further details.

(b) The Company

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

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

	Available for sale 2011 US\$'000	Loans and receivables 2011 US\$'000	Liabilities at amortised cost 2011 US\$'000	Total carrying amount 2011 US\$'000	Fair value 2011 US\$'000
Trade and other receivables Loans to subsidiary and partners in	-	110	-	110	110
jointly controlled operations	-	87,049	-	87,049	87,049
Cash and cash equivalents	-	14,630	-	14,630	14,630
Trade payables	-	-	(90)	(90)	(90)
Accruals	-	-	(103)	(103)	(103)
		101,789	(193)	101,596	101,596
	Available for sale 2010 US\$'000	Loans and receivables 2010 US\$'000	Liabilities at amortised cost 2010 US\$'000	Total carrying amount 2010 US\$'000	Fair value 2010 US\$'000
Other investments	356	-	_	356	356
Loans to subsidiary and partners in					
jointly controlled operations	-	59,759	-	59,759	59,759
Cash and cash equivalents	-	1,073	-	1,073	1,073
Trade payables	-	-	(87)	(87)	(87)
Accruals			(80)	(80)	(80)
	356	60,832	(167)	61,021	61,021

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 (a) 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 in (a) above.

for the year ended 31 December 2011

20 Financial instruments and risk management (continued)

Credit risk

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

Amounts due from subsidiary companies were considered fully recoverable. The recoverability of the amounts due from subsidiary companies is linked to the impairment of exploration assets. If the value of any of the Group's exploration 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 and accruals amounting to US\$193,000 (2010: US\$167,000) all fall due within six months of the balance sheet date. The Directors are satisfied that the Company is a going concern and have concluded that a continuance of such a position may be dependent on the successful sale of assets, deferral of capital expenditures or an alternative method of raising working capital.

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:

	2011	2011	2010	2010
	Sterling	Euro	Sterling	Euro
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents	4	35	868	27
				-

Sensitivity analysis

A 15% strengthening or weakening in the value of sterling or the euro against the US dollar (2010: 15%), based on the outstanding financial assets and liabilities at 31 December 2011, would have the following impact on the income statement. This analysis assumes that all other variables, in particular interest rates, remain constant.

	15% increase	15% decrease	15% increase	15% decrease
	profit	profit	profit	profit
	2011	2011	2010	2010
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flow sensitivity	6	(6)	134	(134)
Tax impact		<u> </u>		
After tax	6	(6)	134	(134)

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 2011 was as follows:

	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
	2011	2011	2011	2010	2010	2010
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents	-	14,630	14,630	-	1,073	1,073

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. For 2010 the analysis was performed on the basis of a 500 basis point increase/decrease:

	500 bps increase 2011 US\$'000	500 bps decrease 2011 US\$'000	500 bps increase 2010 US\$'000	500 bps decrease 2010 US\$'000
Cash flow sensitivity	73	-	5	-
Tax impact				
After tax	73	<u> </u>	5	

The Company has no loans outstanding.

for the year ended 31 December 2011

21 Issued capital

Authorised	Number	Value €
Ordinary Shares of €0.06 each:		
At 1 January 2011	750,000,000	45,000,000
Increase in authorised share capital	150,000,000	9,000,000
At 31 December 2011	900,000,000	54,000,000

At an Extraordinary General Meeting held on 25 February 2011, the Shareholders approved a special resolution to increase the authorised share capital of the Company from €45 million to €54 million by the creation of 150,000,000 new Ordinary Shares of €0.06 carrying rights and being subject to the restrictions set out in the Articles of Association of the Company.

Allotted, called up and fully paid	Number	€	US\$
Ordinary Shares of €0.06 each:			
At 1 January 2010	412,732,570	24,763,954	32,399,010
Issued during 2010	41,274,391	2,476,463	3,212,471
At 31 December 2010	454,006,961	27,240,417	35,611,481
Issued during 2011	364,651,460	21,879,088	30,018,009
At 31 December 2011	818,658,421	49,119,505	65,629,490

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

		Price		Issued	Share	
		Stg pence		capital	premium	Total
Details	Date of issue/lapse	per share	Number	US\$'000	US\$'000	US\$'000
Placing	25 February 2011	8.00	250,000,000	20,622	8,897	29,519
Open offer	14 March 2011	8.00	75,667,727	6,344	3,325	9,669
Placing	22 December 2011	5.00	38,983,733	3,052	(19)	3,033
			364,651,460	30,018	12,203	42,221

The amounts shown under share premium are net of issue expenses incurred in the current year amounting to US\$2,772,000.

22 Loss for the financial year

The loss for the financial year arises as follows:

	US\$'000	US\$'000
In Aminex PLC In subsidiary companies	(1,869) 974	(2,834) (1,661)
in outsidiary companies	(895)	(4,495)

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 2009, 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\$1,869,000 (2010: loss US\$2,834,000) is dealt with in the company income statement of Aminex PLC.

for the year ended 31 December 2011

23 Commitments, guarantees and contingent liabilities

Commitments - exploration activity

In accordance with the relevant Production Sharing Agreements, Aminex has an obligation 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 by October 2013 and to drill two wells by the end of the initial work period ending October 2015, the first well to be spudded no later than April 2014.
- (b) On the Ruvuma PSA, Tanzania; additional geological and geophysical studies as required and drill two exploration wells by December 2013.
- (c) On the East Sea Bay Licence, DPRK: to acquire 5,000 kilometres of seismic by May 2012.

Commitments under operating leases are as follows:

	Land and buildings		Other	
	2011	2010	2011	2010
Group	US\$'000	US\$'000	US\$'000	US\$'000
Operating leases which expire:				
Within one year	149	129	1	1
In two to five years	448	430	4	4
	597	559	5	5

The Company does not have any operating lease commitments.

Guarantees

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.

24 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\$326,000 for 2011 (2010: US\$298,000).

25 Analysis of net funds

	At 1 January	Cash	At 31 December
	2011	flow	2011
Group	US\$'000	US\$'000	US\$'000
Cash at bank	2,905	18,201	21,106
Finance leases	(97)	22	(75)
Total	2,808	18,223	21,031
	At 1 January 2010 US\$'000	Cash flow US\$'000	At 31 December 2010 US\$'000
Cash at bank	11,689	(8,784)	2,905
Finance leases	(135)	38	(97)
Total	11,554	(8,746)	2,808

At 31 December 2011 the Company had net funds of US\$14,630,000 (2010: US\$1,073,000). The net funds were wholly comprised of cash at bank.

for the year ended 31 December 2011

26 Related party transactions

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

	US\$'000	US\$'000
Transactions during the year		
Interest receivable from subsidiary undertakings	-	
Balances at 31 December		
Amounts owed by subsidiary undertakings	87,049	59,759

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 Executive Directors, who are the key management personnel of the Group, is set out below. During the year a further expense of US\$3,000 (2010: US\$593,000) has been charged to the income statement in respect of share options granted to Directors. Information about the remuneration of each Director is shown in the Remuneration Report on pages 20 to 21.

	US\$'000	US\$'000
Short-term employee benefits Pension contributions	1,177 155	945 157
	1,332	1,102

During the course of the year, the Group entered into the following related party transactions:

Consultancy fees were paid to Storm Petroleum Limited, a company connected with Mr. D. S. Hooker, amounting to US\$32,000 (2010: US\$31,000). Included in Remuneration of Directors on page 20 is US\$87,000 which was paid to KM Capital Partners SA, a company connected with Mr L.S. Detmer (2010: Nil). Corporate finance advisory fees amounting to US\$64,000 (2010: US\$46,000) were paid to LCF Edmond de Rothschild Securities Limited, of which Mr. A.N.J. Hay is a director.

27 Litigation

There were no material matters of litigation requiring disclosure at 31 December 2011.

28 Post balance sheet events

In February 2012, Aminex announced a gas discovery at the Ntorya-1 well in the Ruvuma PSA.

30 Critical accounting policies, use of estimates and judgement

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, 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 judgements, which are those that require management's most subjective and complex judgements, are those described below. These critical accounting judgements 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 judgements in applying accounting policies to be related to the 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.

31 Approval of financial statements

These financial statements were approved by the Board of Directors on 11 April 2012.

Reserves and resources

Resources in Tanzania

	P _{mean} basis		
Contingent Resources Well name	BCF GIIP Albian/Aptian	BCF GIIP Neocomian	BCF GIIP Total
Nyuni-1 & 1A	233		233
Kiliwani North-1		45	45
Total Contingent	233	45	278
	1.2,211		
Contingent Resources Well name	BCF GIIP Albian/Aptian	BCF GIIP Neocomian	BCF GIIP Total
Nyuni E& W		1,309	1,309
Okuza	222	640	862
Fanjove North	40	254	294
Fanjove South	21	62	83
Total Prospective	283	2,265	2,548
Total both categories	516	2,310	2,826

P ₁₀ basis		
BCF GIIP Albian/Aptian	BCF GIIP Neocomian	BCF GIIP Total
418		418
	70	70
418	70	488
BCF GIIP Albian/Aptian	BCF GIIP Neocomian	BCF GIIP Total
	2,503	2,503
413	1,292	1,705
74	488	562
39	119	158
526	4,402	4,928
944	4,472	5,416

IMPORTANT NOTES: The volumes shown to the left were independently assessed by ISIS Petroleum Consultants in 2010 They are defined as resources and cannot be categorised as reserves BCF GIIP = billions of cubic feet of natural gas initially in place but not "risked" $\mathsf{P}_{\scriptscriptstyle{\mathsf{mean}}}$ refers to the average probability of the existence of the volumes reported P₁₀ refers to a 10% probability of the existence of the volumes reported Contingent resources are those defined by drilling Prospective resources are those defined by mapping based on seismic surveys

Reserves in the USA

		BEST CONTRACTOR CONTRA		
1P Case (proved)				
	Net Oil MBBL	Net Gas BCF	Net BOE MBOE	PV10 value US\$'000
Shoats Creek	354	5,073	1,200	18,636
Alta Loma	102	2,589	533	11,054
South Weslaco	3	866	147	1,431
TOTALS	459	8,528	1,880	31,121

2P Case (proved + probable)				
	Net Oil MBBL	Net Gas BCF	Net BOE MBOE	PV10 value US\$'000
Shoats Creek	3,309	17,552	6,234	76,521
Alta Loma	153	3,842	793	16,929
South Weslaco	3	1,395	236	1,922
TOTALS	3,465	22,789	7,263	95,372

Principal operating companies

Registered Office:

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Company Secretary, Senior Personnel

Max Williams ACA Chief Financial Officer & Company Secretary

Max Williams joined the Aminex Group in 1994 as Financial Controller at the time that it acquired its first Russian assets and was fully involved with its Russian development and production operations. He was appointed Chief Financial Officer of the Company in January 2010. Max Williams is a Chartered Accountant who joined Aminex directly from the accountancy profession.

David Warwick General Manager for Operations

David Warwick is a petroleum geologist with over thirty years experience in the oil & gas industry. He began his career with Hamilton Brothers (now part of BHP Billiton) and subsequently spent 15 years with Phillips Petroleum Company (now Conoco-Phillips) where he became Head of UK exploration with a department of 40 geoscientists. He was in charge of the re-assessment of a major North Sea acreage portfolio, which led to the discovery of 2 Central North Sea oil fields and to the key discovery well on one of the Armada gas fields. Prior to joining Aminex he was General Manager for Burren Energy's Egyptian operations.

Amos Ofori Quaah Geophysicist

Amos Ofori Quaah joined Aminex in 2006 as Senior Geophysicist. He holds a PhD in geophysics from the University of London and has previously worked for Phillips Petroleum Company (now Conoco-Phillips) in the UK and for Ghana National Petroleum Corporation in Accra, during which time he served for one year as Acting Director-General.

Jonathan Major Manager, Supply & Logistics

Jonathan Major has worked for the Aminex group since 1995 and manages its AMOSSCO subsidiary. As well as third party business, he is responsible for supply and logistics for all the group's operated projects outside the USA, including transporting drilling rigs and other equipment to remote locations. Before joining Aminex he was with BP in Aberdeen as Deputy Manager for North Sea supply vessel operations.

Ambassador I. Chialo Director Ndovu Resources Limited

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.

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.

Nicholas Cameron Exploration Adviser

Nick Cameron is a Petroleum Geologist retained by Aminex to support its exploration activities. During his career he has been active throughout Africa and has worked for oil companies, governments and service companies. Nick Cameron is a well-known industry expert who is a frequent speaker at international technical conferences in addition to his active exploration work. From 1982 to 1993 he held senior posts with Conoco (now Conoco-Phillips).

Registrars and Advisers

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Telephone sharedealing Computershare provides a telephone sharedealing

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For more information please call:

Telephone number for Irish shareholders: 01 447 5435 Telephone number for UK shareholders: 0870 702 0107

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Bankers Bank of Ireland Dublin
Solicitors Ashurst London
Eversheds O'Donnell Sweeney Dublin

Davy Stockbrokers Limited

Shore Capital Stockbrokers Limited

London

Glossary of terms used

Stockbrokers

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	