aminex

Interim Results for the six months to 30 June 2014

Highlights

Financial

- Fully funded to execute current work programme
- $15 million equity issue successfully completed
- Sale of Aminex USA completed since period end
- $8 million working capital facility extended
- Loss for period $4.74 million (2013: $4.12 million)

Operational

- Strengthened Board and Technical team
- Infill seismic acquisition completed over Ntorya appraisal area connecting Ntorya and Likonde
- Kiliwani North development on track for first gas in early 2015
- Extended deadline for work programme at WEEM-2, Egypt

Glossary of terms used

PSA or PSC	Production Sharing Agreement or Contract
MCF	Thousands of cubic feet of natural gas
BCF	Billions of cubic feet of natural gas
TCF	Trillions of cubic feet of natural gas
MMcfd	Millions of cubic feet per day of natural gas
Bbl	Barrels of oil
BOE/BOEPD	Barrels of oil equivalent/per day
km	Kilometres
TPDC	Tanzania Petroleum Development Corporation

Chief Executive's Statement

Dear Shareholder

I am pleased to report to shareholders today Aminex's Interim Results for the six months ended 30 June 2014; a landmark period which saw myself, Philip Thompson and Max Williams appointed to the Board of Directors, a successful $15 million equity raising and the agreement to dispose of Aminex USA, Inc. for a total consideration of $5 million.

Although the Company is reporting a loss for the period of $4.74 million (2013: $4.12 million), the Board reaffirms to all shareholders the Company's enviable position of holding a strong asset base with large resource potential and route to monetisation, in addition to being fully funded to execute its current work programme.

During the period under review, the Board's primary objective has been to bring the Company's Tanzanian assets progressively closer to production and, as part of this process, it has strengthened its technical team, which is focused on its African activities. The stated objective of exiting the USA has been accomplished since the period end with the sale of Aminex USA, Inc. for a consideration of $5 million.

In February the Company was pleased to announce that it had secured $15 million via an equity raising. In conjunction with this equity-raising, the repayment date of an $8 million corporate loan was extended to July 2015, by which time the Company is expected to be in production at the Kiliwani North gas field. The fundraising has enabled the Company to acquire a high density 2D seismic programme over its Ntorya-1 appraisal area in the Ruvuma basin of Tanzania, for the first time linking Ntorya-1 with the Likonde-1 well drilled by the Company in 2010. Along with vintage data, which has been reprocessed and interpreted, the new data will allow the Company to high-grade its numerous leads at Ruvuma into drill-ready prospects. This should attract industry partners to help develop the Company's highly prospective Ruvuma Basin acreage. Kiliwani North will be only the third producing gas field in Tanzania's history and the first new well to come on-stream for several years. This will be a major turning point for Aminex as it progresses from being an explorer into an East African producer. Shareholders can expect further news of the new seismic programme at our Ntorya-1 discovery before October.

Aminex continues to work closely with the Tanzanian authorities, with whom it enjoys an excellent and cooperative relationship, and in particular the Tanzania Petroleum Development Corporation ("TPDC"). The Company's first priority is to bring gas from the Kiliwani North Field to market in less than one year from now and the major regional gas pipeline under construction in Tanzania is progressing to plan. The line and facilities are expected to be completed by the end of 2014 and commissioned for production in early 2015. The Gas Sales Agreement has been agreed with the TPDC with no material issues remaining and is currently being vetted by the Government prior to execution, together with, we understand, similar agreements between TPDC and the other Tanzanian gas producers.

As the Company is now financed through to first African production and in the final stages of completion of its Ruvuma seismic programme, the Board's objectives will be firstly to pay down outstanding corporate debt as early as possible and secondly to expand the business, in Tanzania and elsewhere in Africa, through seeking production and development opportunities.

In a period where we have taken some major steps towards our longer term development, it is imperative that I recognise the most important driving force behind this growth; our people and shareholders. A copy of our corporate presentation can be accessed via the Company's website, which itself is due to be refreshed with the results of the newly acquired seismic by the end of September, and I look forward to updating the market on further progress in due course.

Yours sincerely

Jay Bhattacherjee
Chief Executive
28 August 2014

Operations Report

Tanzania – Kiliwani North & gas commercialisation

The Kiliwani North-1 gas well has been completed and ready to produce for some time. A Gas Sales Agreement ("GSA") with the TPDC is largely negotiated, with no material issues remaining. First Kiliwani North commercial gas is due to be delivered into a new 36" regional pipeline system in early 2015, being Aminex's first commercial production in Africa. Initial production from the well is expected to be 20 MMcfd (approximately 3,500 BOEPD) which the Company believes can be maintained for up to 36 months and then declined in a manner best suited to maximising the life of the reservoir.

TPDC will construct the sales pipeline directly to Kiliwani North at its own cost, allowing the Company to sell its production at the wellhead, which eliminates all capital expenditure exposure to infrastructure and greatly simplifies the process of selling gas. Kiliwani North will be only the third producing gas field in Tanzania's history and the first new one to come onstream for several years. This will be a major turning point for Aminex as it progresses from being an explorer into an East African producer. Participants in the Kiliwani North Development Licence are: Ndovu Resources Ltd. (Aminex) 65% (operator), RAK Gas 25% and Bounty Oil & Gas 10%.

Tanzania - Ruvuma PSA

In 2012 the Ntorya-1 discovery well in the Ruvuma PSA tested 20 MMcfd together with 139 barrels of associated condensate. In May 2014 the Company completed a 2D seismic programme to appraise the Ntorya-1 discovery and to provide drill ready prospects. The seismic data is currently being processed and initial results are encouraging. It is expected that the final interpretation, mapping, and resource estimates will be completed by the end of the third quarter. The Company continues to work on financing solutions for its drilling programme in Ruvuma and the new data will assist this process. Participants in the Ruvuma PSA are: Ndovu Resources Ltd (Aminex) 75% (operator) and Solo Oil Plc 25%.

Tanzania - Nyuni Area PSA

After further detailed technical review Aminex and its partners will focus their efforts on the deep water portion of the Nyuni Area acreage. The Company has applied to TPDC to vary the Nyuni Area work programme for the shallow water seismic obligation, originally planned for this year, to be converted to deep water 3D seismic in the outboard sector of the PSA area, off the continental shelf, where Aminex has identified a large potential prospect. This is analogous to some of the recent major deep water discoveries in the vicinity. A tender process is planned in the third quarter to select a seismic contractor capable of acquiring quality 3D seismic over the key Pande West Lead and to identify other potential drill ready prospects. The Company is unlikely to be in a position to drill an expensive deep water well in the Nyuni Area in the foreseeable future without introducing a larger company as a farm-in partner. Participants in the Nyuni Area PSA are: Ndovu Resources Ltd. (Aminex) 70% (operator), RAK Gas 25% and Bounty Oil & Gas 5%.

Egypt – West Esh El Mellaha PSC ('WEEM-2')

Aminex has a 10% beneficial interest in this PSC through its shareholding in Aminex Petroleum Egypt Ltd. Three wells have been drilled to date, of which one tested oil in non-commercial quantities and further drilling is planned, at no cost to the Company. Activity has for the time being been restricted due to political issues in Egypt and following a change of control in the ownership of Aminex Petroleum Egypt Ltd.'s ultimate parent company. The Egyptian authorities have now extended the second period of the WEEM-2 PSC to facilitate completion of a delayed drilling programme and the operator of the PSC has indicated that a follow-up well is likely to be drilled in due course. Aminex's interest in this PSC is free-carried by a partner through to first commercial production and the Company therefore has no day-to-day control over the timing of drilling operations.

Financial Review

Financing and future operations

Since the start of 2014, Aminex has successfully completed a $15 million fundraising and aims to focus its resources on its high-impact Tanzania exploration and development programmes, including the commencement of gas production from the Kiliwani North field in early 2015. In conjunction with the fundraising, which comprised a placing, open offer to existing shareholders and the support of certain creditors agreeing to convert amounts owed to Ordinary Shares in Aminex, the Company also negotiated, through the continued support of the lender, an extension to the repayment date to no later than 31 July 2015 of the $8 million corporate loan. The fundraising and the repayment date extension has enabled Aminex to acquire a high density 2D seismic programme to appraise the extent of the channel system over the Ntorya appraisal licence area and leading up to the Likonde well. The seismic has been acquired and the processed and interpreted results are expected by the end of the third quarter of 2014. Along with the reprocessing and interpretation of the vintage data the new seismic will greatly assist Aminex with its strategy to farm-out its interest in the Ruvuma PSA by high grading its inventory of leads to drill ready prospects.

On 22 August 2014, Aminex received the support of shareholders for the disposal of the Group's interest in Aminex USA, Inc. The consideration comprises cash of $150,000 and shares with a value of $350,000 in an AIM-listed company without any lock up restrictions, together with monthly production payments of $10 per barrel based on production from 1 January 2015 up to a maximum of $4.5 million. Although the disposal of the US assets ends Aminex's longstanding operations in the US, it continues Aminex's strategy of divesting non-core assets and has removed potential work obligations so enabling the Group to focus on the assets the Directors consider to be potentially high value to shareholders.

Alongside the advancement of the Group's existing projects, Aminex is reviewing alternative financing options to enable the repayment or refinancing of the corporate loan. With Kiliwani North expected to start commercial production into the new Tanzania gas infrastructure in early 2015 with minimal capital expenditure expected by Aminex and its partners, Aminex will also be considering expansion of its producing activities, including through the development of the Ntorya gas discovery.

Revenue Producing Operations

The results of the US assets for the period have been accounted for as discontinued operations to reflect the reclassification of the US producing interests to assets held for sale as a result of the sale and purchase agreement signed in June 2014 and subject to shareholder approval, which was obtained on 22 August. The results for the comparative periods have been restated accordingly.

Revenues for continuing operations arise from oilfield services comprising the provision of technical and administrative services to joint venture operations and sales of equipment to third parties. For the current period revenues were $321,000 (2013: $442,000 restated). Cost of sales was $294,000 (2013: $398,000 restated). The gross profit for the period was $27,000 (2013: gross profit $44,000 restated).

Group administrative expenses, net of costs capitalised against projects, were $1.94 million (2013: $1.12 million restated). The increase was due to one-off payroll costs, part of which relating to the remuneration conditional on the successful completion of the fundraising in February 2014 and consultancy fees. The management is seeking to reduce Group administrative expenses to approximately $250,000 per month, gross of recharges to joint venture operations, but to expand the Group's technical capability. The Group's resulting net loss from operating activities was $2.54 million (2013: $1.09 million restated).

Finance costs reflects an interest charge of $1.43 million (2013: $1.71 million restated). Of this, a charge of $1.42 million (2013: $1.71 million) relates to the corporate loan, the basis of the charge having been adjusted for the extension of the repayment date to 31 July 2015 and for the re-pricing of the exercise price of warrants granted to the lender. The unwinding of the discount on the decommissioning provision was $10,000 (2013: $1,000 restated). Finance income in the period comprised deposit interest of $7,000 (2013: $nil).

The results for the US operations are disclosed as discontinued operations. The loss on discontinued operations for the current period was $775,000 (2013: $1.32 million restated). The Directors considered whether the asset was impaired with reference to the fair value of the asset classified as held for sale. The Directors concluded that an impairment charge of $250,000 was required and this is included in the loss on discontinued operations.

The Group's net loss for the period amounted to $4.74 million (2013: $4.12 million).

Balance Sheet

The Group's investment in exploration and evaluation assets increased from $75.1 million at 31 December 2013 to $77.7 million at 30 June 2014 as a result of 2D seismic acquisition on the Ruvuma PSA and general ongoing licence costs. After review, the Directors have concluded that there is no impairment to these assets, which include the cost of the Ntorya-1 gas discovery. Following the reclassification of the US assets to assets held for sale, the carrying value of property, plant and equipment has decreased from $19.0 million at 31 December 2013 to $13.4 million at 30 June 2014, which represents the carrying value of the Kiliwani North field. As a result of the sale and purchase agreement for Aminex USA, Inc., the Directors concluded that the carrying value of the US assets was impaired by $250,000 and as the sale was deemed highly probable at 30 June 2014, the US assets and liabilities have been reclassified to assets and liabilities for assets held for sale. Current assets include assets held for sale of US$6.3 million comprising the fair value of $5.5 million for the US assets and the fair value of $850,000 for the Moldova assets. The Directors consider that the Moldova assets are non-core and are expected to be sold within the short-term and after review, the Directors concluded that the carrying value of the Moldova assets are impaired and have made a provision of $622,000 against them but also recognise that the key attraction of the purchase of Canyon Oil & Gas Limited was the experienced management team comprising Jay Bhattacherjee and Philip Thompson. Other current assets comprise trade and other receivables of $723,000 and cash and cash equivalents of $5.4 million.

Under current liabilities, loans and borrowings of $9.4 million relate to the corporate loan (see commentary under Going Concern Review). Trade payables amount to $3.5 million and liabilities relating to the US assets held for sale of $2.1 million represent mainly the decommissioning liabilities of Aminex USA, Inc. Total equity has increased by $10.8 million between 31 December 2013 and 30 June 2014 to $88.2 million. The movement comprises the net increase in issued capital and share premium of $14.7 million arising mainly from the fundraising in February, an increase in the share warrant reserve of $0.7 million offset by the net gain of $88,000 in the foreign currency translation reserve and the net loss of $4.7 million for the period under review.

Cash Flows

The net increase in cash and cash equivalents for the six months ended 30 June 2014 was $5.27 million compared with $69,000 for the comparative period. The increase reflected the net proceeds of $12.24 million received on the issue of new equity in February 2014. Net cash outflows from operating activities amounted to $1.90 million (2013: net inflows $290,000) after interest payments of $1.18 million. Expenditure on exploration and evaluation assets in the current period amounted to $4.94 million, relating to the ongoing seismic acquisition on the Ruvuma PSA acreage, continuing licence costs and the settlement of liabilities carried forward from 2013. Expenditure on property, plant and equipment of $132,000 mainly related to licence costs and settlement of 2013 liabilities on the Kiliwani North licence. The cash balance at 30 June 2014 totalled $5.44 million (30 June 2013: $564,000).

Related Party Transactions

There were no related party transactions during the six-month period to 30 June 2014 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 27 to the Financial Statements contained in the 2013 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. During the year ended 31 December 2013, the Group signed a loan facility for $8 million with a fund managed by Argo Capital Management (Cyprus) Limited ('Argo loan') which was drawn down in full and applied to the Group's working capital commitments. In February 2014, the Group reached agreement with its lender to extend the scheduled repayment date of its loan to July 2015. The Directors are satisfied that the Group has sufficient cash resources, together with a reasonable expectation of revenues commencing from the Kiliwani North gas field, to enable the Group to continue as a going concern until the date of repayment of the Argo Loan in July 2015, which falls within the twelve-month going concern forecast period. The Directors are therefore seeking one or more solutions to enable the Group to be able to repay or re-finance the Argo Loan before repayment of the loan is due. The Group's capital expenditure programme does not include the drilling of the well commitment in respect of the Nyuni Area PSA; the well was originally due to be spudded in April 2014 but the Group is currently seeking to renegotiate the terms of the PSA to focus on deep water exploration in the PSA area.

The Argo loan falls due for repayment in July 2015 and based on current cash flow projections, the Group will not be in a position to repay this loan in full on its due date. The Group expects its Kiliwani North gas field to commence production in the first quarter of 2015, and these revenues, together with other alternative measures available to the Group, including the successful sale of assets, deferral of planned expenditure, re-financing of the loan or an alternative method of raising capital, give the Directors a reasonable expectation that the Group will have sufficient funds to enable it to discharge its loan when it falls due.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Notwithstanding the above, it is the Directors' reasonable expectation that, having considered the cash flow projections of the Group for a period of twelve months from the date of approval of the interim financial statements, and the alternative measures available to the Group as set out above, taking into account that the Directors believe that a successful outcome can be negotiated with the Tanzanian authorities in respect of the Nyuni Area PSA, the Group will have sufficient funds available to finance its ongoing working capital requirements and other capital commitments for the foreseeable future. Based on the above, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Principal Risks and Uncertainties

Aminex's Group activities are currently carried out in East Africa, North Africa and until August 2014 the USA. The Directors carry out periodic reviews to identify risk factors which might affect the business and financial performance. Although the summary set out below is not exhaustive as it is not possible to identify every risk that could affect the Group's business, the following risks have been identified as the principal risks and uncertainties facing the business over the next six months:

Finance risk – arising from uncertain factors detailed in the basis of preparation note (Note 1) relating to the Group as a going concern.

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

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

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

Currency risk – although the Group's 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 the Group's central administrative costs) are made in local currencies (as was the Group's recent equity funding), thus creating currency exposure.

Political risks – as a consequence of the Group's 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.

A more detailed listing of risks and uncertainties facing the Group's business is set out on page 8 of the 2013 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 whose names and functions are listed on page 13 of the most recent annual report, confirm our responsibility for preparing the half year 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 adapted by the EU and to the best of each person's knowledge and belief:

- the condensed set of interim financial statements comprising the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cashflows and the related 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
Chief Executive Officer
28 August 2014

M.V. Williams
Chief Financial Officer/Company Secretary

Independent Review Report to Aminex PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2014 which comprises the condensed consolidated interim income statement, condensed consolidated statement of comprehensive income, condensed consolidated interim balance sheet, condensed consolidated statement of changes in equity, condensed consolidated interim statement of cashflows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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 ("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.

Directors' responsibilities

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

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. 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.

Going concern

In forming our conclusion on the condensed financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1 of the condensed 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU, the TD Regulations, the Transparency Rules of the Central Bank of Ireland and the Disclosure and Transparency Rules of the UK FCA.

Eamonn Russell

Eamonn Russell

For and behalf of
KPMG *Chartered Accountants, Statutory Audit Firm*
1 Stokes Place, St. Stephen's Green, Dublin 2
28 August 2014

Condensed Consolidated Interim Income Statement

for the six months ended 30 June 2014

	Notes	**Unaudited 6 months ended 30 June 2014 US$'000**	Unaudited 6 months ended 30 June 2013 US$'000 Restated (note 6)	Audited Year ended 31 December 2013 US$'000 Restated (note 6)
Continuing operations				
Revenue	2	**321**	442	724
Cost of sales		**(294)**	(398)	(516)
Gross profit		**27**	44	208
Administrative expenses		**(1,938)**	(1,124)	(2,589)
Depreciation of other assets		**(7)**	(6)	(11)
Total administrative expenses		**(1,945)**	(1,130)	(2,600)
Loss from operating activities before other items		**(1,918)**	(1,086)	(2,392)
Impairment provision against assets held for sale	10	**(622)**	-	-
Loss on disposal of quoted financial investment		**-**	-	(108)
Loss from operating activities		**(2,540)**	(1,086)	(2,500)
Finance income	3	**7**	-	-
Finance costs	4	**(1,432)**	(1,707)	(4,423)
Loss before income tax		**(3,965)**	(2,793)	(6,923)
Income tax expense	5	**-**	-	-
Loss from continuing operations	2	**(3,965)**	(2,793)	(6,923)
Discontinued operation				
Loss from the discontinued operation	6	**(775)**	(1,322)	(10,354)
Loss for the period attributable to equity holders of the Company		**(4,740)**	(4,115)	(17,277)
Basic and diluted loss per share (cents)	7	**(0.31)**	(0.50)	(2.11)
Basic and diluted loss per share (cents) – continuing operations	7	**(0.26)**	(0.34)	(0.85)

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2014

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Loss for the period	**(4,740)**	(4,115)	(17,277)
Other comprehensive income:			
Items that are or maybe reclassified to profit or loss:			
Currency translation differences	**88**	(121)	(234)
Total comprehensive income for the period attributable to the equity holders of the Company	**(4,652)**	(4,236)	(17,511)

Condensed Consolidated Interim Balance Sheet

At 30 June 2014

	Notes	**Unaudited 30 June 2014 US$'000**	Unaudited 30 June 2013 US$'000	Audited 31 December 2013 US$'000
ASSETS				
Exploration and evaluation assets	8	**77,738**	74,023	75,050
Property, plant and equipment	9	**13,372**	27,751	19,039
Total non-current assets		**91,110**	101,774	94,089
Current assets				
Assets held for sale	10	**6,345**	447	-
Trade and other receivables		**723**	2,643	2,515
Cash and cash equivalents	11	**5,436**	564	166
Total current assets		**12,504**	3,654	2,681
Total assets		**103,614**	105,428	96,770
LIABILITIES				
Current liabilities				
Loans and borrowings	13	**(9,442)**	(8,172)	(9,706)
Trade and other payables		**(3,495)**	(5,520)	(7,236)
Liabilities for assets held for sale	10	**(2,056)**	-	-
Decommissioning provision		-	(482)	(287)
Total current liabilities		**(14,993)**	(14,174)	(17,229)
Non-current liabilities				
Loans and borrowings		-	(52)	(19)
Decommissioning provision		**(396)**	(1,632)	(2,053)
Total non-current liabilities		**(396)**	(1,684)	(2,072)
Total liabilities		**(15,389)**	(15,858)	(19,301)
NET ASSETS		**88,225**	89,570	77,469
EQUITY				
Issued capital	12	**67,042**	65,629	65,629
Share premium		**92,719**	79,431	79,431
Capital conversion reserve fund		**234**	234	234
Share option reserve		**3,891**	3,887	3,891
Share warrant reserve	13	**3,242**	1,365	2,535
Foreign currency translation reserve		**(1,059)**	(1,034)	(1,147)
Retained earnings		**(77,844)**	(59,942)	(73,104)
TOTAL EQUITY		**88,225**	89,570	77,469

Condensed Consolidated Statement of Changes in Equity

Unaudited for the six months ended 30 June 2014

Attributable to equity shareholders of the Company

	Share capital US$'000	Share premium US$'000	Capital conversion reserve fund US$'000	Share option reserve US$'000	Share warrant reserve US$'000	Foreign currency translation reserve fund US$'000	Retained earnings US$'000	Total equity US$'000
Balance at 1 January 2013	**65,629**	**79,431**	**234**	**3,883**	**-**	**(913)**	**(55,827)**	**92,437**
Comprehensive income:								
Loss for the period	-	-	-	-	-	-	(4,115)	(4,115)
Currency translation differences	-	-	-	-	-	(121)	-	(121)
Transactions with shareholders of the Company recognised directly in equity								
Share-based payment charge	-	-	-	4	-	-	-	4
Share warranty granted	-	-	-	-	1,365	-	-	1,365
Balance at 1 July 2013	**65,629**	**79,431**	**234**	**3,887**	**1,365**	**(1,034)**	**(59,942)**	**89,570**
Comprehensive income:								
Loss for the period	-	-	-	-	-	-	(13,162)	(13,162)
Currency translation differences	-	-	-	-	-	(113)	-	(113)
Transactions with shareholders of the Company recognised directly in equity								
Share-based payment charge	-	-	-	4	-	-	-	4
Share warrants granted	-	-	-	-	1,170	-	-	1,170
Balance at 1 January 2014	**65,629**	**79,431**	**234**	**3,891**	**2,535**	**(1,147)**	**(73,104)**	**77,469**
Comprehensive income:								
Loss for the period	-	-	-	-	-	-	(4,740)	(4,740)
Currency translation differences	-	-	-	-	-	88	-	88
Transactions with shareholders of the Company recognised directly in equity								
Shares issued	1,413	13,288	-	-	-	-	-	14,701
Share warrants granted	-	-	-	-	707	-	-	707
Balance at 30 June 2014 (unaudited)	**67,042**	**92,719**	**234**	**3,891**	**3,242**	**(1,059)**	**(77,844)**	**88,225**

Condensed Consolidated Interim Statement of Cashflows

for the six months ended 30 June 2014

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Operating activities			
Loss for the financial period	**(4,740)**	(4,115)	(17,277)
Depletion, depreciation and decommissioning	**90**	435	950
Impairment provision against producing assets	**872**	966	9,304
Finance income	**(7)**	-	-
Finance costs	**1,488**	1,784	4,577
Loss on disposal of quoted financial investment	**-**	-	108
Gain on disposal of producing asset	**-**	-	(5)
Equity-settled share-based payment charge	**-**	4	8
Decrease in trade and other receivables	**1,713**	2,003	2,132
(Increase)/decrease in trade and other payables	**(137)**	(592)	1,252
Net cash (used in)/from operations	**(721)**	485	1,049
Cost of decommissioning	**-**	-	(25)
Interest paid	**(1,177)**	(195)	(198)
Net cash (outflows)/inflows from operating activities	**(1,898)**	290	826
Investing activities			
Acquisition of property, plant and equipment	**(132)**	(492)	(641)
Expenditure on exploration and evaluation assets	**(4,942)**	(7,717)	(8,831)
Proceeds from sale of producing asset	**-**	-	150
Proceeds from disposal of quoted financial asset	**-**	-	189
Interest received	**7**	-	-
Net cash used in investing activities	**(5,067)**	(8,209)	(9,133)
Financing activities			
Proceeds from the issue of share capital	**14,425**	-	-
Payment of transaction costs on issue of capital	**(2,186)**	-	-
Loans repaid	**(4)**	(12)	(22)
Loans received	**-**	8,000	8,000
Net cash from financing activities	**12,235**	7,988	7,978
Net increase/(decrease) in cash and cash equivalents	**5,270**	69	(329)
Cash and cash equivalents at 1 January	**166**	495	495
Cash and cash equivalents at end of the financial period	**5,436**	564	166

1. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2014 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 Section 7 of the Companies (Amendment) Act, 1986 to be annexed to the annual return of the Company. The statutory financial statements for the financial year ended 31 December 2013 will be filed with the Registrar of Companies shortly. 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 2013 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 2013 annual report except as outlined below.

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 August 2014.

The Directors have given careful consideration to the Group's ability to continue as a going concern. During the year ended 31 December 2013, the Group signed a loan facility for $8 million with a fund managed by Argo Capital Management (Cyprus) Limited ('Argo loan') which was drawn down in full and applied to the Group's working capital commitments. In February 2014, the Group reached agreement with its lender to extend the scheduled repayment date of its loan to July 2015. The Directors are satisfied that the Group has sufficient cash resources, together with a reasonable expectation of revenues commencing from the Kiliwani North gas field, to enable the Group to continue as a going concern until the date of repayment of the Argo Loan in July 2015, which falls within the twelve-month going concern forecast period. The Directors are therefore seeking one or more solutions to enable the Group to be able to repay or re-finance the Argo Loan before repayment of the loan is due. The Group's capital expenditure programme does not include the drilling of the well commitment in respect of the Nyuni Area PSA; the well was originally due to be spudded in April 2014 but the Group is currently seeking to renegotiate the terms of the PSA to focus on deep water exploration in the PSA area.

The Argo loan falls due for repayment in July 2015 and based on current cash flow projections, the Group will not be in a position to repay this loan in full on its due date. The Group expects its Kiliwani North gas field to commence production in the first quarter of 2015, and these revenues, together with other alternative measures available to the Group, including the successful sale of assets, deferral of planned expenditure, re-financing of the loan or an alternative method of raising capital, give the Directors a reasonable expectation that the Group will have sufficient funds to enable it to discharge its loan when it falls due.

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Notwithstanding the above, it is the Directors' reasonable expectation that, having considered the cash flow projections of the Group for a period of twelve months from the date of approval of the interim financial statements, and the alternative measures available to the Group as set out above, taking into account that the Directors believe that a successful outcome can be negotiated with the Tanzanian authorities in respect of the Nyuni Area PSA, the Group will have sufficient funds available to finance its ongoing working capital requirements and other capital commitments for the foreseeable future. Based on the above, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

1. Basis of preparation *continued*

(i) Use of judgments and estimates

In preparing the interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty relate to the ability of the Group to continue as a going concern (see details above), valuations of exploration and evaluation assets (see note 8) and the classification and measurement of the US and Moldova assets as held for sale at 30 June 2014 (see note 10).

Measurement of fair values

Management use the fair value hierarchy, levels 1, 2 and 3, for determining and disclosing the fair values of financial instruments by valuation technique. Assets and liabilities for assets held for sale are carried at fair value and management has determined this to be a level 3 fair value. 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 2014. There was no material impact to the financial statements in the period from these standards.

- IFRS 10: Consolidated financial statements – effective 1 January 2014
- IFRS 11: Joint Arrangements – effective 1 January 2014
- IFRS 12: Disclosure of interests in other entities – effective 1 January 2014
- IAS 27: Separate financial statements (2011) – effective 1 January 2014
- IAS 28: Investments in associates and joint ventures (2011) – effective 1 January 2014
- Offsetting financial assets and liabilities (amendment to IAS 32) – effective 1 January 2014
- Investment entities (amendment to IFRS 10) – effective 1 January 2014
- IFRIC 21: Levies – effective 1 January 2014
- Novation of derivatives and continuation of hedge accounting (amendments to IAS 39) – effective 1 January 2014

2. Segmental disclosure – continuing operations

The Group considers that its continuing 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, borrowings and certain other items. The exploration activities in Africa do not give rise to any revenue at present.

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 (restated) US$'000	Audited Year ended 31 December 2013 (restated) US$'000
Segmental revenue			
Provision of oilfield goods and services	**321**	442	724
Total revenue	**321**	442	724
Country of destination – provision of oilfield goods and services			
Africa	**321**	440	719
Europe	**-**	2	5
Revenue	**321**	442	724
Total Revenue	**321**	442	724
Segmental profit/(loss) for the financial period			
Africa – exploration assets	**(65)**	(146)	(171)
Europe – oilfield goods and services	**27**	(163)	(179)
Europe – Group costs (*)	**(3,927)**	(2,484)	(6,573)
Group loss for the period	**(3,965)**	(2,793)	(6,923)
Segmental assets			
USA – producing oil and gas properties	**-**	15,443	5,830
USA – producing assets held for sale	**5,495**	-	-
Europe – producing assets held for sale	**850**	-	-
Africa – producing assets	**13,367**	12,998	13,292
Africa – exploration assets	**80,608**	76,374	77,345
Europe – oilfield goods and services	**102**	143	47
Europe – Group assets (**)	**3,192**	470	256
Total assets	**103,614**	105,428	96,770
Segmental liabilities			
USA – producing oil and gas properties	**-**	(2,534)	(2,380)
USA – producing liabilities for assets held for sale	**(2,056)**	-	-
Africa – exploration assets	**(2,935)**	(4,540)	(5,425)
Europe – oilfield goods and services	**(11)**	(9)	(8)
Europe – Group activities	**(10,387)**	(8,775)	(11,488)
Total liabilities	**(15,389)**	(15,858)	(19,301)

*Group costs primarily comprise salary and related costs
**Group assets primarily comprise cash and working capital

Capital expenditure			
USA – producing oil and gas properties	**11**	199	245
Africa – producing assets	**75**	72	1,960
Africa – exploration assets	**2,688**	1,115	195
Europe – Group assets	**5**	9	9
Total capital expenditure	**2,779**	1,395	2,409

2. Segmental disclosure – continuing operations *continued*

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Other non-cash charges			
USA: depletion and decommissioning charge	**-**	429	939
USA: impairment provision against producing assets	**250**	966	9,304
Europe: impairment provision against producing assets	**622**	-	-
Europe: depreciation – Group assets	**7**	6	11
Share based payment charge	**-**	4	8
Gain on disposal of producing assets	**-**	-	(5)
Loss on disposal of quoted financial investment	**-**	-	108
Interest expense on financial liabilities measured at amortised cost	**707**	-	4,420

3. Finance income

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Deposit interest income	**7**	-	-
	7	-	-

4. Finance costs

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Bank charges	**-**	1	-
Decommissioning provision interest charge	**10**	1	3
Interest expense on financial liabilities measured at cost	**1,422**	1,705	4,420
	1,432	1,707	4,423

Included in finance costs for the period is an interest charge of $1.422 million in respect of the $8 million corporate loan. The charge for the current period comprises the remaining charge due on the loan prior to modifications effective on 24 February 2014, which were the extension of the loan repayment date and the re-pricing of the warrants from €0.06 per warrant to £0.01 per warrant granted to the lender. In compliance with IFRS2, the modifications of the loan terms and the warrant pricing have given rise to an additional finance charge, including a further warrant of $496,000 which will be charged on an effective rate basis from the date of modification to the repayment date of 31 July 2015.

5. Tax

The Group has not provided any tax charge for the six month periods ended 30 June 2014 and 30 June 2013 or for the year ended 31 December 2013. The Group's operating divisions have accumulated losses which are expected to exceed profits earned by operating entities for the foreseeable future.

6. Discontinued operation

During the period, the Company agreed to dispose of its wholly owned subsidiary Aminex USA, Inc., and shareholder approval was received on 22 August 2014. The total consideration for the disposal comprises US$150,000 cash and US$350,000 worth of shares in Northcote Energy Ltd, ('Northcote') an AIM listed oil and gas company, and a production payment of US$10 per barrel until a total of US$4,500,000 has been recovered with first payments to commence from 1 January 2015. The Directors have reviewed the timing of anticipated production payments and are satisfied that the net present value of US$2.9 million, using a discount factor of 10%, represents the fair value of future expected production payments.

The assets and liabilities of Aminex USA, Inc. have been classified as held for sale as disposal was deemed to be highly probable at the balance sheet date. Additionally, the results from the US operation have been presented as a discontinued operation as the entity to be disposed of represents a separate geographical area of operation. The comparative condensed consolidated income statements have been restated to show the discontinued operation separately from continuing operations.

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
(a) Results of discontinued operation			
Revenue	**165**	1,016	1,552
Expenses	**(690)**	(1,372)	(2,602)
Results from operating activities	**(525)**	(356)	(1,050)
Income tax	**-**	-	-
Result from operating activities, net of tax	**(525)**	(356)	(1,050)
Impairment provision against discontinued operation	**(250)**	-	-
Impairment provision against producing asset	**-**	(966)	(9,304)
Loss for the period attributable to equity holders of the Company	**(775)**	(1,322)	(10,354)
Basic and diluted loss per share (cents) - discontinued operation	**(0.05)**	(0.16)	(1.26)
(b) Cash flows from/(used in) discontinued operations			
Net cash used in operating activities	**(5)**	(69)	(60)
Net cash used in investing activities	**3,439**	-	-
Net cash flow for the period	**3,434**	(69)	(60)

6. Discontinued operation *continued*

	Unaudited 6 months ended 30 June 2014 US$'000
(c) Effect of discontinued operation on the financial position of the Group	
Property, plant and equipment	(5,418)
Trade and other receivables	(62)
Cash and cash equivalents	(15)
Trade and other payables	46
Decommissioning provision	2,010
Net assets and liabilities	**(3,439)**
Consideration to be received	**3,439**

7. 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 loss per share of the financial periods ended 30 June 2014, 30 June 2013 and the year ended 31 December 2013 are as follows:

	Unaudited 6 months ended 30 June 2014	Unaudited 6 months ended 30 June 2013	Audited Year ended 31 December 2013
Numerator for basic and diluted loss per share:			
Loss for the financial period (US$'000)	**(4,740)**	(4,115)	(17,277)
Weighted average number of shares:			
Weighted average number of ordinary shares ('000)	**1,535,631**	818,658	818,658
Basic and diluted loss per share (cents)	**(0.31)**	(0.50)	(2.11)
Continuing operations	**(0.26)**	(0.34)	(0.85)

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 2014, 30 June 2013 and the year ended 31 December 2013 as all potentially dilutive Ordinary Shares outstanding are anti-dilutive. There were 26,615,000 anti-dilutive share options (30 June 2013 and 31 December 2013: 26,615,000) and 118,463,955 anti-dilutive share warrants in issue as at 30 June 2014 (30 June 2013 and 31 December 2013: 40,932,916).

8. Exploration and evaluation assets

	US$'000
At 1 January 2014	79,778
Additions	2,688
At 30 June 2014	**82,466**
Provisions for impairment	
At 31 December 2013 and 30 June 2014	**4,728**
Net Book Value	
At 30 June 2014	**77,738**
At 31 December 2013	75,050

Exploration and evaluation assets during the period relate to Production Sharing Agreements held in Tanzania.

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 Report. The Directors considered the requirement to spud a well on the Nyuni Area PSA acreage by 27 April 2014 and concluded there was a reasonable expectation for the Company to agree amended terms with the Tanzanian authorities. 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.

9. Property, plant and equipment

	Developed and producing oil and gas properties - USA US$'000	Developed and producing oil and gas properties - Tanzania US$'000	Other assets US$'000	Total US$'000
Cost				
At 1 January 2014	21,072	13,292	465	34,829
Additions in the period	11	75	1,097	1,183
Reclassified as assets held for sale	(21,083)	-	(1,104)	(22,187)
Exchange rate adjustment	-	-	30	30
At 30 June 2014	**-**	**13,367**	**488**	**13,855**
Depreciation and depletion				
At 1 January 2014	15,331	-	459	15,790
Charge for the period	83	-	7	90
Reclassified as assets held for sale	(15,415)	-	(254)	(15,669)
Impairment provision	-	-	254	254
Released by disposal	1	-	-	1
Exchange rate adjustment	-	-	17	17
At 30 June 2014	**-**	**-**	**483**	**483**
Net book value				
At 30 June 2014	**-**	**13,367**	**5**	**13,372**
At 31 December 2013	5,741	13,292	6	19,039

"Other assets" include the additions for Moldova assets subsequently reclassified to assets held for sale (see note 10).

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

	Unaudited 6 months ended 30 June 2014 US$'000	Unaudited 6 months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Net carrying value	**-**	75	31
Depreciation charge	**3**	13	32

During the year, the Company announced that it had agreed to dispose of its wholly owned subsidiary Aminex USA Inc., whose portfolio of assets largely consist of producing oil and gas properties at Shoats Creek and Alta Loma. At 30 June 2014, the Directors considered a reclassification of these assets in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* and were satisfied that it is appropriate to classify the Shoats Creek and Alta Loma fields as current assets held for sale as at the review date a sale was determined to be highly probable. At an Extraordinary General Meeting held on 22 August 2014, a resolution was passed by the shareholders to approve the proposed disposal of Aminex USA, Inc.

Following the award of the Kiliwani North Development Licence by the Tanzanian Government in April 2011, the carrying cost relating to the development licence was reclassified as a development asset under property, plant and equipment, in line with accounting standards and the Group's accounting policies. Depletion will be charged once the field commences commercial production. The Directors have reviewed the carrying value of the asset at 30 June 2014 based on estimated discounted future cashflows and are satisfied that no impairment has occurred.

10. Assets held for sale

(a) USA

At 30 June 2014, the Company has reclassified the producing assets at Shoats Creek and Alta Loma from property, plant and equipment to "Assets held for sale" and the associated decommissioning provision as liabilities for assets held for sale on the Consolidated Interim Balance Sheet. The consideration comprises US$150,000 cash and US$350,000 worth of shares in Northcote Energy Ltd, ('Northcote'), and AIM-listed oil and gas company, and also includes a production payment of US$10 per barrel until a total of US$4,500,000 has been recovered with first payments to commence from 1 January 2015 (see note 6 for further details). At 30 June 2014, the Directors reviewed the carrying value for indicators of impairment and the net assets held for sale was considered to be impaired and its carrying value written down by US$250,000 to a carrying value of US$5.50 million. The Directors are satisfied that no further impairment considered to have occurred.

(b) Moldova

On 24 February 2014, the Company acquired the entire share capital of Canyon Oil and Gas Ltd. ('Canyon') for a consideration of 80,000,000 New Ordinary Shares with a value of US$1.33 million at that date. Upon acquisition of Canyon, the Company is the beneficial owner of the partnership agreement between Canyon and Valixchimp SRL, the operator of the Victorovca and Valeni licenses in the Republic of Moldova (see note 14 for further details). The Directors do not consider the assets in Moldova to be core to the business of the Group and have no plans to drill any new wells under the agreement, and are in advanced negotiations to sell these assets. The Directors are satisfied that it is appropriate to classify the Moldova assets as an asset held for sale within current assets as a sale is highly probable within twelve months of the date of issue of this report. At 30 June 2014, the Directors reviewed the carrying value of the Victorovca and Valeni licenses for indicators of impairment and the net assets held for sale were considered to be impaired and their carrying value written down by US$622,000 to a carrying value of US$850,000. The Directors are satisfied that no further impairment is considered to have occurred.

11. Cash and cash equivalents

Included in cash and cash equivalents is an amount of US$722,000 held on behalf of partners in joint operations.

12. Issued capital

At an Extraordinary General Meeting, held on 24 February 2014, the Group renominalised its ordinary shares, reducing the nominal value of each Existing Ordinary Share from €0.06 to €0.001. At the Extraordinary General Meeting each Existing Ordinary Share was subdivided into one Ordinary Share of €0.001 ('Renominalised Ordinary Shares') and one deferred share of €0.059 ('Deferred Share').

On 24 February 2014, the Group issued 957,791,100 Ordinary Shares for a combination of cash, a reduction of debt in exchange for equity, and consideration for the acquisition of Canyon Oil and Gas Limited increasing share capital by US$1.3 million. The premium arising on the issue, after share issue costs of US$2.2 million, amounted to US$12.4 million. On 4 March 2014, the Group issued 67,079,689 Ordinary Shares for cash increasing share capital by US$0.09 million. The premium arising on the issue, after share issue costs, amounted to US$1.0 million. On 22 May 2014, the Group issued 3,750,000 Ordinary Shares for the settlement of third party service provider fees increasing share capital by US$0.005 million. The premium arising on the issue amounted to $0.04 million.

13. Loans and borrowings

In January 2013, the Company and the lender, a fund managed by Argo Capital Management (Cyprus) Ltd, of the $8 million corporate loan agreed an extension of the repayment period to 31 July 2015. The loan facility, originally agreed in January 2013, initially carried a 12.5% coupon for the period which increased to 15% from 1 July 2014 and a repayment premium which is 20% of the loan. The loan is secured by fixed charges over certain of the Group's subsidiary companies and a floating charge over the Group's assets.

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

As a result of the extension of the repayment period and the revaluation of the warrants, US$1.42 million has been charged to the income statement as Finance Costs in the Condensed Consolidated Interim Financial Statements (June 2013: US$1.71 million) (see Note 4). 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 costs associated with the warrants.

14. Acquisition of a subsidiary

During the period the Group acquired 100% of the shares in Canyon Oil and Gas Limited ('Canyon') (see note 10 for further details). In the period from acquisition to 30 June 2014, Canyon contributed a loss of US$10,000. Prior to acquisition Canyon had accumulated retained losses of US$350,000.

Consideration comprised 80 million new Ordinary Shares in Aminex PLC which was valued at US$1.33 million based on the price at which the shares were issued as part of the placing on 24 February 2014. Costs of US$138,000 were incurred in respect of legal and professional fees.

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

The Directors considered the carrying value of the net assets acquired at the acquisition date and determined this equated to fair value. Goodwill arising on the acquisition amounted to US$368,000 and has been included in the impairment charge of US$622,000. The Group intends to dispose of the canyon producing asset in the near term and at 30 June 2014 has classified it as held for sale (see note 10 for further details).

15. Commitments – exploration activity

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

(a) On the Nyuni Area PSA, Tanzania: to acquire 800 kilometres of 2D seismic, 200 kilometres of which shall be acquired in the transition zone by October 2014 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 2013. Aminex is currently in negotiations with the Tanzanian authorities to amend the work commitment to the deepwater sector of the licence.

(b) On the Ruvuma PSA, Tanzania: the PSA has entered the second and final extension period. In January 2014, a Variation Addendum to the PSA was signed so that the commitment to drill two exploration wells in the previous period could be incorporated into the current work period. Four exploration wells are required to be drilled by the December 2016.

16. Related party transactions

There were no related party transactions during the six month period to 30 June 2014 that have materially affected the financial position or performance of the Group.

17. Post balance sheet events

At an Extraordinary General Meeting held on 22 August 2014, a resolution was passed by the shareholders to approve the proposed disposal of Aminex USA Inc. The consideration for the sale will comprise US$150,000 in cash, US$350,000 in ordinary shares in an AIM-listed company and a production payment of US$10 per barrel on production from 1 January 2015 up to a maximum consideration of US$4.5 million.

18. Statutory information

The interim financial information to 30 June 2014 and 30 June 2013 is unaudited and does not constitute statutory financial information. The information given for the year ended 31 December 2013 does not constitute the statutory accounts within the meaning of Section 19 of The Companies (Amendment) Act 1986. The statutory accounts for the year ended 31 December 2013 will be filed shortly 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 7 Gower Street, London WC1E 6HA.

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