15 September 2016

2016 HALF-YEARLY REPORT

Aminex PLC ("Aminex" or "the Group" or "the Company"), the producing and development company with assets in East Africa, announces its half-yearly report for the six months ended 30 June 2016.

FINANCIAL HIGHLIGHTS

- Negotiations with major new strategic investor led to a $23.8 million capital raise after period end
- Final repayment date of corporate loan facility extended by 18 months to 31 January 2018
- Focus on maintaining strict expenditure controls while expanding technical capability
- First invoiced revenues from Kiliwani North gas
- Loss for period $2.45 million (30 June 2015: $0.6 million)

OPERATING HIGHLIGHTS

- Gas Sales Agreement with the Tanzania Petroleum Development Corporation ("TPDC") signed in January allowing the Group to become an African producer for the first time
- Kiliwani North produced first gas in April, the well is currently producing in line with management expectations and into the new Songo Songo Island Gas Processing plant
- Ruvuma Production Sharing Agreement terms extended by one year with work programme changed to allow the Company to focus on appraisal and development
- Ruvuma appraisal drilling programme is expected to commence in 4Q 2016

POST PERIOD

- The Company received first payment from TPDC for gas at a set price of $3.00 per mmBTU. The price for gas is set by the US Consumer Price Index and is not linked to any commodity price so importantly is unaffected by current commodity market conditions
- Cash flow from Kiliwani North-1 will allow the Company to support operations and further strengthen the balance sheet

Aminex CEO Jay Bhattacherjee commented:

"The period saw the transition of the Company from developer to producer in East Africa and moves us into a position of cash generation and towards a period of sustainable growth. Kiliwani North not only ensures a consistent revenue stream that strengthens the balance sheet but also means we can now focus on our exciting drilling programme in the Ruvuma Basin.

We are now in a much stronger position than we were at the beginning of the year and I am pleased we now have a new major and supportive shareholder. The Board and management are very excited about what lies ahead for the Company and look forward to updating shareholders in the second half of the year."

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Glossary of terms used

PSA	Production Sharing Agreement
BCF	Billions of cubic feet of natural gas
TCF	Trillions of cubic feet of natural gas
MMcfd	Millions of cubic feet per day of natural gas
Km	Kilometres
TPDC	Tanzania Petroleum Development Corporation
GSA	Gas Sales Agreement

Chief Executive's Review

Aminex PLC's Interim Results for the six months ended 30 June 2016 are set out below.

In April, the Group became an African producer for the first time. Following the signing of a Gas Sales Agreement ('GSA') in January with the Tanzania Petroleum Development Corporation ('TPDC'), first gas flowed into the newly constructed pipeline system on 4 April 2016. The well is currently producing at 15 to 25 mmcfpd with approximately 150 bblsd of condensate. No significant pressure decline has been observed in the reservoir and the well remains fully capable of production rates up to 30 MMcfd. The gas is sold and paid for in US Dollars and the initial gas price is $3.00 per mmBTU (approximately $3.07 per mcf), annually adjustable by reference to a US consumer price index and not affected by movements in global markets for oil and natural gas. First payment for gas sales has now been received from the TPDC.

The loss for the period was $2.45 million compared with $0.61 million for the six-month period ended 30 June 2015. A commentary on the results is provided in the Financial Review section below.

During the period the Company commenced negotiations with ARA Petroleum Limited, a division of the Oman-based Zubair Corporation, which had indicated its intention to invest in gas projects in East Africa. As a consequence of these negotiations, since the end of the reporting period the Company launched a placing of new ordinary shares together with an open offer to existing shareholders to subscribe for new shares on the basis of purchasing one new share for every ten held. This transaction was successfully completed and approved by shareholders in early August, raising £18.3 million net of expenses (approximately $23.8 million). ARA Petroleum, through Eclipse Investments LLC, subscribed to this placing and now owns just under 30% of the Company's share capital. Mr Ola Fjeld, an executive of ARA Petroleum was co-opted to the Board on 23 August.

The ARA Petroleum division of Zubair is managed by highly-experienced international oil industry professionals and the Company welcomes not only their financial input but also their technical and operational contribution. The Zubair Corporation is family-owned and one of the most important companies in the Sultanate of Oman, with interests across many sectors and areas of the world.

The successful capital raise will enable appraisal drilling at Ruvuma to proceed rapidly, following up on the success of the Company's Ntorya-1 discovery which flowed gas at 20 mmcfd with 139 bbls of associated condensate, with a view to commercialising the Ruvuma area at the earliest possible opportunity and building on the existing production basis now established at Kiliwani North. The original Ruvuma PSA is close to expiry but, thanks to the cooperation of the Tanzania Ministry of Energy and Mines, the Company has been granted a one-year extension without penalties which will enable appraisal wells to be drilled. If these are successful, an application will be made to convert part of the PSA to a 25-year development licence.

Aminex now has a strong financial and technical base to enable it to build on previous drilling successes in Tanzania. First priority will be to drill and commercialise its position in the onshore Ruvuma Basin and then develop other opportunities in the region. With sound finances and strong shareholders, the Company can look to the future with greatly increased confidence.

OPERATIONS REPORT

TANZANIA – KILIWANI NORTH & GAS COMMERCIALISATION

The Kiliwani North-1 gas well ("KN-1") commenced production, Aminex's first production in Tanzania, on 4 April 2016. Production rates for the period to 30 June 2016 were determined by the plant operator and in line with normal requirements for testing and commissioning procedures. Since early July, the well has been producing at commercial rates but still under commissioning conditions. The well, which originally tested at 40 MMcfd, has been produced at rates in excess of 30 MMcfd for short periods but mainly between 15 and 25 MMcfd with up to 150 barrels of condensate. Average production during the third quarter to date has been in excess of 15 MMcfd, restricted by an extended plant and pipeline commissioning phase and plant downtime. A previously planned full well test post-commissioning is now considered unnecessary as the sustained period of production has provided pressure data showing no significant pressure decline and the reservoir remains capable of production rates up to 30 MMcfd. Commercial gas from Kiliwani North is sold at wellhead and is being delivered into the National Gas Gathering System.

A resource report by LR Senergy completed in May 2015 attributed approximately 28 BCF gross best estimate Contingent Resource to the Kiliwani North field. A reserves report will be prepared as at 31 December 2016 utilising the 2016 production data.

First revenues were received during August 2016 and the Tanzania Petroleum Development Corporation ("TPDC") has advised that it is currently arranging the Letter of Credit required for commercial operations under the Kiliwani North Gas Sales Agreement ("GSA") signed at the start of the year. The GSA guarantees pricing at $3.00 per mmbtu (approximately $3.07 per mcf) with yearly adjustment for US CPI.

Participants in the Kiliwani North Development Licence are: Ndovu Resources Ltd (Aminex) 54.575% (operator), RAK Gas LLC 23.75%, Bounty Oil & Gas NL 9.5%. Solo Oil plc 7.175% and the TPDC 5%.

TANZANIA – RUVUMA PSA

Following the capital raise completed in August 2016, Aminex expects to spud the Ntorya-2 well, the first of a two-well programme, in 4Q 2016. Aminex previously contracted North Sea Well Engineering Ltd. ("Norwell") to perform the well engineering for Ntorya-2 and the second well, Ntorya-3. During the first six months of the year, a tender process has been completed and service and equipment contracts are now being finalised with well site preparations nearing completion.

The Ntorya-2 well is located approximately 1.5 km south-west and up-dip of Ntorya-1 and will be drilled to satisfy the appraisal drilling obligations for the Ntorya location area. Once drilled, Aminex intends to apply for a 25-year development licence. The Ntorya-1 well drilled in 2012 discovered a gross sandstone interval of 25 metres, which comprised an upper 3.5-metre gas charged sandstone with an average porosity of 20%. A further 16.5-metre gas charged sandstone was drilled through but this was below the identified gas water contact on the well. The upper 3.5-metre interval tested at 20 MMcfd with 139 barrels of associated condensate. The Ntorya-2 appraisal well, up-dip of the Ntorya-1, will be drilled to test the full 20-metre net sandstone section which has been identified as above the identified gas water contact based on the most recent seismic. A resource report by LR Senergy completed in May 2015, attributed approximately 70 BCF gross best estimate Contingent Resource to the Ntorya-1 gas discovery including the upcoming Ntorya-2 appraisal well.

The second well location in the programme, Ntorya-3, has been identified from the 2D seismic acquired in 2014 and will be drilled in the thickest part of the main Cretaceous channel in 1H 2017. The Ntorya-3 reservoir is further up-dip from Ntorya-1 and Ntorya-2 and will test a further 323 BCF gross best estimate Prospective Resource (945 BCF gross Pmean gas in-place).

Both the Ntorya-2 and Ntorya-3 wells have multi-zone potential and are expected to test additional exploration targets in addition to appraising the priority Cretaceous gas sand discovery.

The Ruvuma PSA provides Aminex with a combination of exploration and appraisal activity. The key to unlocking the commercial potential for these opportunities is the new, common-user gas pipeline which runs from the south-east of Tanzania to Dar es Salaam. The pipeline and associated facilities became operational in Q3 2015 and provide a means of marketing gas discoveries at Ruvuma through selling gas to the TDPC. In addition, Aminex is reviewing options for an early production system in order to commercialise discoveries with a low capital outlay, although the long-term plan is to connect the gas field by a spur line to new infrastructure.

As well as the proposed Ntorya-2 and Ntorya-3 wells, several further well locations were identified from the 2014/2015 mapping, including potential well locations at Likonde and Namisange.

Since 30 June, Aminex has received formal Ministerial approval for the extension of the Mtwara Licence of the Ruvuma PSA. The Licence has been extended by one year to December 2017. Negotiations are ongoing for the extension of the Lindi Licence and its work commitments and, at the recommendation of the Minister, Aminex is applying for a two-year extension.

Participants in the Ruvuma PSA are: Ndovu Resources Ltd (Aminex) 75% (operator) and Solo Oil plc 25%.

TANZANIA – NYUNI AREA PSA

Aminex remains focused on the deep water sector of the Nyuni Area PSA. As previously advised, the Company agreed variations to the Nyuni Area work programme to enable the acquisition of deep water 3D seismic in the outboard sector of the PSA area and the deferral of the two exploration well drilling commitment for the Initial Work Period into the four year First Extension Period. Aminex has applied for the First Extension Period, together with the statutory relinquishment proposal, and is waiting for the grant of licence. The Company focus remains on projects which will deliver commercial gas in the near term.

Once the First Extension Period licence has been granted, a re-tender process is planned to select a 3D seismic contractor capable of acquiring high resolution 3D seismic over the key Pande West lead and to identify other potential prospects in the deep water with a view to bringing them to drill-ready status. Pande West is analogous to some of the recent major deep water discoveries in the vicinity. The drilling success rate achieved by other operators, based on 3D seismic in the main fairway east of Nyuni Area, is over 90%. The Company is reviewing ways to enable the potential monetisation of discoveries on the shelf and deep water through delivery into the National Gas Gathering System.

Participants in the Nyuni Area PSA, pending the formal transfer of a former partner's interest, are expected to be: Ndovu Resources Ltd. (Aminex) 90% (operator) and Bounty Oil & Gas NL 10%.

FINANCIAL REVIEW

Financing and Future Operations

In April 2016, the Kiliwani North gas field started production. While revenues for the supply of gas for testing and commissioning purposes were low during the period to 30 June 2016, production has increased since the period end and the Board now looks forward to a consistent revenue stream from its interest in the field to support operations and enable the repayment of the corporate loan. In June 2016 Aminex negotiated and agreed an eighteen-month extension to the repayment date of the corporate loan to 31 January 2018. The repayment of the corporate loan remains a priority for the Board and the Board will seek to pay down the debt or re-finance the loan.

In August 2016, Aminex completed a capital raise of approximately $23.8 million net of expenses, assisted by the introduction of a strategic investor, the Zubair Corporation, which now has a 29.9% shareholding in the Company. The funds raised will be primarily applied to drilling the Ntorya-2 appraisal well and the Ntorya-3 exploration well. Once the Ntorya-2 appraisal well has been drilled, Aminex plans to apply for a development licence for Ntorya. Aminex has repaid a further $2.00 million against the corporate loan balance.

In April 2016 Aminex entered into an asset sale agreement for the sale of a 3.825% interest in the Kiliwani North Development Licence to Solo Oil plc for a consideration of approximately $2.17 million. The first tranche of the sale, being $0.57 million for a 1% interest was concluded in April. Post period end, the second tranche for a 1.25% interest did not complete within fifteen days of receipt of first revenue payments by the Tanzania Petroleum Development Corporation ("TDPC"), although a third instalment for a 1.575% interest remains effective.

The start of revenues from Kiliwani North, the extension of the repayment period for the corporate loan, the recent capital raise and the commitment of the new strategic investor provide a strong financial base to enable Aminex to meet its work commitments over the next twelve months and fast-track its own projects as well as seek new development opportunities.

Revenue Producing Operations

Revenues for continuing operations amounted to $0.26 million (30 June 2015: $0.17 million). The revenues included Aminex's share of gas production from Kiliwani North-1 produced for the testing and commissioning gas of the newly-constructed Songo Songo Island gas processing plant. Revenues also arose from oilfield services comprising the provision of technical and administrative services to joint venture operations and sales of equipment to third parties. Cost of sales was $0.24 million (30 June 2015: $0.17 million) and depletion on Kiliwani North production amounted to $0.02 million (30 June 2015: $nil). Accordingly, there was a gross loss of $0.01 million for the period compared with nil gross profit for the previous period.

Group administrative expenses, net of costs capitalised against projects, were $1.35 million (2015: $0.76 million). The expenses for the current period include a share-based payment charge of $0.81 million relating to options granted in May 2016. No options were granted in the comparative period. On a like-for-like basis, excluding the share-based payment charge, the Group's administrative expenses for the period under review were $0.54 million, a reduction of $0.22 million. The reduction in costs was due primarily to reduced payroll costs as a result of fewer employees, with the Group also benefiting from foreign exchange movements with the strengthening of the dollar against sterling. Management has continued to maintain strict expenditure controls and, where possible, to reduce overhead costs. The partial disposal of the Group's interest in the Kiliwani North Development Licence gave rise to a gain of $0.34 million (30 June 2015: gain $1.77 million). Following a review of the carrying value of assets, an impairment provision of $1.50 million has been made against the production payment receivable of $4.50 million due from the US to recognise the continuing effect of lower oil prices on the equity market and non-payment of amounts due by Mayan Energy Limited (formerly Northcote Energy Limited): this has given rise to a reduction of $0.56 million in the fair value of the production payments, disclosed under current and non-current trade and other receivables. A further impairment provision of $0.01 million was made against available for sale assets. Impairment provisions and losses in the comparative period amounted to $0.83 million. The Group's resulting net loss from operating activities was $1.59 million (30 June 2015: profit of $0.18 million).

Finance costs reflect an interest charge of $0.86 million (30 June 2015: $0.79 million). Of this, a charge of $0.84 million (30 June 2015: $0.78 million) relates to the corporate loan, while the unwinding of the discount on the decommissioning provision was $0.02 million (30 June 2015: $0.01 million).

The Group's net loss for the period amounted to $2.45 million (30 June 2015: $0.61 million).

Balance Sheet

The Group's investment in exploration and evaluation assets increased from $79.86 million at 31 December 2015 to $80.51 million at 30 June 2016. The increase reflected well planning for two Ntorya wells, as well as licence expenses for the Ruvuma PSA and the Nyuni Area PSA. After review, the Directors have concluded that there is no impairment to these assets, which include the cost of the Ntorya-1 gas discovery. The carrying value of property, plant and equipment has increased from $12.42 million at 31 December 2015 to $12.43 million at 30 June 2016. The net increase of $0.01 million reflected the additions of $0.16 million offset by the amount of $0.13 million released on a disposal of a 1% interest in the field in April 2016 and depletion of $0.02 million. Non-current trade and other receivables relate to the fair value of production payments due from the US and has decreased by $0.57 million to $1.38 million mainly due to the partial impairment of the amount due. Current assets comprise trade and other receivables of $1.21 million and cash and cash equivalents of $1.33 million.

Under current liabilities, loans and borrowings of $9.02 million relate to the corporate loan (see commentary under Going Concern below) which had increased from $8.56 million at the 31 December 2015. The outstanding loan amount has been reduced since the period end (see Note 13). Trade payables amounted to $3.93 million. The non-current decommissioning provision increased from $0.45 million at 31 December 2015 to $0.46 million, the net increase arising on the release of $14,000 on the partial disposal of the interest in Kiliwani North offsetting the unwind discount charge of $21,000 for the period. Total equity has decreased by $1.40 million between 31 December 2015 and 30 June 2016 to $83.47 million. The movement comprises the net decrease in retained earnings of $1.85 million and the net loss of $0.15 million in the foreign currency translation reserve for the period under review offset by a net increase of $0.21 million in the share option reserve and an increase of $0.38 million in the share warrant reserve.

Cash Flows

The net decrease in cash and cash equivalents for the six months ended 30 June 2016 was $0.79 million compared with an increase of $1.74 million for the comparative period. During the period, the Group also received $0.57 million net consideration for the disposal of 1% of the Kiliwani North Development Licence. Net cash outflows from operating activities amounted to $0.78 million (2015: $1.77 million). Expenditure on exploration and evaluation assets in the current period amounted to $0.51 million, relating to Ntorya-2 well planning due to be drilled on the Ruvuma PSA acreage in Q4 2016, together with continuing licence costs. Expenditure on property, plant and equipment was $0.07 million for pre-production expenditure and ongoing licence costs on the Kiliwani North licence. The cash balance at 30 June 2016 was $1.33 million (31 December 2015: $2.12 million).

Related Party Transactions

There were no related party transactions during the six-month period to 30 June 2016 that have materially affected the financial position or performance of the Group. In addition, there were no changes in the related parties set out in Note 31 to the Financial Statements contained in the 2015 Annual Report that could have had a material effect on the financial position or performance of the Group during the six-month period.

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 commencement of production from the Kiliwani North field coupled with the receipt of payments by the Tanzanian Petroleum Development

Corporation, the extension of the repayment date for the corporate loan to 31 January 2018 and the capital raise in August 2016 which raised approximately $23.8 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 main licence interests in Tanzania, 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 Directors draw attention to certain risks which may affect the Group. The corporate loan repayment date has been extended to 31 January 2018 and, based on current cash flow projections and reflecting a repayment of $2 million made after the period end, the Group expects to be in a position to repay the estimated loan balance of $9.2 million in full as it falls due. The cash flows assume the continuing production from Kiliwani North-1 which started production during the year, together with payments being made by the Tanzania Petroleum Development Corporation in accordance with the Gas Sales Agreement. In addition to the corporate loan, the Group is waiting for the final approval of a number of matters concerning extension to and variations of licence terms in Tanzania. While the Directors have a reasonable expectation that these matters will be satisfactorily resolved, there can be currently no guarantee and therefore unplanned liabilities may arise.

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

Principal Risks and Uncertainties

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

Strategic risks

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

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

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

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

Operational risks

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

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

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

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

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

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

Compliance risks

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

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

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

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

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

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

<u>Financial risks</u>

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

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

A more detailed listing of risks and uncertainties facing the Group's business is set out on pages 21 and 22 of the 2015 Aminex PLC Annual Report and Accounts (available on the Aminex website www.aminex-plc.com).

Forward Looking Statements

Certain statements made in this half-yearly financial report are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from the expected future events or results referred to in these forward-looking statements.

Statement of the Directors in respect of the Half-Yearly Financial Report

Each of the directors who held office at the date of this report, confirm their responsibility for preparing the half-yearly financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007, the Transparency Rules of the Central Bank of Ireland and the Disclosure and Transparency Rules of the UK Financial Conduct Authority and with IAS 34 *Interim Financial Reporting*, as adopted by the EU and to the best of each person's knowledge and belief:

● the condensed consolidated interim financial statements comprising the condensed consolidated interim income statement, the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim balance sheet, the condensed consolidated interim statement of changes in equity, the condensed consolidated interim statement of cashflows and the related explanatory notes have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

● the interim management report includes a fair review of the information required by:

(a) *Regulation 8(2) of the Transparency (Directive 2004/109/EC) Regulations 2007,* being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) *Regulation 8(3) of the Transparency (Directive 2004/109/EC) Regulations 2007,* being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board

J.C. BHATTACHERJEE	**M.V. WILLIAMS**
Chief Executive Officer/Director	*Chief Financial Officer/Director/Company Secretary*

15 September 2016

Independent Review Report to Aminex PLC

Introduction

We have been engaged by the Company to review the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2016 which comprises the condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim balance sheet, condensed consolidated interim statement of changes in equity, condensed consolidated interim statement of cashflows and the related explanatory notes. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards as adopted by the EU ("IFRSs"). Our review was conducted in accordance with the Financial Reporting Council's ("FRC's") International Standard on Review Engagements ("ISRE") (UK and Ireland) 2410, *'Review of Interim Financial Information Performed by the Independent Auditor of the Entity.'*

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly report for the six months ended 30 June 2016 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU, the TD Regulations and the Transparency Rules of the Central Bank of Ireland and the Disclosure and Transparency Rules of the UK's Financial Conduct Authority ("FCA").

Going concern

In forming our review conclusion, we have considered the adequacy of the disclosures made in Note 1 to the condensed consolidated financial statements concerning the Group's ability to continue as a going concern having regard to its debt repayment obligations and ongoing capital commitments which are significant. Our conclusion is not qualified in respect of these matters.

Basis of our report, responsibilities and restrictions on use

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the TD Regulations, the Transparency Rules of the Central Bank of Ireland and the Disclosure and Transparency Rules of the UK FCA.

As disclosed in Note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The Directors are responsible for ensuring that the condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. Our responsibility is to express to the Company a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

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

We read the other information contained in the half-yearly financial report to identify material inconsistencies with the information in the condensed set of consolidated financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the review. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Transparency (Directive 2004/109/EC) Regulations 2007 as amended ("the TD Regulations"), the Transparency Rules of the Central Bank of Ireland and the Disclosure and Transparency Rules of the UK Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this 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 for our review work, for this report, or for the conclusions we have reached.

Eamonn Russell
For and behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
15 September 2016
1 Stokes Place, St. Stephen's Green, Dublin 2

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
for the six months ended 30 June 2016

	Notes	**Unaudited 6 months ended 30 June 2016 US$'000**	Unaudited 6 months ended 30 June 2015 US$'000	Audited Year ended 31 December 2015 US$'000
Continuing operations				
Revenue	2	**255**	166	350
Cost of sales		**(241)**	(166)	(341)
Depletion and decommissioning of gas interests		**(20)**	-	-
Gross (loss)/profit		**(6)**	-	9
Administrative expenses	3	**(1,353)**	(756)	(1,615)
Depreciation of other assets		**(5)**	(7)	(15)
Total administrative expenses		**(1,358)**	(763)	(1,630)
Loss from operating activities before other items		**(1,364)**	(763)	(1,621)
Gain on part disposal of development asset	4	**344**	1,772	1,772
Reduction in fair value of other receivables		**(556)**	(379)	(968)
Impairment provision against exploration and evaluation assets		**-**	-	(353)
Impairment provision against assets held for sale		**-**	(425)	(850)
Impairment loss on available for sale assets	11	**(14)**	(25)	(68)
Loss on disposal of available for sale assets		**-**	-	(7)
(Loss)/profit from operating activities		**(1,590)**	180	(2,095)
Finance income	5	**-**	1	3
Finance costs	6	**(862)**	(787)	(1,686)
Loss before income tax		**(2,452)**	(606)	(3,778)
Income tax expense	7	**-**	-	-
Loss for the period attributable to equity holders of the Company	2	**(2,452)**	(606)	(3,778)
Basic and diluted loss per share (cents)	8	**(0.12)**	(0.03)	(0.20)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 June 2016

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited Year ended 31 December 2015 US$'000
Loss for the period	**(2,452)**	(606)	(3,778)
Other comprehensive income			
Items that are or maybe reclassified to profit or loss:			
Currency translation differences	**(148)**	(456)	(293)
Total comprehensive expense for the period attributable to the equity holders of the Company	**(2,600)**	(1,062)	(4,071)

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
At 30 June 2016

	Notes	**Unaudited 30 June 2016 US$'000**	Unaudited 30 June 2015 US$'000	Audited 31 December 2015 US$'000
ASSETS				
Exploration and evaluation assets	9	**80,508**	79,261	79,864
Property, plant and equipment	10	**12,432**	12,275	12,416
Available for sale assets	11	**8**	82	22
Trade and other receivables		**1,378**	2,544	1,950
Total non-current assets		**94,326**	94,162	94,252
Current assets				
Assets held for sale		**-**	425	-
Trade and other receivables		**1,213**	966	606
Cash and cash equivalents	12	**1,334**	3,506	2,128
Total current assets		**2,547**	4,897	2,734
Total assets		**96,873**	99,059	96,986
LIABILITIES				
Current liabilities				
Loans and borrowings	13	**(9,017)**	(7,698)	(8,559)
Trade and other payables		**(3,929)**	(3,067)	(3,103)
Total current liabilities		**(12,946)**	(10,765)	(11,662)
Non-current liabilities				
Decommissioning provision		**(455)**	(416)	(448)
Total non-current liabilities		**(455)**	(416)	(448)
Total liabilities		**(13,401)**	(11,181)	(12,110)
NET ASSETS		**83,472**	87,878	84,876
EQUITY				
Issued capital		**67,192**	67,192	67,192
Share premium		**96,036**	96,036	96,036
Other undenominated capital		**234**	234	234
Share option reserve		**3,894**	3,891	3,683
Share warrant reserve	15	**3,436**	3,047	3,054
Foreign currency translation reserve		**(1,607)**	(1,622)	(1,459)
Retained earnings		**(85,713)**	(80,900)	(83,864)
TOTAL EQUITY		**83,472**	87,878	84,876

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2016

Attributable to equity shareholders of the Company

	Share capital US$'000	Share premium US$'000	Other undenominated capital US$'000	Share option reserve US$'000	Share warrant reserve US$'000	Foreign currency translation reserve fund US$'000	Retained earnings US$'000	Total equity US$'000
Balance at 1 January 2015	**67,094**	**93,505**	**234**	**3,891**	**3,031**	**(1,166)**	**(80,112)**	**86,477**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(606)	(606)
Currency translation differences	-	-	-	-	-	(456)	-	(456)
Transactions with shareholders of the Company recognised directly in equity								
Shares issued	98	2,531	-	-	-	-	(182)	2,447
Share warrants granted	-	-	-	-	16	-	-	16
Balance at 1 July 2015	**67,192**	**96,036**	**234**	**3,891**	**3,047**	**(1,622)**	**(80,900)**	**87,878**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(3,172)	(3,172)
Currency translation differences	-	-	-	-	-	163	-	163
Transactions with shareholders of the Company recognised directly in equity								
Share warrants granted	-	-	-	-	7	-	-	7
Shares option reserve adjustment	-	-	-	(208)	-	-	208	-
Balance at 1 January 2016	**67,192**	**96,036**	**234**	**3,683**	**3,054**	**(1,459)**	**(83,864)**	**84,876**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(2,452)	(2,452)
Currency translation differences	-	-	-	-	-	(148)	-	(148)
Transactions with shareholders of the Company recognised directly in equity								
Share based payment charge	-	-	-	814	-	-	-	814
Share options reserve adjustment				(603)	-	-	603	-
Share warrants granted	-	-	-	-	382	-	-	382
Balance at 30 June 2016 (unaudited)	**67,192**	**96,036**	**234**	**3,894**	**3,436**	**(1,607)**	**(85,713)**	**83,472**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASHFLOWS

for the six months ended 30 June 2016

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited Year ended 31 December 2015 US$'000
Operating activities			
Loss for the financial period	**(2,452)**	(606)	(3,778)
Depletion, depreciation and decommissioning	**25**	7	15
Impairment provision against assets held for sale	**-**	425	850
Impairment provision against exploration and evaluation assets	**-**	-	353
Finance income	**-**	(1)	(3)
Finance costs	**862**	787	1,686
Gain on disposal of interest in jointly controlled operations	**(344)**	(1,772)	(1,772)
Loss on disposal of available for sale assets	-	-	7
Reduction in fair value of trade receivables	**556**	379	968
Impairment of available for sale assets	**14**	25	68
Equity-settled share-based-payment expenses	**814**	-	-
(Increase)/decrease in trade and other receivables	**(590)**	126	493
Decrease in trade and other payables	**337**	423	177
Net cash used in operations	**(778)**	(207)	(936)
Interest paid	**-**	(1,563)	(1,563)
Net cash outflows from operating activities	**(778)**	(1,770)	(2,499)
Investing activities			
Proceeds from sale of property, plant and equipment	**567**	3,325	3,325
Proceeds from disposal of available for sale assets	**-**	-	10
Acquisition of property, plant and equipment	**(69)**	(126)	(204)
Expenditure on exploration and evaluation assets	**(514)**	(418)	(1,001)
Interest received	**-**	1	3
Net cash (used in)/from investing activities	**(16)**	2,782	2,133
Financing activities			
Proceeds from the issue of share capital	**-**	2,644	2,629
Payment of transaction costs on issue of capital	**-**	(197)	(182)
Loans repaid	**-**	(1,718)	(1,718)
Net cash from financing activities	**-**	729	729
Net (decrease)/increase in cash and cash equivalents	**(794)**	1,741	363
Cash and cash equivalents at 1 January	**2,128**	1,765	1,765
Cash and cash equivalents at end of the financial period	**1,334**	3,506	2,128

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)
for the six months ended 30 June 2016

1. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2016 are unaudited but have been reviewed by the auditor. The financial information presented herein does not amount to statutory financial statements that are required by Part 6 of Chapter 4 of the Companies Act 2014 to be annexed to the annual return of the Company. The statutory financial statements for the financial year ended 31 December 2015 were annexed to the annual return and filed with the Registrar of Companies. The audit report on those statutory financial statements was unqualified. The auditor drew attention to the Group's disclosures made in the Basis of Preparation paragraph in the Statement of Accounting Policies included in the 2015 Annual Report concerning the Group's ability to continue as a going concern but the auditor's opinion was not modified in this respect.

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

The financial information contained in the condensed interim financial statements has been prepared in accordance with the accounting policies set out in the 2015 Annual Report except as outlined below.

These condensed consolidated interim financial statements were approved by the Board of Directors on 15 September 2016.

(i) 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 commencement of production from the Kiliwani North field coupled with the receipt of payments by the Tanzanian Petroleum Development Corporation, the extension of the repayment date for the corporate loan to 31 January 2018 and the capital raise in August 2016 which raised approximately $23.8 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 main licence interests in Tanzania, 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 Directors draw attention to certain risks which may affect the Group. The corporate loan repayment date has been extended to 31 January 2018 and, based on current cash flow projections and reflecting a repayment of $2 million made after the period end, the Group expects to be in a position to repay the estimated loan balance of $9.2 million in full as it falls due. The cash flows assume the continuing production from Kiliwani North-1 which started production during the year, together with payments being made by the Tanzania Petroleum Development Corporation in accordance with the Gas Sales Agreement. In addition to the corporate loan, the Group is waiting for the final approval of a number of matters concerning extension to and variations of licence terms in Tanzania. While the Directors have a reasonable expectation that these matters will be satisfactorily resolved, there can be currently no guarantee and therefore unplanned liabilities may arise.

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

1. Basis of preparation (continued)

(ii) Use of judgments and estimates

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

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

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

The Directors consider the critical judgments in applying accounting policies to be related to the ability of the Group to continue as a going concern, valuation of exploration and evaluation assets and the depletion and decommissioning costs of property, plant and equipment. The Directors are required to estimate the expected remaining useful life of the oil and gas producing assets, the future capital expenditure required to recover oil and gas reserves and the future prices of oil and gas in assessing these balances. Future revisions to these estimates and their underlying assumptions could arise from results of drilling activity, movements in oil and gas prices and cost inflation in the industry. Further details are set out in Notes 9 and 10 to these financial statements. The Directors are required to consider the Group's ability to continue as a going concern. Further details are set out in the going concern paragraph above.

Measurement of fair values

Management use the fair value hierarchy, levels 1, 2 and 3 (as set out on page 53 of the 2015 Annual Report), for determining and disclosing the fair values of financial instruments by valuation technique. Assets and liabilities for assets held for sale, and production payments receivable are carried at fair value and management has determined this to be a Level 3 fair value while the fair value of available for sale assets has been determined to be a Level 1 fair value given the assets are quoted on an active stock market. The carrying value of the Group's remaining financial instruments are considered by management to reflect fair value given the short term nature of these.

(ii) New accounting standards and interpretations adopted

Below is a list of standards and interpretations that were required to be applied in the period ended 30 June 2016. There was no material impact to the financial statements in the period from the application of these.

(i) New standards required to be applied to an entity with financial reporting period beginning on 1 January 2016

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

(ii) New standards not yet endorsed by the EU but available for early adoption

Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: *Applying the consolidation exception*

IFRS 14: *Regulatory Deferral Accounts*

Amendments to IAS 7: *Disclosure Initiative*

Amendments to IAS 12: *Recognition of deferred tax assets for unrealised losses*

IFRS 15: *Revenue from contracts with customers (May 2014) including amendments to IFRS 15: Effective date of IFRS 15*

IFRS 9 *Financial Instruments*

Clarifications to IFRS 15: *Revenue from Contracts with Customers* (12 April 2016)

Amendments to IFRS 2: *Classification and measurement of share-based payment transactions* (20 June 2016)

IFRS 16: *Leases (13 January 2016)*

Amendments to IFRS 10 and IAS 28: *Sale or contribution of assets between an investor and its associate or joint venture (September 2014)*

2. Segmental disclosure – continuing operations

The Group considers that its continuing operating segments consist of (i) Producing Assets, (ii) Exploration Assets and (iii) Oilfield Services and Group Costs. 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 of head office expenses, cash balances, borrowings and certain other items.

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited year ended 31 December 2015 US$'000
Segmental revenue			
Producing assets	**76**	-	-
Provision of oilfield services	**179**	166	350
Total revenue	**255**	166	350
Country of destination – All revenues			
Africa	**255**	166	350
Total revenue	**255**	166	350
Segmental (loss)/ profit for the financial period			
Africa – exploration assets	**12**	1,629	1,192
Africa – producing assets	**57**	-	-
Europe – oilfield services/Group costs (1)	**(2,521)**	(2,235)	(4,970)
Group loss for the period	**(2,452)**	(606)	(3,778)
Segmental assets			
Europe – producing assets held for sale	**-**	425	-
Africa – producing assets	**12,422**	12,258	12,405
Africa – exploration assets	**82,793**	80,831	81,918
Europe – oilfield services/Group costs (2)	**1,658**	5,545	2,663
Total assets	**96,873**	99,059	96,986
Segmental liabilities			
Africa – exploration assets	**(3,065)**	(2,882)	(3,118)
Africa – producing assets	**(566)**	-	-
Europe – oilfield services/Group liabilities (3)	**(9,770)**	(8,299)	(8,992)
Total liabilities	**(13,401)**	(11,181)	(12,110)

(1) Group costs primarily comprise impairment provisions, interest expense on financial liabilities and salary and related costs.
(2) Group assets primarily comprise cash and working capital.
(3) Group liabilities primarily comprise loans and borrowings and trade payables and related costs.

2. Segmental disclosure (continued)

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited year ended 31 December 2015 US$'000
Capital expenditure			
Africa – exploration assets	**644**	527	1,483
Africa – producing assets	**163**	122	269
Europe – oilfield services/Group costs	**5**	2	4
Total capital expenditure	**812**	651	1,756
Non-cash items			
Europe: depreciation – Group assets	**5**	7	15
Africa: depreciation – Producing assets	**20**	-	-
Reduction in fair value of other receivables	**556**	379	968
Impairment provision against available for sale assets	**14**	25	68
Impairment provision against assets held for sale	**-**	425	850
Interest expense on financial liabilities measured at amortised cost	**841**	776	1,643
Equity-settled share-based-payment expenses	**814**	-	-

3. Share based payments

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

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited year ended 31 December 2015 US$'000
Share based payment charge on vesting of options	**841**	-	-

The fair values of options granted in the period in accordance with the terms of the Aminex PLC Executive Share Option Scheme were calculated using the following inputs into the binomial option-pricing model:

Date of grant	9 May 2016
Contractual life	3 years
Exercise price	Stg 1.34 pence
Market price	Stg 1.34 pence
Number of options granted (immediate vesting)	139,500,000
Expected volatility	45%
Vesting conditions	Immediate
Fair value per option	Stg 0.41 pence
Expected dividend yield	-
Risk-free rate	0.001%

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.

4. Part disposal of property, plant and equipment

On 4 April 2016, the Company completed the disposal of 1% of its interest in the Kiliwani North Development Licence to Solo Oil plc for a consideration of US$0.57 million giving rise to a profit on disposal of US$0.34 million as follows:

	Unaudited 6 months ended 30 June 2016 US$'000
Consideration received	567
Disposal of property, plant and equipment	(126)
Finance costs – reversal of decommissioning provision	14
Costs of disposal	(6)
Gain on disposal	449
Capital gains tax arising on disposal	(105)
Net gain on disposal after tax	**344**

5. Finance income

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited year ended 31 December 2015 US$'000
Deposit interest income	**-**	1	3

6. Finance costs

	Unaudited 6 months ended 30 June 2016 US$'000	Unaudited 6 months ended 30 June 2015 US$'000	Audited year ended 31 December 2015 US$'000
Decommissioning provision interest charge	**21**	11	43
Interest expense on financial liabilities measured at amortised cost	**841**	776	1,643
	862	787	1,686

Included in finance costs for the period is an interest charge of US$841,000 in respect of the US$8 million corporate loan, which has been calculated using the effective interest rate method.

7. Tax

The Group has not provided any tax charge for the six month periods ended 30 June 2016 and 30 June 2015 or for the year ended 31 December 2015. The Group's operating divisions have accumulated losses which are expected to exceed profits earned by operating entities for the foreseeable future.

8. Loss per share

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

The calculations for the basic and diluted loss per share of the financial periods ended 30 June 2016, 30 June 2015 and the year ended 31 December 2015 are as follows:

	Unaudited 6 months ended 30 June 2016	Unaudited 6 months ended 30 June 2015	Audited Year ended 31 December 2015
Numerator for basic and diluted loss per share:			
Loss for the financial period (US$'000)	**(2,452)**	(606)	(3,778)
Weighted average number of shares:			
Weighted average number of ordinary shares ('000)	**1,976,205**	1,889,652	1,934,014
Basic and diluted loss per share (US cents)	**(0.12)**	(0.03)	(0.20)

There is no difference between the basic loss per Ordinary Share and the diluted loss per Ordinary Share for the financial periods ended 30 June 2016, 30 June 2015 and the year ended 31 December 2015 as all potentially dilutive Ordinary Shares outstanding are anti-dilutive. There were 156,675,000 anti-dilutive share options (30 June 2015: 21,115,000 and 31 December 2015: 19,315,000) and 167,560,031 anti-dilutive share warrants in issue as at 30 June 2016 (30 June 2015: 92,576,455 and 31 December 2015: 92,576,455).

9. Exploration and evaluation assets

Cost	US$'000
At 1 January 2016	84,945
Additions	644
At 30 June 2016	**85,589**
Provisions for impairment	
At 31 December 2015 and 30 June 2016	5,081
Net book value	
At 30 June 2016	**80,508**
At 31 December 2015	79,864

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

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

10. Property, plant and equipment

	Development property - Tanzania	Other assets	Total
	US$'000	US$'000	US$'000
Cost			
At 1 January 2016	12,405	450	12,855
Additions in the period	163	5	168
Disposals in the period	(126)	-	(126)
Exchange rate adjustment	-	(15)	(15)
At 30 June 2016	**12,442**	**440**	**12,882**
Depreciation and depletion			
At 1 January 2016	-	439	439
Charge for the period	20	5	25
Exchange rate adjustment	-	(14)	(14)
At 30 June 2016	**20**	**430**	**450**
Net book value			
At 30 June 2016	**12,422**	**10**	**12,432**
At 31 December 2015	12,405	11	12,416

During the period, the Company disposed of 1% of its 55.575% interest in the Kiliwani North Development Licence (see Note 4).

Following the award of the Kiliwani North Development Licence by the Tanzanian Government in April 2011, the carrying cost relating to the development licence was reclassified as a development asset under property, plant and equipment, in line with accounting standards and the Group's accounting policies. Depletion is being charged on a unit of production basis from the date the field commenced production. The Directors have reviewed the carrying value of the asset at 30 June 2016 based on estimated discounted future cashflows and are satisfied that no impairment has occurred.

11. Available for sale assets

As part of the disposal proceeds in a prior year for the Company's wholly-owned subsidiary Aminex USA, Inc. the Company was granted shares with a fair market value of US$350,000 in Mayan Energy Limited (formerly Northcote Energy Limited), an AIM listed oil and gas company. The fair value of the remaining shares has decreased and this decrease in value is considered by the Directors to constitute an impairment of the assets at 30 June 2016. Accordingly the impairment has been expensed in the income statement.

	Unaudited 6 months ended 30 June 2016	Unaudited 6 months ended 30 June 2015	Audited year ended 31 December 2015
At beginning of period	**22**	107	107
Disposals in year	**-**	-	(17)
Impairment loss charged to income statement	**(14)**	(25)	(68)
At end of period	**8**	82	22

12. Cash and cash equivalents

Included in cash and cash equivalents is an amount of US$182,000 held on behalf of partners in joint operations.

13. Loans and borrowings

In July 2016, the Company reached an agreement with the lender, a fund managed by Argo Capital Management (Cyprus) Ltd, for an extension of the repayment period from 30 July 2016 to 31 January 2018. The loan facility, originally agreed in January 2013, initially carried a 12.5% coupon for the period which increased to 15% from 1 July 2013 and a repayment premium which is 20% of the loan. The loan is secured by fixed charges over certain of the Group's subsidiary companies and a floating charge over the Group's assets.

The Group did not make any repayments of interest and capital during the period. The balance due at 30 June 2016 amounted to US$9.2 million. As a result of the Open Offer and subsequent rump placing, Aminex has repaid US$2.00 million against the corporate loan balance and the balance at the date of this report is approximately US$7.5 million.

Finance costs have been calculated using the effective interest rate method, based on management's best estimate of expected cash flows arising from the interest, redemption premium and principal repayments in addition to the charge associated with the warrants. An amount of US$0.84 million (June 2015: US$0.78 million) has been charged to the Group Income Statement in respect of this (see Note 6).

14. Financial instruments

a. Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value		
	Non-current trade and other receivables US$'000	Current trade and other receivables US$'000	Total US$'000	Level 1 US$'000	Level 3 US$'000	Total US$'000
30 June 2016						
Other receivables	1,378	37	1,415	-	1,415	1,415
Available for sale assets	8	-	8	8	-	8
	1,386	**37**	**1,423**	**8**	**1,415**	**1,423**
31 December 2015						
Other receivables	1,950	21	1,971	-	1,971	1,971
Available for sale assets	22	-	22	22	-	22
	1,972	21	1,993	22	1,971	1,993

14. Financial instruments (continued)

b. Measurement of fair values

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.

The fair value of production payments receivable from US assets sold in 2014 and included in non-current and current trade and other receivables is determined based on the expected future cash flows where the significant unobservable inputs are the discount rate of 15% and the expected timing of production. The estimated fair value would decrease if the expected timing of production is delayed.

Sensitivity analysis

An increase/decrease in the discount rate of 1% decreases/increases the fair value of production payments receivable. The resulting impact on the loss for the period is an increase/decrease of US$60,992/US$64,481 respectively.

A delay in production of one year decreases the fair value of production payments receivable and increases the loss for the period by US$185,000.

15. Share warrant reserve

Since the balance sheet date, the Company has increased its issued share capital and an additional 74,984,577 warrants have been granted in accordance with the warrant deed to a fund managed by Argo Capital Management (Cyprus) Limited in line with the terms of the financing agreement. These warrants are deemed to be granted in the current period in order to comply with the provisions of IAS 39 - Financial Instruments: Recognition and Measurement. The fair value of the warrants granted in accordance with the provision is US$382,000.

The fair values of the warrants deemed granted in the period were calculated using the following inputs into the binomial model:

Date of grant	2 August 2016	4 August 2016
Contractual life	11 months	11 months
Exercise price	Stg 1.00 pence	Stg 1.00 pence
Market price	Stg 1.30 pence	Stg 1.375 pence
Number of warrants granted	70,012,308	4,972,269
Expected volatility	45%	45%
Vesting conditions	11 months	11 months
Fair value per option	Stg 0.38 pence	Stg 0.44 pence
Expected dividend yield	-	-
Risk-free rate	0.001%	0.001%

16. Commitments – exploration activity

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

(a) On the Nyuni Area PSA, Tanzania: to acquire 800 kilometres of 2D seismic, 200 kilometres of which shall be acquired in the transition zone and to drill two wells by the end of the initial work period ending October 2015. 147 km of the transition commitment was acquired in 2012. In August 2015 the Ministry of Energy and Mines confirmed the deferral of the two well drilling commitment into the four-year First Extension Period which will expire in October 2019. In July 2015, Aminex applied for the First Extension Period, together with the statutory relinquishment proposal, and is waiting for the grant of licence prior to continuing with the work programme.

(b) On the Ruvuma PSA, Tanzania: the PSA has entered the second and final extension period. In January 2014, a Variation Addendum to the PSA was signed so that the commitment to drill two exploration wells in the previous period could be incorporated into the current work period. Four exploration wells were required to be drilled by December 2016. Since 30 June, Aminex has received formal Ministerial approval for the extension of the Mtwara Licence of the Ruvuma PSA. The Licence has been extended by one year to December 2017. Negotiations are ongoing for the extension of the Lindi Licence and its work commitments and, at the recommendation of the Minister, Aminex is applying for a two-year extension.

17. Related party transactions

There were no related party transactions during the six-month period to 30 June 2016 that have materially affected the financial position or performance of the Group.

18. Post balance sheet events

On 27 July 2016, the Tanzanian Petroleum Development Corporation confirmed that the Ministry of Energy & Mines had extended the Mtwara Licence under the Ruvuma PSA by one year to 8 December 2017.

At an Extraordinary General Meeting held on 2 August 2016, shareholders approved the increase in the authorised share capital by €2,000,000 to €64,000,000 comprising 2,000,000,000 Ordinary Shares of €0.001 each. At the same meeting, the shareholders approved a capital raise for proceeds of approximately US$23.8 million (net of transaction expenses) through the issue of 1,499,673,520 Ordinary Shares of nominal value €0.001 each at Stg1.3 pence per Ordinary Share. The capital raise comprised a placing of 1,302,071,002 Ordinary Shares and an Open Offer whereby existing shareholders subscribed for 98,157,132 Ordinary Shares. On 4 August 2016, a rump placing of 99,445,386 Ordinary Shares was completed at the same issue price.

On completion of the capital raise, Aminex entered into a Shareholder and Relationship Agreement with Eclipse Investments LLC, part of the Zubair Corporation, which holds a 29.9% interest in the shares of the Company.

In September 2016, Aminex advised that it would maintain its 54.575% interest in Kiliwani North Development Licence. Under the terms of a sale and purchase agreement signed in April 2016, Solo Oil plc had agreed to take a further 1.25% interest within fifteen days of gas revenues payment being received. The transaction was not completed. The terms of a third and final tranche for the sale of 1.575% remain in effect.

19. Statutory information

The interim financial information to 30 June 2016 and 30 June 2015 is unaudited and does not constitute statutory financial information. The information given for the year ended 31 December 2015 does not constitute the statutory accounts within the meaning of Part 6 of Chapter 4 of the Companies Act 2014. The statutory accounts for the year ended 31 December 2015 has been filed with the Registrar of Companies in Ireland. This announcement is being sent to shareholders and will be made available at the Company's registered office at 6 Northbrook Road, Dublin 6 and at the Company's UK representative office at 60 Sloane Avenue, London SW3 3DD.