Annual Report & Accounts 2021

Aminex PLC annual report & accounts 2021

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Executive Chairman's Statement

Dear Shareholder,

As I wrote last year, we live in unprecedented and complex times. Just two years ago, in April 2020, energy prices were at historic lows; COVID-19 significantly impacted the oil and gas industry, forcing energy companies to review their operations, in some instances retrenching and, most importantly, cutting costs. Today, energy prices, already rising as the world exits from the pandemic with disrupted supply chains and the lack of investment in new oil and gas projects, face another significant crisis, the invasion of Ukraine and the sanctions taken against Russian oil and gas exports. These crises have pushed energy prices close to historic highs, causing a reassessment of the importance of fossil fuels, particularly natural gas, which had been ignored by many.

Although the macro-political uncertainty and conflicting policies around hydrocarbons continue to cloud the energy picture, we believe that the demand for gas globally will continue to grow. We also see positive changes regarding the development of natural gas in Tanzania, witnessing first-hand these changes in our successful negotiations with the government over the outstanding Kiliwani receivables. In four months, we negotiated a settlement of the four-year outstanding receivables, thanks in large part to the willingness of the Tanzanian authorities to finally resolve the matter.

Moreover, Tanzania has an energy deficiency and has embarked on further industrialisation development programmes which has seen the planning and construction of numerous facilities along existing gas delivery infrastructure either directly connected to or in close proximity to our Tanzanian assets and which are expected to increase local gas demand significantly in the near future. In addition, it has been reported that discussions have been held between Tanzanian Government officials and their counterparts in neighbouring countries to explore the possibility of securing a long-term supply of gas from Tanzania and adding to future gas demand in the East African region. These positive developments in the Tanzanian gas sector bode well for the commercialisation of our assets in the future.

Ruvuma PSA seismic line clearing

Non-Operating Strategy

The global developments and positive changes in Tanzania have confirmed the importance of our strategy to move from an operating to a non-operating business, which has enabled us to de-risk while anchoring shareholder value.

Our non-operating corporate strategy rests on four pillars: (i) our successful completion of the Ruvuma Farm-Out to ARA Petroleum Tanzania Limited ("APT"), a highly competent and well-funded Operator; (ii) our significant cost-cutting, which has reduced our operating expenses by nearly 75 percent over the past four years; (iii) our successful negotiation of the Kiliwani receivables and (iv) receipt of funds from our recent equity placing which are forecast to cover our running costs (before one-off and exceptional items) until receipt of Ruvuma revenue, planned for the end of 2024. This de-risking strategy has made Aminex a stronger company with a low-cost base and entirely carried position on Ruvuma, providing a solid financial position until the commencement of cash flow receipts from Ruvuma. It will also allow the Company to utilise its solid financial position to grow further.

Ruvuma PSA

It is essential to remind shareholders that the Farm-Out completed with APT in October 2020 carries the Company to material levels of production and revenue without the need to return to shareholders for any additional funding for the development of the Ntorya field. The Company holds a 25% interest in the Ruvuma PSA with a US$35 million carry of its share of costs. It is expected that the carry, which is equivalent to US$140.0 million of gross field expenditure, will see the Company through to potentially significant volumes of gas production with commensurate revenues. The Farm-Out represents the culmination of many successful years of exploration and evaluation work by Aminex, which recognised the underlying value and opportunities that could be gained in the Ruvuma Basin. This non-operating position has become a cornerstone of the Company's de-risking strategy.

2022 will see important progress on Ruvuma with the completion of the 3D seismic survey, the drilling and testing of Chikumbi-1 and the integration of the seismic and well results to formulate a Field Development Plan ("FDP") for the Ntorya gas-field. 2022 will therefore be a significant year for Aminex and we eagerly await the spudding of Chikumbi-1 in November 2022. The current operations represent a significant step towards monetising this extensive gas resource through production into existing infrastructure and transportation to an established power and industrial market in Tanzania. APT, since acquiring operatorship, has demonstrated both focused determination and commitment to move the project forward.

VIP trucks for Ruvuma PSA seismic programme

Kiliwani North and Kiliwani South – Kiliwani North Development Licence ("KNDL")

During the year, the Company settled its outstanding dispute over payments for past gas sales from the Kiliwani North Development Licence with the Tanzania Petroleum Development Corporation ("TPDC"). The Company appreciates the TPDC's constructive negotiations and satisfactory resolution of the matter.

As set out in more detail in the Operations Report, following the Company's transition to a non-operator strategy any development of the KNDL is dependent on the identification of an experienced partner to operate the asset and the securing of additional funding through a farm-out. The Company has been actively pursuing farm in partners to fund and operate the asset but in light of the delays, caused by late payment for gas, the outstanding commercial terms to be agreed, coupled with the move to a non-operator strategy, the Kiliwani North and Kiliwani South assets have been impaired during the year. We will update shareholders with progress on any farm-out in due course. We are however, pleased to report that Orca Energy, via its subsidiary PanAfrican Energy Tanzania ("PAET"), will acquire some 12.5 km^2 new 3D seismic data over part of the KNDL that borders the Songo Songo field to the west as part of their new full-field survey.

Nyuni Area PSA

Two years have passed since Aminex, through its wholly owned subsidiary, Ndovu Resources Limited, first notified the Tanzanian Ministry of Energy of its willingness to move into the Second Extension Period, and there is still no agreement on terms. The First Extension expired on 27 October 2019. Given the dramatic and unprecedented global factors over the past two years that have negatively impacted the energy investment climate and fossil fuel projects, including Nyuni, a farm-out partner is essential in order to provide the necessary funding and to mitigate the associated risks. Accordingly, we have sought partners over the past 18 months, to participate in the exploration and development of Nyuni but these approaches have failed to produce any interest in the project, reinforcing the present PSA's lack of perceived commercial viability. Although we believe the Nyuni Area acreage offers upside exploration potential to complement the development projects at Ntorya and Kiliwani North the significant risks of exploration and the lack of a farm-out partner give us little alternative but to return the licence to the Ministry. We have recently commenced this process with the relevant authorities in Tanzania.

Cost Cutting

We continued to cut costs and reduce corporate overheads, including reducing General and Administrative costs ("G&A"). Although the Company saw an increase in G&A expenditure during the period compared to the same period in 2020, this increase represents the one-off associated costs of actions taken during the period to realise further cost savings. On a like-for-like basis, the cost savings made in the period compared to the same period in 2020 are over 30%. I am happy to report the Company reduction in gross G&A costs (before one-off costs and exceptional items) to below $1.5 million per annum in 2022, representing a 75% reduction from 2018 levels. Through making these initiatives, the Company has established an appropriate structure of capabilities and competencies that match the current requirements of the business with a more flexible approach that de-risks our business and can help create or attract strategic opportunities.

Outlook and Funding

On 1 April 2022, we announced the fully subscribed placement for approximately $4.4 million. This represents an important development for the Company and is an essential pillar in our effort to de-risk and anchor value. The funds ensure a solid financial foundation for the Company through to the expected commencement of cash flow receipts from Ruvuma. We look forward to the completion of the 3D seismic survey and the drilling of the Chikumbi-1 well later this year. We are thankful for the participation of all the investors, including our largest shareholder, Eclipse.

Finally, I would like to thank our existing shareholders for their continued support and patience and hope that our operations in 2022 will finally reward us all with success on Ntorya.

Yours sincerely,
Charles Santos
Executive Chairman

Income statement

Revenues from continuing operations amounted to US$0.14 million (2020: US$0.38 million). Group revenues during 2021 are derived from oilfield services comprising the provision of technical and administrative services to joint venture operations. Following the Farm-Out of the Ruvuma PSA to APT, the Group no longer operates the asset which led to a reduction in revenues.

Cost of sales was US$0.29 million (2020: US$0.80 million). The cost of sales for Kiliwani North operations amounted to US$0.20 million (2020: US$0.42 million) and predominantly related to commercial discussions with the TPDC and the Petroleum Upstream Regulatory Authority ("PURA") that led to the recovery of the TPDC gas sales receivables during the year, as well as general licence related maintenance costs. The balance of the cost of sales amounting to US$0.09 million (2020: US$0.38 million) related to the oilfield services operations. Accordingly, there was a gross loss of US$0.15 million for the year compared with US$0.42 million for the comparative period.

Group administrative expenses, net of costs capitalised against projects, increased by US$1.42 million to US$2.82 million (2020: US$1.40 million). The increase predominantly related to one-off non-cash items related to redundancies, continued charges for CREST migration and legal fees and a reduction in recharged costs to joint ventures following the handover of operatorship in October 2020 of the Ruvuma PSA to APT. Removing the impact of one-off costs and joint venture recharges, the running costs of the Group for 2021 was US$1.81 million, a reduction on 2020 of over 30%. The significant reduction in running costs is the realisation of the cost saving actions taken by the Company since 2019. These savings included Directors' fees, employment costs, advisors' fees, office and travel related costs. This not only assisted the Company to weather the economic downturn as a result of the global COVID-19 pandemic prior to 2021 but demonstrates the realignment of the business to support its strategy to transition to non-operator status with an appropriate cost base. Management maintains strict expenditure controls and continues to seek cost saving solutions and efficiencies across the Group. By 2022, these efforts are expected to reduce gross general and administrative expenditure (before one-off costs and exceptional items) to less than US$1.5 million per annum, representing a 75% reduction from 2018 levels. No share options were granted in the year and no share-based payment charge has been incurred in the year (2020: US$0.69 million).

Following settlement with TPDC of past gas receivables from the Kiliwani North Development Licence, the Group recognised a US$1.32 million reversal of the associated accumulated expected credit loss (2020: US$0.42 million charge).

The Group recognised an impairment during the year in both its producing and exploration and evaluation assets. In respect of the Group's producing asset, the Kiliwani North-1 well, the Directors determined the asset was fully impaired and the Group recognised an impairment charge of US$872,000 (2020: US$729,000) in light of the continued delays in agreeing commercial terms over production from the field and the Group's transition to a non-operator strategy (see Note 11). The Directors concluded that the Kiliwani South prospect, located on the same Kiliwani North Development Licence, was also fully impaired and recognised a charge of US$4.86 million, due to the absence of planned development of the licence area and the associated delays on the Nyuni Area PSA where delays continue in agreeing terms under a licence renewal (see Note 10). Nyuni Area continues to be fully impaired and a charge of US$1.11 million was recognised in the year (2020: US$690,000). This impairment to exploration and evaluation expenditure incurred on the Nyuni Area PSA predominantly related to own costs for geological, geophysical and administrative work and licence maintenance costs, along with training and licence fees as well as an increase in additions during the year related to an upward revision in the decommissioning provision associated with the asset. All expenditure on the Nyuni Area Licence continues to be impaired immediately to the income statement upon recognition following the full impairment of the Nyuni Area Licence in 2018. The Group's resulting net loss from operating activities was US$8.49 million (2020: US$3.66 million).

Finance costs for the year totalled US$0.08 million (2020: US$0.31 million), which predominantly related to the unwinding of the discount rate on the decommissioning liability, with a small amount for the finance costs related to the lease liability. Finance income for the year was US$0.02 million which arose on foreign exchange gains (2020: US$0.04 million foreign exchange losses). The Group's loss before taxation for the year amounted to US$8.56 million (2020: US$3.97 million).

The Group recognised no taxation charge during the year. In 2020, the Group completed the Farm-Out of the Ruvuma PSA to ARA Petroleum Tanzania Limited realising a capital gains tax charge on the transaction of US$2.17 million. The Group's loss after taxation for the year amounted to US$8.56 million (2020: US$6.14 million).

Balance sheet

The Group's investment in exploration and evaluation assets decreased from US$42.89 million as at 31 December 2020 to US$38.13 million as at 31 December 2021. The decrease of US$4.76 million is as a result of an impairment of US$5.97 million offset by additions of US$1.21 million. The impairment comprises US$4.86 million against the Kiliwani South Cash Generating Unit ("CGU") and US$1.11 million against the carrying value of the Nyuni Area PSA CGU. All exploration and evaluation expenditure on the Nyuni Area PSA continues to be impaired as incurred following the full impairment of the asset in 2018. The impairments recognised during the year were partially offset by the additions to the Ruvuma PSA CGU in relation to the upward revision in the decommissioning provision over the Ntorya-1 and Ntorya-2 wells of US$0.03 million, plus additions of US$1.17 million that relate to care and maintenance during the year of the Nyuni Area and Kiliwani South assets as well as additions from an increase in the decommissioning provisions in respect of the past wells drilled on the Nyuni Area Licence. Following completion of the Farm-Out to APT in October 2020, and in accordance with the Group's accounting policy, subsequent expenditure will not be recognised for the Group's share of costs that are carried by APT in relation to the Ruvuma PSA asset. The Directors reviewed the remaining balance on the Ruvuma PSA, incurred on the Mtwara Licence, and have concluded that there is no further impairment to the carrying value. This opinion takes into account the completion of the Farm-Out on the Ruvuma PSA,

which secured a US$35 million carry for the Group's share of capital expenditure on the Ruvuma asset and the planned development of the Ntorya Location under the Ruvuma PSA, including the acquisition of 3D seismic and the drilling of the Chikumbi-1 exploration and appraisal well included in APT's work programme for 2022.

The carrying value of property, plant and equipment has decreased from US$1.11 million at 31 December 2020 to US$0.04 million at 31 December 2021. The decrease was as a result of the full impairment of US$0.87 million on the Kiliwani North producing asset following delays to reach a resolution over the commercial terms for the KNDL coupled with the Group's pivot towards a non-operator strategy, meaning any development of the KN-1 well would likely be farmed out by the Company. In addition to the impairment, a depreciation charge for the year of US$0.21 million was recognised (2020: US$0.24 million).

Current assets amounted to US$6.05 million (2020: US$9.0 million) with trade and other receivables of US$1.37 million (2020: US$8.55 million). The reduction during the year related to the settlement of the Kiliwani North-1 well past gas sales of US$6.77 million and the waiving by the Kiliwani North joint venture of late payment interest accrued of US$1.57 million, which was fully provided for, with the TPDC. Cash and cash equivalents as at 31 December 2021 were US$4.69 million (2020: US$0.45 million).

Total current liabilities amounted to US$9.85 million at 31 December 2021 compared with US$10.66 million at 31 December 2020. The majority of the decrease related to the settlement of amounts due to TPDC in relation to the Kiliwani North Development Licence. This was partially offset by the drawdown of US$450,000 on 29 December 2021 against the Loan agreement with ARA (see Note 27). The balance also includes amounts payable to the Kiliwani North joint venture partners for their profit shares over Kiliwani North past gas sales. Payables also include VAT and excise tax payable on gas receivables. Non-current liabilities amounted to US$1.62 million at 31 December 2021 (2020: US$0.97 million). The increase was predominantly as a result of the upward revision in cost estimates of the Group's decommissioning obligations of US$0.67 million to US$1.62 million as at 31 December 2021 (2020: US$0.87 million), and the unwinding of the decommissioning liability during the year of US$0.08 million (2020: US$0.10 million), offset by no long-term lease liabilities as at 31 December 2021 (2020: US$0.19 million) as a result of leases of certain office space reaching the end of their tenancy.

Total equity has decreased by US$8.61 million between 31 December 2020 and 31 December 2021 to US$32.75 million (31 December 2020: US$41.36 million). The net movement comprises a net decrease of US$0.56 million to the share option reserve, a decrease of US$0.06 million in the foreign currency translation reserve and the movement of US$8.00 million in retained earnings arising on the loss of US$8.56 million for the year offset by the release from the share option reserve of US$0.56 million for expired options.

Cash Flows

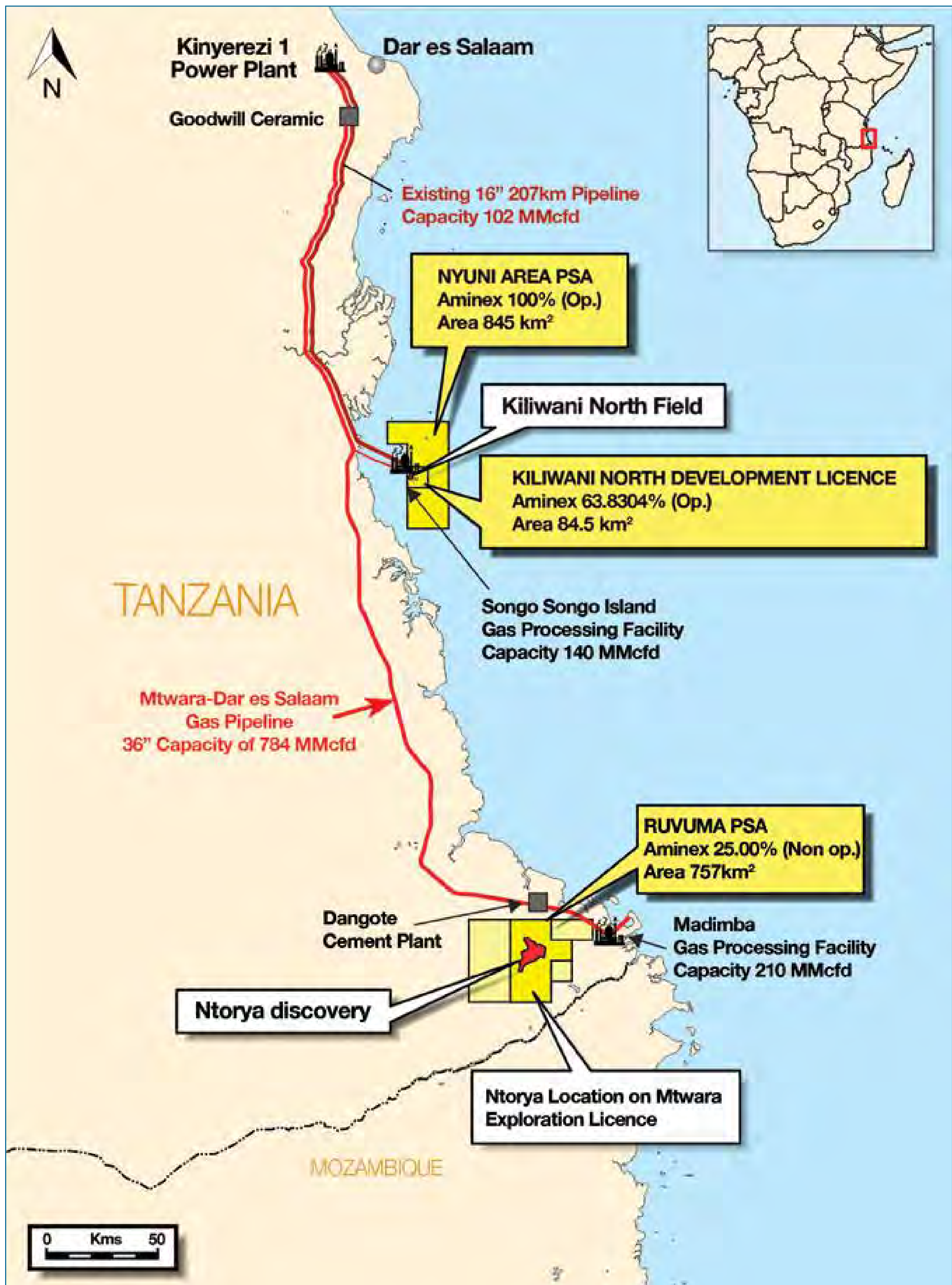
Net cash inflows due to operating activities was US$4.89 million (2020: US$2.66 million outflow). The decrease in trade and other receivables included the receipt from TPDC for past gas sales net of certain amounts due to TPDC, contributing to the decrease in trade and other payables of US$0.88 million, as part of the settlement reached in October 2020 over the KNDL.

Net cash outflows from investing activities amounted to US$0.90 million (2020: US$0.63 million cash inflow). This related to expenditure on exploration and evaluation assets relating to continuing costs on operated Tanzanian licence interests. On completion of the Farm-Out the Group is carried for US$35 million of expenditures on the Ruvuma PSA and consequently, no expenditure during the year relates to the exploration and evaluation activities on the Ruvuma asset.

Cash inflow from financing activities during the year was US$0.24 million (2020: US$1.82 million). The Group received US$0.5 million from the loan with ARA in December 2021, a related party of the Group (see Note 27). This was offset by lease payments during the year of US$0.21 million (2020: US$0.18 million). Net cash and cash equivalents for the year ended 31 December 2021 therefore increased by US$4.22 million compared with a decrease of US$0.21 million for the comparative period. The balance of net cash and cash equivalents at 31 December 2021 was US$4.69 million (31 December 2020: US$0.45 million).

John Arthur
Chief Financial Officer

Aminex's Tanzania Asset Portfolio



Ruvuma PSA – Onshore Appraisal and Exploration

Participating interest

Aminex	25%
ARA Petroleum Tanzania Limited (Operator)	50%
Scirocco Energy plc	25%

Resource Summary – Ntorya Field

Gross Licence Basis (BCF)[1]					
Licence	Gas Resource	1C	2C	3C	Gross Mean unrisked GIIP (BCF)
Mtwara	Development Pending	26	81	213	1,870
Mtwara	Development Unclarified	342	682	950	
			Total 763		

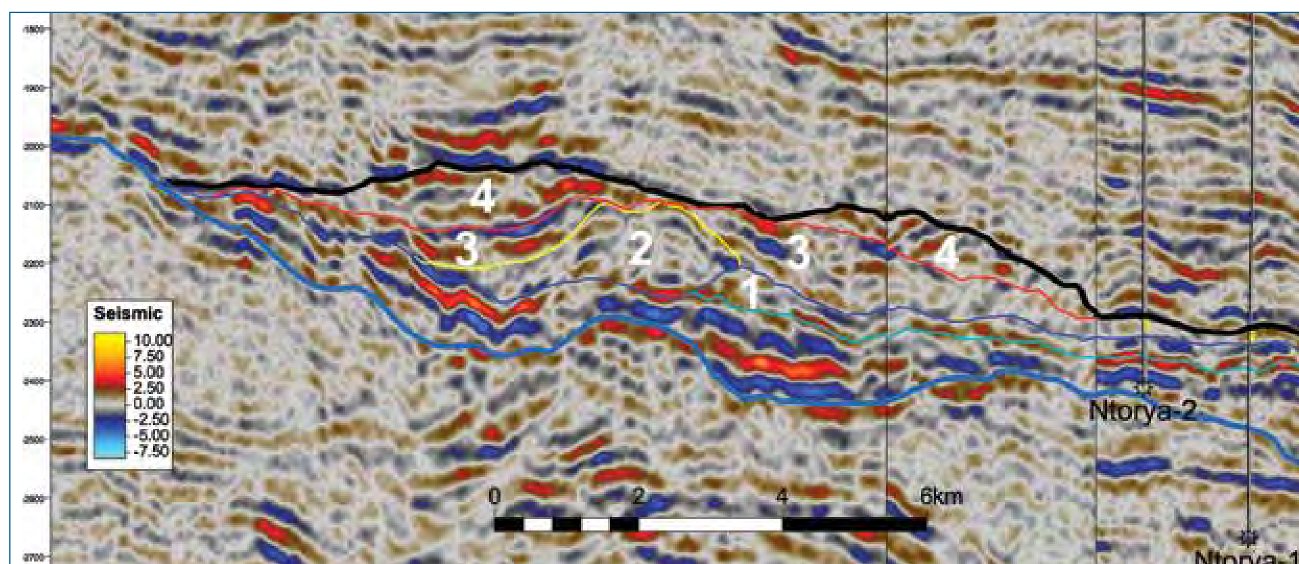
Source: RPS Energy CPR of December 2018
[1] Assuming Development Licence is ratified

Ruvuma PSA

Aminex, through its local Tanzanian operating entity, Ndovu Resources Limited, has actively progressed the natural gas potential of the basin through the Ntorya-1 well, drilled in 2012, which was the first commercial onshore discovery in the Ruvuma basin and drilled to a total depth of 3,150 metres. The Ntorya-1 well was tested and flowed from the Albian aged sandstone reservoir on an open choke at 20 MMcfd with minor condensate. The following years saw the acquisition and interpretation of additional 2D seismic and culminated in the drilling and testing of the Ntorya-2 appraisal well in early 2017. The appraisal well encountered a significantly thicker, 51-metre reservoir section located 74 metres up-dip from Ntorya-1. Ntorya-2 was flow tested at a stabilised rate of 17 MMcfd and proved the presence of a substantial gas column for the field. This led to an independently compiled Competent Persons Report ("CPR") by RPS Energy Consultants Limited ("RPS") in February 2018, which ascribed 1.87 TCF of mean GIIP and total 2C Resources of 763 BCF to the Ntorya field. In addition to the significant increase in the Ntorya gas-field resource estimates, in December 2018 RPS also assigned the deeper Chikumbi prospect a gross 936 BCF of 2U (Prospective Resource) resources.

ARA Petroleum Tanzania Limited ("APT"), having acquired a 50% participating interest and operatorship of the Ruvuma PSA, including the Ntorya gas-field, in October 2020 from Aminex, unfortunately faced some delay in progressing the asset through to the next stage of development; the shooting of 3D seismic and the drilling of the Chikumbi-1 appraisal and development well. Operations in Tanzania continued to be hampered by the ongoing COVID-19 pandemic in the first half of 2021 and exacerbated by the untimely death of the President of Tanzania, John Magafuli, leading to a reset of the administration systems within the country.

APT completed the tendering process for the acquisition of an extensive 3D seismic survey to cover the Ntorya gas-field that has the multiple objectives of (i) fine-tuning the final location of the forthcoming Chikumbi-1 well; (ii) establish a more refined assessment of the gas resource within the field; (iii) provide the basis for formulating the Field Development Plan ("FDP") and (iv) locating the future development wells for optimal resource recovery. It was announced, in September, that the seismic contract had been awarded to Africa Geophysical Services Limited ("AGS") for the acquisition of a 338 km^2 3D survey with mobilisation of crew and equipment commencing in late 2021. Despite some delays, the drilling of Chikumbi-1 is now scheduled for November 2022 and first gas production from the field for fourth quarter 2024.

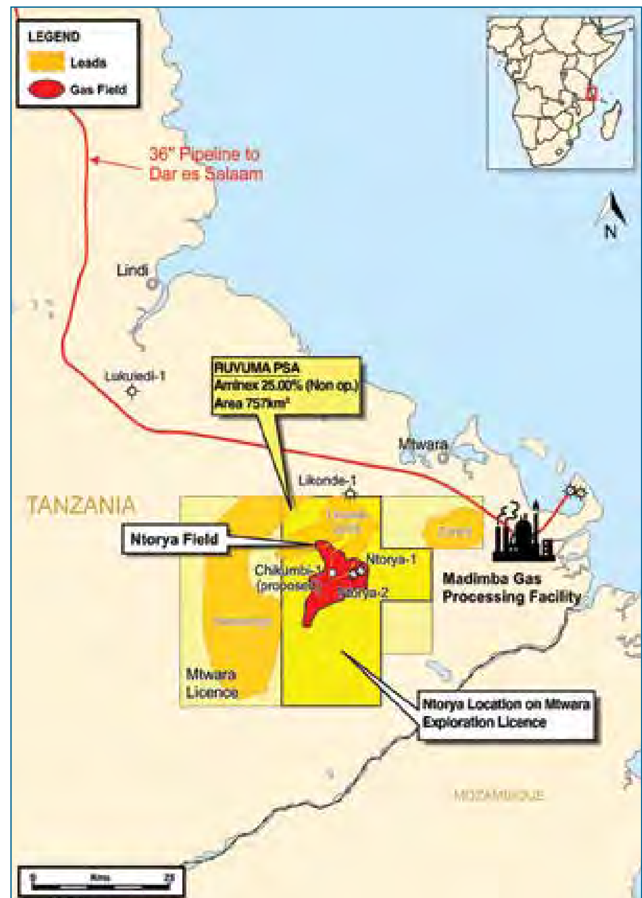


2D seismic line through the Ntorya structure showing the lobate nature of the reservoir as interpreted by APT

In August 2021, the Ruvuma joint venture was granted a two-year extension to its licence under the Ruvuma PSA from the Ministry of Energy of Tanzania. This will allow for the completion of (i) the acquisition of the 3D seismic survey, (ii) the drilling and testing of the Chikumbi-1 well, (iii) the design and submission to the authorities of an FDP to grant a 25-year Development Licence and (iv) the conclusion of negotiations on the gas terms for the Ruvuma PSA.

During the year, APT completed an independent interpretation of the legacy 2D seismic database covering the Ntorya gasfield and a revised assessment of the potential gas volumes held therein. APT geologists consider the Ntorya gas reservoir to be the product of a stacked, high-energy, channelised sand system. New mapping and internal APT management estimates suggest a mean risked gas in place ("GIIP") volume for the Ntorya accumulation of 3,024 BCF, contained in multiple lobes, some of which will be tested by the forthcoming Chikumbi-1 well. The corresponding mean risked recoverable gas resource is assessed at 1,990 BCF, a sizeable upside to that derived by RPS in their 2018 CPR and will be further appraised by the current 3D seismic and future drilling programme.

Under the terms of the Farm-Out Agreement concluded in 2020, Aminex is fully carried for capital expenditure up to a value of US$35 million for its 25% participating interest, equivalent to US$140 million of gross investment on the Ruvuma PSA. Such investment is fully expected to carry Aminex through to commercial production.



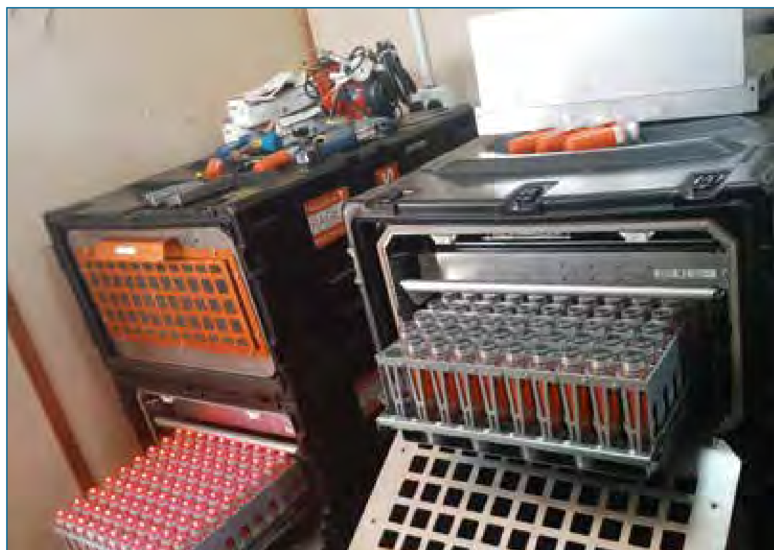
Kiliwani North and Kiliwani South – Kiliwani North Development Licence ("KNDL")

Participating interest

Aminex (operator)	63.8304%
RAK Gas LLC	27.7778%
Scirocco Energy plc	8.3918%

The long-standing dispute with the Tanzanian authorities for outstanding payments in respect of Kiliwani North gas deliveries from 2017 was finally settled in November 2021 with the Company receiving payment from TPDC for past gas sales. This dispute and the remaining unresolved commercial terms on production over the licence had been acting as a drag on establishing a new work programme for the licence and closure now unlocks progression towards a new programme of work.

Ruvuma PSA seismic recording truck



As a result of reservoir pressure decline and reservoir compartmentalisation, the Kiliwani North-1 well has not produced over recent years. The well has produced approximately 6.5 BCF of gas to date, from a compartment estimated to contain approximately 10 BCF. Aminex has previously undertaken preliminary remedial work to repair the downhole safety valve which resulted in the flow of a small volume of gas to the gas facility.

Despite estimated gas resources having been independently audited by RPS in 2018, who show the Kiliwani North structure to contain approximately 31 BCF (gross mean GIIP) in multiple compartments, it is felt that the reperforation of the Kiliwani North-1 well, of the formerly producing interval, is unlikely to prove successful and a previously suggested perforation of a lower zone within the reservoir is unlikely to be either cost-effective or lead to material new gas production.

As previously advised, the Company has identified the Kiliwani South prospect, classifi d as an exploration and evaluation asset and estimated by management to contain a mean 57 BCF un-risked GIIP. The prospect has been reviewed by RPS in their February 2018 CPR.

The Company considers that any future drilling on the Licence is dependent upon improved seismic resolution of the target structures that would result from the acquisition and interpretation of a 3D seismic survey. In order to benefit from economies of scale, such a survey would ideally be acquired over both the KNDL and immediately adjacent areas within the Nyuni Area PSA. This optimises operational efficiencies, minimises cost and maximises benefit to the Company.

Following the Company's transition to a non-operator strategy any development of the KNDL is dependent on the identification of an experienced partner to operate the asset and the securing of additional funding through a farm-out. The Company has been actively pursuing farm-in partners to fund and operate the asset but, in light of the delays and transition to a non-operating strategy, we have elected to impair the Kiliwani North and Kiliwani South assets during the year.

PAET, the operator on the adjacent Songo Songo field, will be acquiring an extensive field-wide 3D seismic survey in 2022 with full-fold coverage of some 12.5 km^2 into KNDL. This will be invaluable in identifying fault trends and reservoir defi ition and improve our understanding of the Kiliwani North and South structures.

Aminex expects, if a Farm-Out partner is identified, a reasonable future programme to include a potential side-track and new drilling locations based on 3D seismic on both the Kiliwani North and Kiliwani South structures with the intention, on the back of drilling success, to deliver gas to the Songo Songo Island Gas Processing Plant ("SSIGPP") and onward to the power markets in Dar es Salaam.

Nyuni Area PSA

Participating interest

Aminex (operator)100%

The First Extension Period to the Nyuni Area PSA expired on 27 October 2019 and Aminex received communication from the Tanzania Ministry of Energy to withhold all work on the licence, pending the review of the Nyuni Area PSA.

In July 2019, Aminex submitted an application to the TPDC to enter the Second Extension Period of three years together with a request for an amendment to the work programme obligation for the licence area in association with a reduction in the number of blocks retained under the licence reducing to five, from the current ten blocks.

Two years have now passed since Aminex first notified the Tanzanian Ministry of Energy of its willingness to move into the Second Extension Period yet there is still no agreement on terms. Given the dramatic and unprecedented global factors over the past two years that have negatively impacted the energy investment climate and fossil fuel projects, particularly on exploration projects, including Nyuni, a farm-out partner is considered to be essential in order to provide the necessary funding and to mitigate the associated risks. Despite our very best efforts, no such partner has been identified and suggests that the market doubts the commercial viability of the licence.

Whilst we continue to believe that the Nyuni Area acreage offers upside exploration potential to complement our development projects at both Ntorya and Kiliwani North, the significant risks of exploration, the high costs associated with offshore drilling and the lack of a financing partner gives Aminex little alternative but to return the licence to the Ministry. We have recently commenced this process with the relevant authorities in Tanzania.

Environmental, Social and Governance Responsibilities

Environment

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

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

Aminex has considered the risk of climate change and the decarbonisation of the global economy to its business. Climate related risks have, accordingly, been designated as a principal risk with the Board assuming direct responsibility for overseeing the identification and assessment of, and response to, these risks. Although there may be a fi ancial impact to the broader oil and gas sector, given that the Company's current asset base is gas-focussed rather than oil, and that it is operating in a developing country, the Company views that such climate related risks may have a minimal effect on the Company's business in the short to medium term. Nonetheless, the Company will continue to monitor shifts in investor sentiment towards the oil and gas sector related to climate change and will receive updates relating to Tanzania's energy transition and climate resilience plans.

Social

The health, safety and security of all our employees, contractors and the wider community in which it operates is of paramount importance to Aminex.

As standard practice, the Company:

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

In addition, Aminex believes that continuous improvement in relationships with the communities that it works with is fundamental to ongoing sustainability and success.

Over the years, the Company's good reputation as a worthy corporate citizen has been achieved by:

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

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

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

Aminex has supported various community projects that added sustainable benefit in the education and medical sectors of the community in the past and, during this transitional phase, is currently reviewing projects that may be suitable for the Company's future involvement.

Governance

As set out in more detail in the Corporate Governance section below, the Company is committed to protecting its business by operating to the highest standards, be it in corporate governance or maintaining and adhering to the many policies and procedures that the Company has in place.

Charles Santos, (60) (Portugal)
Executive Chairman (N)

Charles Santos is currently the CEO and Chairman of UIG Energy Inc, which develops energy projects in Central and Southeast Asia. He has more than 34 years of experience in political and commercial negotiations in West Africa, the Middle East, and Central, South, and East Asia. Charles served on the board of and led commercial negotiations on the Afghan portion of the Turkmen-Afghan-Pakistan-India gas pipeline for a consortium of international energy companies. He developed energy projects in Central Asia, including the farm-in of critical gas assets in Uzbekistan, where he served as the Chairman of the Steering Committee and the Operations Committee. Working for the United Nations in the late 1980s and early to mid-1990s, Charles served as Special Advisor to four Under-Secretary-Generals. He was the Deputy Head and Political Advisor to UN Peace missions in Afghanistan and Tajikistan. Charles was appointed Chairman in August 2020 and Executive Chairman in January 2021.

Tom Mackay, (65) (UK)
Non-Executive Director (A,N,R) (Senior Independent Director)

Tom Mackay was originally appointed as a Non-Executive Director of Aminex in September 2014 serving on the Audit and Nominations Committees and as Chair of the Remuneration Committee before he was appointed Interim CEO in May 2019 before stepping down and resigning from the Board in April 2020. He was reappointed as a Non-Executive Director in August 2020. Originally graduating with a degree in Geology from Durham University, he retrained as a Petroleum Engineer with Shell and later served in senior management positions with Clyde Petroleum and Gulf Canada. He was General Manager and later Senior Vice President of Stratic Energy Corporation and more recently, a Partner in Gemini Oil & Gas Advisors LLP; acting in technical, commercial and fi ancial advisory capacities to the Gemini Oil & Gas Funds, investing in global appraisal and development projects.

James Lansdell, (38) (UK)
Non-Executive Director (A,N,R)

James Lansdell is Senior Legal Counsel at The Zubair Corporation. Prior to joining The Zubair Corporation, he was a Senior Associate at Dentons, Muscat. James is an experienced oil and gas and construction lawyer with over 10 years' experience working as a member of Dentons' Tier 1 oil and gas team in London and the Middle East. He is a member of the Association of International Petroleum Negotiators and the Society of Construction Law. He holds a BSc in Psychology and an LLB in Law.

Sultan Al-Ghaithi, (46) (Oman)
Non-Executive Director

Sultan Al-Ghaithi has over 20 years of industry experience and is currently Chief Executive Officer of ARA Petroleum LLC. He is a wellsite engineer by background and has previously worked with Petroleum Development Oman and Weatherford International where he was Country and Area Manager in Oman. Sultan previously served on the Board of Aminex between October 2017 and September 2019 before being reappointed to the Board in August 2021.

A Member of Audit and Risk Committee
N Member of Nominations Committee
R Member of Remuneration Committee

Directors' Report

The Directors present their annual report and audited financial statements for Aminex PLC ("the Company") and its subsidiary undertakings ("the Group") prepared in US dollars for the year ended 31 December 2021.

Principal activities

The principal activities of the Group are the exploration, appraisal, development and production of oil and gas assets, reserves and resources. The Group operates through subsidiary undertakings, details of which are set out in Note 13 to the financial statements. The Group's principal area of activity is in Tanzania.

Results and dividends

As set out in the Group Income Statement on page 34, the Group loss after tax amounted to US$8.56 million which compares with a loss after tax of US$6.14 million for 2020. No dividends were paid during the year (2020: US$nil).

Share capital

At 31 December 2021, the Company had two classes of shares which were divided into Ordinary Shares of €0.001 each and Deferred Shares of €0.059 each. The number of Ordinary Shares of €0.001 and Deferred Shares of €0.059 in issue were 3,770,684,643 and 818,658,421 respectively (2020: 3,770,684,643 Ordinary Shares of €0.001 each and 818,658,421 Deferred Shares of €0.059 each). The Company's authorised share capital was €64,000,000 (2020: €64,000,000) comprising 5,000,000,000 Ordinary Shares of €0.001 each and 1,000,000,000 Deferred Shares of €0.059 each (2020: 5,000,000,000 Ordinary Shares of €0.001 each and 1,000,000,000 Deferred Shares of €0.059 each). The Ordinary Shares are in registered form.

Resolutions will be proposed to renew the Directors' authority to allot share capital of the Company, as will be set out more fully in the Notice of Annual General Meeting. The Directors were granted authority at the 2017 Annual General Meeting to consolidate the existing ordinary shares at a ratio of 1 new ordinary share for every 20 existing Ordinary Shares and to cancel the Deferred Shares of €0.059 each and this authority remains at the Directors' discretion.

Additional information in respect of shares and directors as required by the European Communities (Takeover Bids (Directive 2004 25/EC)) Regulations 2006 are set out on pages 14 and 15.

Directors and their interests

Biographies of all Directors are set out on page 11. In accordance with the Articles of Association, James Lansdell retires from the Board and being eligible offers himself for re-election. Sultan Al-Ghaithi was appointed to the Board on 1 August 2021, since the last Annual General Meeting, and is therefore required to seek election at the forthcoming Annual General Meeting. Jan Gunnar Opsal and Robert Ambrose both stepped down from the Board on 26 January 2021 and 29 January 2021 respectively.

With the exception of the transactions stated in Note 27 to the financial statements, there were no other significant contracts, other than Executive Directors' contracts of service, in which any Director had a material interest.

The Directors who held office at or have been appointed since 31 December 2021 had no beneficial interests in any of the shares of the Company and Group companies other than Ordinary Shares in Aminex PLC as follows:

Director	Number of Ordinary Shares		
	8 April 2022	31 December 2021	31 December 2020
Tom Mackay	1,528,947	1,528,947	1,528,947

Details of the Directors' share options are set out in the Remuneration Report on pages 27 to 28.

Substantial shareholdings in the Company

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

	Number of shares	Per cent
Eclipse Investments LLC	1,069,161,293	28.35

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

Finance Review

A review of current year financial activities is set out in the Finance Review on pages 4 and 5.

Operations Report

A review of exploration and production activities during 2021 and outlook for 2022 are set out in the Executive Chairman's Statement on pages 2 and 3, and in the Operations Report on pages 6 to 9.

Payment of Suppliers

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

Electoral Act 1997

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

Corporate Governance Statement

Statements by the Directors in relation to the Company's application of corporate governance principles, compliance with the principles of the UK Quoted Companies Alliance Corporate Governance Code published in April 2018 (the "QCA Code"), the Group's system of internal controls and the adoption of the going concern basis of preparation of the financial statements are set out on pages 16 to 26. The report on Directors' remuneration is set out on pages 27 to 28. Principal risks and uncertainties are set out on pages 23 to 26 to comply with Companies Act 2014 requirements.

Audit and Risk Committee

The Group has established an Audit and Risk Committee that is chaired by an independent Director and whose terms of reference include:

a) monitoring of the financial reporting process;
b) reviewing the accounting policies and significant fi ancial reporting issues and judgements;
c) monitoring of the effectiveness of the Group and Company's systems of internal control and risk management;
d) monitoring the need for or the effectiveness of the internal audit function;
e) overseeing the relationship with the statutory auditors and reviewing and monitoring of the statutory audit of the Group and Company's statutory financial statements;
f) review and monitoring of the independence of the statutory auditors and in particular the provision of additional services to the Group and Company;
g) ensuring the integrity of the financial statements; and
h) review of the Group's fi ancial and operating risks and ensuring that appropriate procedures are in place for mitigating risk.

Further details are provided in the Corporate Governance Statement on pages 16 to 26.

Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group statutory auditors are aware of this information. In so far as they are aware there is no relevant audit information of which the Group's statutory auditors are unaware.

Directors' Compliance Statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014, and tax laws ('relevant obligations'). The directors confirm that:

- A compliance policy statement has been drawn up setting out the Company's policies that in their opinion are appropriate with regard to such compliance;
- Appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- A review has been conducted, during the financial year, of those arrangements and structures.

Post balance sheet events

On 6 January 2022, the Company granted a total of 62 million share options to Directors and employees. Charles Santos was awarded 30 million options over Ordinary Shares and 6 million options over Ordinary Shares were awarded to each of Tom Mackay and James Lansdell, with the remaining 20 million awarded to employees. The exercise price is Stg0.60p, with 50% vesting on the date of grant, 25% six months after the grant date and the remaining 25% twelve months after the grant date. The exercise period shall not exceed five years from date of grant. The share-based payment charge arising from the grant will be charged to the income statement in the year ending 31 December 2022. Further information on Directors' share options are set out in the Directors' Remuneration Report on pages 27 to 28.

On 1 April 2022, the Company raised approximately GB£3.3 million (approximately US$4.4 million) before expenses through the issue of 440,482,181 new ordinary shares in the capital of Aminex at a price of Stg 0.75p per share. The Placing Shares will represent in aggregate 12% of the existing issued ordinary share capital of the Company and are being issued under existing general allotment authorities granted by shareholders at the Company's Annual General Meeting on 29 July 2021. The Company's largest shareholder, Eclipse Investments LLC ("Eclipse"), will subscribe for 84,375,514 Placing Shares. Following admission, the enlarged share capital and the total voting rights of the Company will be 4,211,167,024.

Coronavirus

Aminex's Board and senior management continued to monitor government advice over the period and to plan accordingly regarding the spread of COVID-19. Whilst taking actions to mitigate the potential impact on colleagues, clients and contacts, the Company's operations are currently unaffected. Our priorities are safeguarding the health and wellbeing of our colleagues and clients. We have an established business continuity plan and an embedded agile working capability that allows us to continue to operate the business whilst working remotely. Our staff are equipped for remote working, with access to our secure systems. The potential impact of COVID-19 is discussed in principal risks and uncertainties on page 25 and 26.

Brexit

It is the continuing view of the Board that, given the Group's focus on Tanzania, Aminex will not be materially affected by the exit from the European Union by the UK.

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the finance function.

Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, BDO, Statutory Auditors, have indicated their willingness to continue in office.

On behalf of the Board

Charles Santos

Director

8 April 2022

Additional Information for Shareholders

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

Amendment to the Articles of Association

Any amendment to the Articles of Association ('Articles') of the Company requires the passing of a special resolution in accordance with the provisions of the Companies Act.

Rights attaching to shares

The rights attaching to the Ordinary and Deferred Shares are defined in the Company's Articles. A shareholder whose name appears on the register of members can choose whether the shares are evidenced by share certificates (i.e. in certificated form) or held in electronic form (i.e. uncertificated form) through the Euroclear Bank system (the electronic settlement system based in Brussels that replaced the CREST system in March 2021).

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

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

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

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

Voting at general meetings

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

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

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

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

Transfer of shares

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

The Directors have the power to implement any arrangements they think fit for evidencing the title to and transfer of shares in accordance with statutory obligations made from time to time. Since the Migration EGM in February 2021, transfers of uncertificated shares must be carried out using Euroclear Bank's system and the Directors may refuse to register a transfer of an uncertificated share in accordance with the regulations governing the operation of the Euroclear Bank system. Transfers of shares in certificated form must be executed by or on behalf of the transferor and the transferee.

Variation of rights

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

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

Additional Information for Shareholders

continued

Appointment and replacement of Directors

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

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

Powers of the Directors

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

Following the transfer of the Company's listing category on the Official List of the Financial Conduct Authority from the Premium listing segment to the Standard listing segment, and the de-listing from the official list of Euronext Dublin in 2019, the Company is no longer required to apply the principles of the UK Corporate Governance Code, as previously applied. The Directors however are committed to continue to maintain high standards of corporate governance and have resolved to continue to apply the principles of the UK Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), being a code more appropriate to the size and shape of the Company. Except where otherwise stated, the Directors believe that the Group has complied with the provisions of the QCA Code throughout the year under review.

Compliance with the provisions of the UK Quoted Companies Alliance Corporate Governance Code

The QCA Code is based on ten principles that companies should follow to deliver growth in long-term shareholder value. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. We have considered how we apply each principle to the extent that the Board judges these to be appropriate in view of the Company's size, strategy, resources and stage of development, and below we provide an explanation of the approach taken in relation to each. This report explains in broad terms how the Company applies the main principles of the QCA Code. The Directors consider that Aminex PLC has complied throughout the year with the provisions of the QCA Code except for the following matters:

- The Company does not currently set out on its website how it applies the main principles of the QCA Code.
- A performance evaluation of the Board, its Committees and its Directors was not undertaken during the year.
- As stated in the Directors' Remuneration Report, during 2021, Tom Mackay, the Company's Senior Independent Director held options over the Ordinary Shares of the Company. A number of the options were granted to Tom Mackay as part of his remuneration package in 2019 when he was Chief Executive Officer of the Company and under the terms of his departure as Chief Executive Officer in 2020, he was entitled to retain such options. The Board considers Tom Mackay to be free from any business relationships or circumstances that could materially interfere with the exercise of his independent judgement.
- The combined role of Executive Chairman was instigated in January 2021, following the stepping down of the interim Chief Executive Officer, with the support of the Board and following consultation with the Company's largest shareholder. While it is recognised that separation of the two roles of Chairman and Chief Executive is a more desirable Corporate Governance standard, the Board, with the exclusion of the Executive Chairman, felt that the experience, stability, commitment and enthusiasm he could bring to the role, along with the cost benefits, offset this.
- Since July 2020, the Company has not had at least two independent non-executive directors. There is currently one independent Non-Executive Director, Tom Mackay, and two Non-Executive Directors, James Lansdell and Sultan Al-Ghaithi, who were appointed by the Company's largest shareholder, Eclipse Investments LLC ("Eclipse"). Eclipse has the right to appoint two Non-Executive Directors. The Company is of the view that the current make-up of the Board reflects the Company's requirements at this stage.

The Board of Directors

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

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

The Board consists of four members and comprises an Executive Chairman and three Non-Executive Directors. Brief biographies of the Directors are set out on page 11.

Under the terms of the Company's Articles, at least one third of the Board must seek re-election to the Board at the Annual General Meeting each year. All new Directors appointed since the previous Annual General Meeting are required to seek election at the next Annual General Meeting and in accordance with this the Directors will propose a resolution to elect Sultan Al-Ghaithi, who was appointed to the Board on 1 August 2021. James Lansdell is required to seek re-election at the forthcoming Annual General Meeting. Jan Gunnar Opsal and Robert Ambrose both stepped down from the Board on 26 January 2021 and 29 January 2021 respectively. The Company grants indemnities to its Directors to cover the cost of legal action against its Directors.

Establish a strategy and business model which promote long-term value for shareholders

The strategy is reviewed by the Board. Senior management led by the Executive Chairman are responsible for executing the strategy once agreed by the Board. All developments in the Company's business are communicated to the shareholders via regulatory news service (RNS) announcements, Annual Report and Accounts, half yearly announcements and investor presentations at the Company's Annual General Meetings.

The Company's overall strategic objective is to develop its Tanzanian assets to generate a near term cashflow and seek strategic growth and consolidation opportunities, yielding value to shareholders. The Company aims to achieve this through our technical expertise, operational capabilities and industry contacts, secured by the close links we forge with the Tanzanian authorities and the local communities in which we operate. The Company's carry under the Ruvuma PSA is expected to fully fund Aminex through to full-field development of the Ntorya gas-field and to relieve the Company of all its development capital requirements associated with the field.

Risk assessment and evaluation is an essential part of the Company's planning and an important aspect of the Company's internal control system. The Company strives to develop strong working relationships with its partners and suppliers in Tanzania to manage and mitigate the operational risks.

Seek to understand and meet shareholder needs and expectations

The Company's Executive Chairman is responsible for shareholder liaison. He holds regular meetings with the Company's major shareholder to discuss the Company's strategy and performance and maintain a dialogue between the Company and its investors. The entire Board receives feedback following these meetings and any issues raised are discussed. The Independent Non-Executive Director is available to meet with shareholders if required.

The Annual General Meeting (AGM) is the main forum for dialogue between the Board and the shareholders. Unfortunately, due to the global pandemic, the Company was unable to have shareholders present at its AGMs in 2020 and 2021 however shareholders were able to submit questions to the Board ahead of the AGMs and dial-in to the AGMs. All Directors aim to attend the AGM. The Executive Chairman leads the AGM and takes questions from the floor. The Executive Chairman receives regular industry and peer updates, to enable him to keep current on issues relevant to the Company and its shareholders.

Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Company's ability to achieve its long-term success is dependent on good relations across a wide range of stakeholders both internally (employees) and externally (joint venture partners, suppliers, regulatory authorities, local governments and communities in which we operate).

Our employees are one of the most important stakeholder groups and the Board recognises the need for two-way communication with the workforce. The small size of the Company means that the Directors and senior managers are relatively accessible to all employees to provide and receive feedback.

We recognise our responsibilities to the environment and community in the areas in which we operate. The Company places a high priority on operating to high standards of integrity and ethics. We recognise that our activities may have an impact on the environment and therefore aim to minimise that impact by operating in a socially responsible manner. The Company seeks to behave as a responsible employer and make positive contributions to the local economies. The Company has also considered the risk of climate change and the decarbonisation of the global economy to its business and will continue to monitor shifts in investor sentiment towards the oil and gas sector related to climate change and will receive updates relating to Tanzania's energy transition and climate resilience plans.

All the Company's stakeholders have access to contact information for communication with the Company.

Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board acknowledges its overall responsibility for ensuring that the Company has a robust framework of risk management and an appropriate system of internal control. However, any system can only provide reasonable, not absolute, assurance against material misstatement or loss and is designed to manage but not to eliminate the risk of failure to achieve business objectives. The key risk management procedures are preparation of annual budgets for approval by the Board; cash flow management and treasury policies and procedures for the management of liquidity, currency and credit risk on financial assets and liabilities; regular management, committee and Board meetings to review operating and fi ancial activities; consideration of industry and country-specific risks as part of the Company's review of strategy; recruitment of appropriately qualified and experienced staff to key financial and management positions; and preparation of annual fi ancial statements, including external audit review.

Maintain the board as a well-functioning, balanced team led by the chair

The Board consists of four members and comprises an Executive Chairman and three Non-Executive Directors. The Executive Chairman is responsible for the leadership of the Board, ensuring its effectiveness and setting its agenda and, with support from the Audit and Risk Committee and the Company Secretary, is responsible for the Company's approach to corporate governance and the application of the principles of the QCA Code. As a result of the Company's increasing focus on cost management and given the lack of operational activity by the Company, the appointment of an Executive Chairman in January 2021 in place of a Chief Executive Officer and a Non-Executive Chairman was both appropriate and prudent and followed consultation with the Company's largest shareholder. The Senior Independent Director is Tom Mackay. Tom Mackay served as interim Chief Executive Officer of the Company between May 2019 and April 2020 however the Board considers him to be free from any business relationships or circumstances that could materially interfere with the exercise of his independent judgement.

All Directors are expected to attend the scheduled meetings during the year. In addition, other meetings and calls are held in between each scheduled meeting to ensure that Non-Executive Directors are kept informed of corporate developments. To ensure that the Directors can properly carry out their roles, all Directors receive reports and papers on a timely basis for Board and Committee meetings. The Directors have access to a regular supply of financial, operational and strategic information to assist them in the discharge of their duties. Such information is provided as part of the normal management reporting cycle undertaken by senior management. All Directors have access to the advice and services of the Company Secretary and may obtain independent professional advice at the Group's expense.

The Directors allocate appropriate time for the proper discharge of their duties and understand the need to commit additional time in exceptional circumstances.

The Board is responsible for setting the overall strategy of the business, reviewing management performance and ensuring the Company has suffi ent fi ancial and human resources to meet its objectives. It directs the Company's activities in an effective manner through regular Board meetings and monitors performance through timely and relevant reporting procedures. The Board is specifi ally responsible for approval of budgetary and business plans; approval of significant investments and capital expenditure; approval of annual and half-year results and interim management statements, accounting policies and the appointment and remuneration of the external auditors; changes to the Group's capital structure and the issue of any securities; establishing and maintaining the Group's risk appetite, system of internal control, governance and approval authorities; executive performance and succession planning; determining standards of ethics and policies in relation to health, safety, security, environment, social and community responsibilities; disclosure to the market and shareholders.

Board Committees

During 2021, the Board had an Audit and Risk Committee, a Remuneration Committee and a Nominations Committee, each of which has formal terms of reference approved by the Board. The activities of the Committees are set out on pages 20 to 22.

Attendance at Board and Committee meetings is set out on page 23.

Tom Mackay, the Senior Independent Director, has a beneficial interest in the Company and participates in the Aminex PLC Share Option Scheme (the "Scheme") and the Aminex PLC Restricted Share Plan (the "Plan"). Share options were granted to Tom Mackay under the Scheme as part of his remuneration package in 2019 when he was interim Chief Executive Officer of the Company and under the terms of his departure as Chief Executive Officer in 2020, he was entitled to retain such options. Share options were granted to Tom Mackay under the Plan as part of his remuneration package in 2022. The Board considers Tom Mackay is free from any business relationships or circumstances that could materially interfere with the exercise of his independent judgement.

James Lansdell, Non-Executive Director, participates in the Plan. Share options were granted to James Lansdell under the Plan as part of his remuneration package in 2022. James Lansdell is a Senior Legal Counsel at The Zubair Corporation which is an associate company of Eclipse Investments LLC ("Eclipse"), a major shareholder in the Company, and was nominated by Eclipse Investments LLC to be a Non-Executive Director. The Board recognises this potential conflict of interest and procedures are in place to ensure that the obligations of Eclipse-appointed representatives as Directors of Aminex are observed.

Sultan Al-Ghaithi, a Non-Executive Director, does not have a beneficial interest in the Company and does not participate in the Scheme or the Plan. Sultan Al-Ghaithi is the Chief Executive Officer of ARA Petroleum LLC which is an associate company of Eclipse Investments LLC ("Eclipse"), a major shareholder in the Company, and was nominated by Eclipse Investments LLC to be a Non- Executive Director. The Board recognises this potential conflict of interest and procedures are in place to ensure that the obligations of Eclipse appointed representatives as Directors of Aminex are observed.

The Executive Chairman considers that the Company has a balanced and diverse Board with the requisite skills to source and assess future strategic growth and consolidation opportunities as it transitions from operator to non-operator of its key asset.

Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Company is committed to ensure that the Board has a suitable mix of skills and competencies covering all essential disciplines and is suffi ently diverse and appropriately balanced. In its work in the area of Board renewal, the Nominations Committee looks at a number of criteria when considering Non-Executive Director and Executive Director candidates, including: international business experience, particularly in the region in which the Group operates or into which it intends to expand; skills, knowledge and expertise (including educational or professional background) in areas relevant to the operation of the Board; diversity, including nationality and gender; and the need for an appropriately sized Board.

During the ongoing process of Board renewal, each, or a combination, of these factors can take priority. The Board appointed its first female Director in January 2019. Three nationalities are represented on the Board, and the Directors have a wide range of backgrounds and experiences including African oil and gas operations, listed company, commercial, legal, transaction and financial experience. The average tenure of service by a Director (including previous service by Tom Mackay and Sultan Al-Ghaithi) is over three years.

The nature of the Company's business requires the Directors to keep their skillset up to date. The Directors are kept informed on relevant regulatory compliance and statutory matters through briefings by external advisers and all Executive and Non-Executive Directors have access to the Company's external advisers.

All Company Non-Executive Directors also hold directorships and senior management roles in other companies, helping to ensure broad and current experience. Further training is available at the Company's expense.

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board considers that the combination of Non-Executive and Executive Directors is of sufficient competence and experience to support the strategy and development of the Company. The Executive Chairman and Nominations Committee will continue to review and monitor the strength and objectivity of the Board and seek improvement.

Succession planning is currently undertaken on an informal basis by the Executive Chairman in consultation with the Board. The Board is satisfied that this is appropriate for this stage in the Company's development.

While the Executive Chairman and Nominations Committee evaluate requirements for the Board, a formal evaluation process for the Board as a whole, as well as of its Committees and Directors, has not taken place in the year. The Company does not currently comply with the QCA Code in this respect.

Promote a corporate culture that is based on ethical values and behaviours

Our ethics

The Company is committed to upholding high ethical standards and principles, both in letter and in spirit, throughout all of our operations. The Company aspires to, and encourages its staff to operate in a socially responsible manner, acting professionally at all times.

The Company is committed to a strong ethical and values-driven culture encompassing the highest standards of quality, honesty, openness and accountability, and understands that any issues counter to this culture could have an extremely negative impact on the business. The Company, its management, employees, contractors and partners have the responsibility of applying the highest standard of ethical business practices in all their relationships with shareholders, suppliers, and the general public.

Creating a fair and inclusive culture

The Company promotes an inclusive, transparent and respectful culture. Led by the values of responsibility, excellence and continuous improvement, integrity and trustworthiness, cooperation and engagement, empathy and fairness they apply their skills and expertise every day to ensure we operate both responsibly and successfully.

The Company is an equal opportunity employer and seeks to hire, endorse and retain highly skilled people based on merit, competence, performance, and business needs. The Company is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of ethnic origin, religion, political opinion, gender, marital status, disability, age or sexual orientation.

The Company communicates its corporate culture through staff presentations and inductions. To embody and promote sound ethical principles, the Board has endorsed the following key policies: Employee Handbook; Code of Business Conduct; Share Dealing Policy; Anti-Bribery and Corruption Policy; Whistleblowing Policy; and Health, Safety, Security and Environment Policy.

Share Dealing Policy

The Company has adopted a Market Abuse Regulation-compliant share dealing policy for Directors and employees of the Company. The Directors consider that this share dealing policy is appropriate for the Company. The Company takes all reasonable steps to ensure compliance with the share dealing policy by the Directors and employees.

Health, Safety, Security and Environment (HSSE) Policy

The Company's objectives include observing a high level of health, safety and security standards, developing our staff to their highest potential and being a good corporate citizen in Tanzania. The Company is committed to providing a safe and secure working environment for its employees and anyone doing work on the Company's behalf. The Management Risk Committee reviews and makes recommendations concerning risk, health, safety and security issues. HSSE is discussed at each scheduled Board meeting of the Company.

Whistleblowing Policy

The Company has a Whistleblowing Policy in place to assist employees, suppliers, contractors and others with the reporting of any malpractice or illegal act or omission by others. The policy is reviewed at least every two years or more often if necessary and is communicated to all employees. It was last reviewed in March 2020.

Anti-Bribery and Corruption policy

The Company's Anti-Bribery and Corruption policy formalises the Company's zero-tolerance approach to bribery and corruption. The Company expects all employees, suppliers, contractors and consultants to conduct their day-to-day business activities in a fair, honest and ethical manner, and to be aware of and refer to the Anti-Bribery and Corruption Policy in all of their business activities worldwide and to conduct all business in compliance with it. The Company seeks to enforce effective systems to counter bribery, such as secondary authorisations for payments. We also expect and require high standards of behaviour from our partners.

The Anti-Bribery and Corruption Policy is reviewed every two years or more often if necessary and is communicated to all employees. It was last reviewed in March 2020.

Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board of Directors recognises the importance of applying the highest standards of corporate governance to enable effective and effi ent decision making, and to assist the Directors in discharging their duty to promote the success of the Company for the benefit of its shareholders. The Board is responsible for the Group's system of internal controls, the setting of appropriate policies on those controls, the regular assurance that the system is functioning effectively and that it is effective in managing business risk. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives.

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

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

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

Other key policies and procedures include preparation of annual budgets for approval by the Board; ongoing review of expenditure and cashflow versus approved budget; establishment of appropriate cashfl w management and treasury policies for the management of liquidity, currency and credit risk on financial assets and liabilities; delegation of authorities and bank mandates; regular management, committee and Board meetings to review operational and financial activities; recruitment of appropriately qualified and experienced staff to key financial and management positions; Management Risk Committee, risk management procedures and risk register to assist with the identification and management of risk.

The Board reserves for itself a range of key decisions to ensure that it retains proper direction and control of the Company whilst delegating authority to the Executive Chairman who is responsible for the day to day management of the business.

The following matters are reserved for the Board:

- all matters which exceed the authority delegated to the Executive Chairman;
- mergers and acquisitions transactions;
- strategy, budgets and business plans;
- audit, financial and other reporting;
- changes in the capital structure of the company and the issue of shares or other securities by the Company;
- policies and guidelines;
- internal controls and governance;
- appointment or removal of Directors and the Group Company Secretary;
- establishment of sub-boards and committees;
- appointment, re-appointment or removal of the auditors and any other corporate advisers.

The Company conducts a review of the Company's governance framework each year and takes into account audit recommendations.

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

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

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

Copies of the Annual Report and Financial Statements are issued to all shareholders who have requested them and copies are available on the Group's website www.aminex-plc.com.

The Board discloses the result of general meetings by way of announcement and in order to improve transparency, the Board has committed to announcing proxy voting results in future and disclosing them on the Company's website. In the event that a significant portion of voters have voted against a resolution, an explanation of what actions it intends to take to understand the reasons behind the vote will be included.

Audit and Risk Committee

Composition of the Audit and Risk Committee

The Audit and Risk Committee comprises two members. The Senior Independent Director, Tom Mackay is the Chair of the Committee and is considered by the Board to have recent and relevant fi ancial experience. During the year, the Audit and Risk Committee comprised Charles Santos (Chair) and Tom Mackay (until 29 January 2021). Tom Mackay became Chair of the Committee and James Lansdell replaced Charles Santos on 29 January 2021. All members of the Committee are deemed to be financially competent and suitably qualified. The terms of reference for the Audit and Risk Committee are available for inspection on the Company's website www.aminex-plc.com.

Activities of the Audit and Risk Committee

The Audit and Risk Committee meets formally at least four times a year and otherwise as required and also meets with the Company's external auditor at least twice a year. The Audit and Risk Committee met four times during the year. All Directors are invited to attend, and the Committee meetings were attended by the Executive Chairman and the Chief Financial Officer. The external auditor also attended part of some of the meetings, as required and met separately with the Committee Chair.

The main roles and responsibilities of the Audit and Risk Committee are to monitor the integrity of the Company's fi ancial statements, review key fi ancial reporting judgements and estimates and review and monitor the effectiveness of the Group's internal control and risk management systems. The Committee also reviews and approves the audit and non-audit fees due to the Group's external auditor, approves the external auditor's letter of engagement and reviews the external auditor's report to the Audit and Risk Committee. In undertaking this review, the Audit and Risk Committee discussed with management and the external auditor the critical accounting policies and judgements that had been applied. In addition, it considers the financial performance, position and prospects of the Group and the Company and ensures they are properly monitored and reported on. It oversees the relationship with the external auditor (including advising on their appointment, agreeing the scope of the audit and reviewing the audit fi dings). The Audit and Risk Committee is also responsible for the appointment of the external auditor and during 2019 conducted an audit tender for the appointment of a new external auditor. During the year, the Audit and Risk Committee discharged its responsibilities as follows:

Integrity of the financial statements

The Audit and Risk Committee reviewed the interim and annual financial statements prior to Board approval, the appropriateness of the Group's key accounting policies, key judgements and estimates adopted in preparing the financial statements and the potential impact on the Group's financial statements of certain matters such as impairment of non-current asset values.

The Audit and Risk Committee determined that the key risks of misstatement of the Group's financial statements related to the carrying value of exploration and evaluation assets, the carrying value of production assets held under property, plant and equipment, the recoverability of trade receivables, the recognition of contingent liabilities, including commitments and certain amounts sought by the TPDC, and going concern.

These issues were discussed with management during the year when the Committee considered the half-year financial statements in September 2021 and the financial statements for the year ended 31 December 2021 in March 2022. These matters and how they were addressed are set out in further detail below:

Carrying value of exploration and evaluation assets

The total carrying value of exploration and evaluation assets at 31 December 2021 is US$38.1 million. The Audit and Risk Committee assessed the carrying value of exploration and evaluation assets by applying the industry-specific indicators of impairment set out in IFRS 6 "Exploration for and Evaluation of Mineral Resources" along with a review of any other potential indicators of impairment. The Audit and Risk Committee considered the expiry of and prospect of extensions to each licence, anticipated continuance of activity and planned expenditure and whether there was any indication that the carrying cost was unlikely to be recovered from a successful development or sale.

The Audit and Risk Committee considered the recoverability of the carrying value of the Ruvuma PSA, which contains the Mtwara Licence. The Committee recognised the receipt of a two-year licence extension in August 2021 as a significant step in enabling the operator, APT, to complete the commitments under the terms of the extension. The Committee noted the progress APT had made during the year in respect of the award of the seismic contract and the mobilisation of the contractor to site and the proposed work programme and budget for 2022, approved by all Ruvuma JV partners, that included the completion of the seismic acquisition and the target to drill the Chikumbi-1 exploration and appraisal well in November 2022.

The Committee noted the Farm-Out, completed in 2020, had secured US$35 million of carry consideration for the Group's share of future expenditure on the Ruvuma PSA asset with the expectation that this funding would see the Group through to material production from the development if successful. The Committee concurred with management that there was a reasonable expectation that this investment would result in the assets recoverable amount being greater than the carrying value of the asset.

The Audit and Risk Committee were satisfied no further provision for impairment was required against the remaining carrying value of the Ruvuma PSA.

In 2019, the Company recognised a partial impairment of US$10.4 million against the carrying value of the Ruvuma PSA in respect of the Lindi Licence. The Committee took into consideration the continuing uncertainty of the impact of The Petroleum (Cost Recovery Accounting) Regulations 2019 on the recoverability of past expenditure on the Licence and the Committee concurred with management that the Lindi Licence exploration costs of US$10.4 million should remain impaired until either a new PSA is granted for the Lindi Licence or the Company is able to demonstrate with sufficient certainty that The Petroleum (Cost Recovery Accounting) Regulations 2019 should not impact the recovery of Lindi costs under the Mtwara Licence.

In respect of the Nyuni Area PSA, following the significant delays to agree terms on the second exploration phase of the licence and the Group's transition to a non-operator, the Committee considered the Group's options to continue to development under the licence, including identifying a suitable Farm-Out partner. The Committee noted that the Group had been unsuccessful in fi ding a farm-out partner during the year. The Committee confirmed management's conclusion that the Nyuni Area PSA assets should continue to be fully impaired at 31 December 2021 and any expenditure related to the Nyuni Area PSA in 2021 will be fully provided against.

The Committee considered the recoverability of the carrying value of the Kiliwani South CGU and noted that no activity was planned on the asset by the Company, and with the continued uncertainty over the Nyuni Area PSA and the continued delays over the Kiliwani North licence's commercial terms, it was unlikely any development, particularly in the near term, would commence. Furthermore, the Committee noted that with the Group transitioning to a non-operator strategy any development would require a suitable farm in partner that would secure the necessary funding and is capable to assume operatorship of the Licence, noting that this could take significant time to complete. The Committee concluded with management that above were indicators of impairment and that the Kiliwani South CGU should be fully impaired as at 31 December 2021.

Carrying value of property plant and equipment

The Audit and Risk Committee assessed the carrying value of the development asset at Kiliwani North in Tanzania.

The Committee concluded an impairment indicator existed following the continued delays over production from the KN-1 well.

The Committee considered the appropriate valuation method to adopt considering the changes in circumstances during the year including failure to agree commercial terms over production and transition to a non-operator strategy. The Committee concluded that a value-in-use basis to determine the recoverable amount was the most appropriate method of valuation and would be higher than the assets fair value less cost of disposal.

The Committee noted the key assumption for the 2021 impairment test was the expectation on the timing of commencement of production.

The Committee agreed with management's assessment, that although the Company is actively pursuing a farm in partner, the remediation of the KN-1 well was unlikely, considering the time it would take to agree commercial terms, identify a suitable partner to assume operatorship and bring in the necessary funding to enable any work programme. Therefore, the Committee concluded that the production assumption for the KN-1 well, that represents the carrying value of the Kiliwani North CGU, should be nil and the asset should be fully impaired.

The total impairment charge recognised in 2021 was US$0.87 million.

Carrying value of intra-group loans

During the year, following impairment to the Kiliwani North CGU, the partial provision for the Company's intercompany loan due from its subsidiary Ndovu Resources Limited was increased by US$1.05 million, reflecting the increase in risk by no expected further production from the Kiliwani North producing and development property, plant and equipment CGU.

The Audit and Risk Committee assessed the carrying value of the Company's intra-group loans with its subsidiaries and management's recommendation for an increase in the impairment provision. The assessment took into consideration the ability of the subsidiary undertakings to service the loans that are repayable on demand and are not subject to interest.

Decommissioning estimates

The Audit and Risk Committee assessed the provision related to the decommissioning obligations of the Group.

The Committee challenged the assumptions adopted by management particularly the key risk areas including cost estimates and timing of abandonment. The Committee noted the upward revision in cost estimates as at 31 December 2021 based on inputs provided by a third-party expert who conducted a desktop review of the Group's restoration obligations. The Committee agreed with managements assumption to adopt the mid-to-upper range estimates provided due to significant uncertainty that remains over the condition of the well and abandonment requirements until the programme is agreed with the Tanzanian authorities. The increase in cost estimates resulted in an increase to the decommissioning liability of US$665,000 as at 31 December 2021.

Recognition of commitments, guarantees and contingent liabilities

The Audit and Risk Committee considered the ongoing tax assessment covering the period from 2013 to 2015 with the Tanzania Revenue Authority ("TRA"). The Committee took into account relevant tax legislation and local tax consultant advice. The Committee further considered and assessed the status of management's discussions with the TPDC concerning requests for payments of certain amounts sought by the TPDC for unpaid royalty and under profit share arrangements (see Note 24). The assessment took into account third party legal advice. The Committee concluded that adequate accruals had been made and the disclosure of the matter as a contingent liability was appropriate. The Committee also reviewed the other guarantees, commitments and contingent liabilities set out in Note 24 and considered them to be appropriate.

Going concern

The Audit Committee considered the Group's ability to continue as a going concern. The Audit Committee reviewed and challenged the cash flow projections and sensitivity analysis performed, together with the key assumptions on which they were based, prepared by management for the 12-month period from the date of approval of the financial statements. The Committee also considered circumstances arising beyond the 12-month period.

The Committee, noting the Placing announced on 1 April 2022 for approximately US$4.4 million (before transaction expenses) and settlement of the ARA Loan plus accrued interest of approximately US$460,000 in aggregate, was satisfied that it was appropriate for the financial statements to be prepared on a going concern basis. However, the Committee noted the Tanzanian tax assessment received in relation to 2013 to 2015 as set out in Note 24 and that development or decommissioning of the Group's other assets in Tanzania, including the Nyuni Area PSA commitment also set out in Note 24, will require the sourcing of additional funding and concluded that there is significant uncertainty as regards the ability of Aminex to raise additional funds in the current market conditions. The Committee considered that the Group could raise additional funds, if required, to meet any contingent liabilities or expenditures if required in the going concern period. The Committee noted the possibility for further assessments for tax years after 2015 but considered any cash outflow unlikely to arise in the going concern period due to timeframes for tax cases in Tanzania. The Committee also considered the rights reserved over royalty and profit share by the TPDC under the settlement agreement reached in October 2021 for past gas sales (see Note 24) and considered these to be without merit. The Committee further noted that if the TPDC pursued these claims the process to resolve would take a significant period of time to resolve.

Therefore, the Committee concluded that there exists a material uncertainty on the Group's ability to continue as a going concern and accordingly the Group may not be able to realise its assets and discharge its liabilities in the ordinary course of business.

Misstatements

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

Discussions with the auditor

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

Conclusion

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

Audit tendering and rotation

Following a formal tender process in 2019, the Company appointed BDO to become the Group's statutory auditor for the financial year commencing 1 January 2019 and the appointment was approved by shareholders at the 2020 Annual General Meeting. BDO have undertaken the Company's audit for the following two years.

Work by and independence of external auditor

The Audit and Risk Committee has a policy to monitor the level of audit and non-audit services provided by the Group's external auditor. This policy sets out that non-audit services, which need to be agreed in advance, are normally limited to assignments that are closely related to the annual audit or where the work is of such a nature that a detailed understanding of the Group is necessary. An analysis of the fees paid to the external auditor in respect of audit and non-audit work is included in Note 5 of the financial statements.

Directors' attendance at Board and Committee Meetings

The table below sets out the attendance record of each Director at scheduled Board and Committee meetings during 2021.

	Board (Main)	Audit and Risk Committee	Remuneration Committee
Number of meetings	4	4	1
	Meetings attended	Meetings attended	Meetings attended
Sultan Al-Ghaithi[1]	2	n/a	n/a
James Lansdell	4	4	1
Tom Mackay	4	4	1
Charles Santos	4	n/a	n/a

Key: n/a Not applicable (where a Director was not a member of the Committee)
1) Appointed 1 August 2021

During 2021, certain Directors who were not committee members attended meetings of the Committees by invitation. These details have not been included in the table above.

In addition to processes and safeguards put in place to ensure segregation of audit and non-audit roles, as part of the assurance process in relation to the audit, the external auditor is required to confirm to the Audit and Risk Committee that they have both the appropriate independence and objectivity to allow them to continue to serve the members of the Group. This is the third year with BDO as auditor and BDO did not provide any non-audit services during the year. No matters of concern were identified by the Audit and Risk Committee.

The Audit and Risk Committee invites the Chief Financial Officer and representatives of the external auditor to the meetings as appropriate. Members of the Audit and Risk Committee have an opportunity to meet in private without the presence of the Chief Financial Officer or the external auditor.

The Audit and Risk Committee also has an opportunity to discuss in private any matters with the external auditor without the presence of the Chief Financial Officer.

Internal audit function

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

Internal controls and risk management

On behalf of the Board, the Audit Committee has closely monitored the maintenance of internal controls and risk management during the year. Key financial risks are reported during each Audit Committee meeting, including developments and progress made towards mitigating these risks. The Committee received regular reports from the Chief Financial Officer throughout the year and was satisfied with the effectiveness of internal controls. During the year, the Committee reviewed and approved updated finance processes and procedures, the risk management procedure and the risk register reported by senior management to the Committee. More information on internal controls and risk management procedures and key areas of risk for the Group are set out below.

Remuneration Committee

During the year, the Remuneration Committee comprised Charles Santos (Chair) and Tom Mackay (until 29 January 2021). Tom Mackay became Chair of the Committee and James Lansdell replaced Charles Santos on 29 January 2021. The Remuneration Committee met once during the year to consider the remuneration of the Group's Directors and the granting of options under the Aminex PLC Restricted Share Plan ("the Plan"). Options were granted in January 2022 to Charles Santos, Tom Mackay and James Lansdell under the Plan. Details of Directors' remuneration and options held is set out in the Directors' Remuneration Report on pages 27 to 28.

Nominations Committee

During the year, the Nominations Committee comprised Charles Santos (Chair), Tom Mackay and, from 29 January 2021, James Lansdell. The Nominations Committee did not formally meet during the year however various discussion between and among Directors took place.

Internal control

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

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

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

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

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

Other key policies and procedures include preparation of annual budgets for approval by the Board; ongoing review of expenditure and cashflow versus approved budget; establishment of appropriate cashfl w management and treasury policies for the management of liquidity, currency and credit risk on financial assets and liabilities; delegation of authorities and bank mandates; regular management, committee and Board meetings to review operational and financial activities; recruitment of appropriately qualified and experienced staff to key financial and management positions; Management Risk Committee, risk management procedures and risk register to assist with the identification and management of risk.

Management review risks and update the risk register in regular management Risk Committee meetings and the Audit and Risk Committee review the risk register at least twice annually. The principal risks and uncertainties are set out below.

The Audit and Risk Committee also ensures that appropriate procedures, resources and controls are in place to comply with the UKLA Listing Rules, Market Abuse Regulation, Ireland and UK companies' legislation and monitors compliance thereof. There are anti-bribery and corruption, whistleblowing and environmental policies, a Code of Business Conduct and share dealing policy which are considered appropriate for the Company.

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

Principal Risks and Uncertainties

The Group's strategic objectives for its principal activities, being the production and development of and the exploration for oil and gas reserves, are only achievable if certain risks are managed effectively. The Board has overall accountability for determining the type and level of risk it is prepared to take. The Board has been assisted by the Management Risk Committee, which seeks to identify risks for Audit and Risk Committee and Board consideration and the Audit and Risk Committee which monitors risks, the responsibility for those risks and how they are managed. The following are considered to be the key risks facing the Group that may affect the Group's business, although there are other risks which the Group currently deems to be less material that may impact the Group's performance.

Strategic Risks

Climate change – The climate agenda is an increasing area of focus globally. Failure to manage the impact of climate change arising from evolving policies and increased volatility and downside risk in oil prices could affect the commerciality of the Company's portfolio, lead to loss of licence to operate and result in limited access to/increased cost of capital. Given that the Group's current asset base is gas-focussed rather than oil, and that it is operating in a developing country, Aminex views that such climate related risks may have a minimal effect on the Group's business in the short to medium term.

Mitigation – The Group will continue to monitor shifts in investor sentiment towards the oil and gas sector related to climate change and will receive updates relating to Tanzania's energy transition and climate resilience plans. The Group has enhanced its understanding of climate related financial risks.

Development of assets to production – With completion of the Ruvuma Farm-Out, the Group holds an operated interest and a non-operated carried interest in Tanzania. 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 to fund Aminex's commitments or of joint venture partners to pay their working interests may impact on Aminex's strategy.

Mitigation – Aminex seeks to develop its assets to derive production and the growth of cash generative business streams such that it can meet its other commitments with internally-generated 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. Aminex has maintained a majority interest in its Kiliwani North licence which offers greater upside potential to shareholders or the possibility of further farm-out opportunities to assist with funding.

Financing risk – Difficult global market conditions and the volatility in commodity prices, may impact the Group's operations and in particular the ability to raise equity or debt finance to meet its licence commitments and develop its assets 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 will seek to develop fixed price gas projects. Aminex is now fully carried on its Ruvuma interest which allowed it to access the financial and technical resources of APT and therefore to enable the earlier development of its Ruvuma asset. Aminex monitors costs closely and will seek to take advantage of the low-cost environment for capital commitments where possible. Cost mitigations have been implemented over the last three years and subsequent to the year end to reduce ongoing G&A expenses.

Operational Risks

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 or fi ancial penalties. The Group has commenced the process to hand back the Nyuni Area licence to the Tanzanian authorities however it is acknowledged that not all work programme commitments under that licence have been undertaken. The TPDC holds security over up to 15% of profit share for the Kiliwani North Development Licence in the event that part or all of the work commitments under the terms of the Ruvuma PSA relating to either the Mtwara or Lindi Licences are not fulfilled.

Mitigation – Aminex is committed to fulfilling its obligations and seeks extensions to licence periods and 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. Regarding the Nyuni Area licence, the Group will seek, through negotiation, to minimise any liability related to unfulfilled work commitments.

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 through conducting appropriate studies including the acquisition, processing and interpretation of seismic data. For drilling operations, the Group contracts with international and local service providers with substantial industry experience and safety procedures according to Aminex's own high standards.

Production risks – Operational activities may be delayed or adversely affected by factors including: blowouts; reservoir performance; 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 – Although not currently in a production phase, Aminex develops, implements and maintains procedures in order to limit the risk of operational failures on production assets. In the past, through its gas sales agreement, Aminex had an agreed mechanism to enable reservoirs to be produced optimally while seeking to meet the requirements of the purchaser and thereby maximising resources. The Company can take several possible actions for remediation in the near future to maximise recoverable resources.

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). There are risks of nationalisation or expropriation of property, changes in and interpretation of national laws and energy policies which could lead to unanticipated payment demands. The Tanzanian government passed three laws in July 2017, aff cting the mining and energy sectors - the Natural Wealth and Resources (Permanent Sovereignty) Act; the Written Laws (Miscellaneous Amendments) Act; and the Natural Wealth and Resources Contracts (Review and Re-Negotiation of Unconscionable Terms). This new legislation includes the right of the Tanzanian authorities to renegotiate 'unconscionable terms' in agreements. New laws were passed in December 2019 relating to cost recoverability. The Tanzanian authorities are currently reviewing a number of PSAs. Despite the Group agreeing a settlement with the TPDC in October 2021 for the payment of outstanding monies for the sale of gas under the Kiliwani North Development Licence, the TPDC has reserved its rights under the relevant PSA and gas sales agreement.

Mitigation – Aminex monitors international and national political risk in relation to its interests, liaising closely with governmental and other key stakeholders in Tanzania. The Company has reviewed and continues to monitor the new legislation and the enforcement of such legislation. Based on the Board's current understanding of this new legislation and given the existing terms and conditions of our PSAs, including economic stabilisation provisions in certain of our PSAs, the Company does not expect any material impact on Aminex's operations in Tanzania. Aminex is actively seeking to spread asset and regional risk in order to diversify its portfolio and to reduce exposure to one business or region via farm-outs.

Health, safety, security and environmental – The main health, safety and security risks for the Group generally occur during drilling operations and from production operations, although it is recognised that such risks can arise even during a non-operational phase.

Mitigation – The Group develops, implements and maintains effective health and safety procedures, including management of environmental issues and security, to ensure robust safeguards for well control and drilling operations are in place. The Group has appropriate medical and other insurances in place to protect against health, safety and security issues.

Legal compliance – The Group could suff r 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 increase 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. The Company has adopted an updated anti-bribery and corruption policy and all staff will have relevant training during 2022.

Financial Risks

Credit risk – All of the Group's revenues arising from the sale of natural gas to date has been to one customer, the TPDC, which is the gas aggregator and operator of the National Gas Pipeline in Tanzania. Sales of natural gas and the credit terms relating to the sales are governed by a gas sales agreement. The recoverability and timing of receipts are therefore dependent on one customer.

Mitigation – The credit risk arising from future sales to the TPDC can be mitigated by a letter of credit which is required under the gas sales agreement once a commercial operations date has been declared. No such declaration has been made in relation to Kiliwani North-1.

Cost recovery risk – Under its PSAs the Group is entitled to recover certain costs incurred during its operations, as part of its economic return on its investment. There is a risk that not all prior costs will be recognised as recoverable by the relevant Tanzanian authorities. This may be due to a different application of laws by the authorities than that applied by the operator or changes in the law and practice since the date that costs were incurred. If the Tanzanian authorities do not accept the Group's position on prior costs this will impact the economic return on the assets and hence the profitability of the Group.

Mitigation – The Group continues to liaise and attempt to influence the relevant authorities to apply the correct laws and practice. The Group maintains clear and correct procedures for the entering into and filing of contracts.

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 fl ctuations 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.

Impact on the Group of COVID-19 and war in Ukraine

The global social and economic impact of COVID-19 has been significant over the past two years. Uncertainty remains as to the long-term implications of the pandemic as we continue to closely monitor the eff cts on the Group.

With the Group's business focus on gas exploration and evaluation and fixed-price sales contracts, it was shielded against the more recent fluctuations in the global oil price. However, with the recent invasion of Ukraine by Russia it is noted that the oil price has recovered.

The ongoing war in Ukraine is not expected to aff ct the Company's operations in Tanzania and business generally. However, it is noted that equity markets have been aff cted by the conflict and the Directors recognise that the current macro-economic environment may result in limited or more expensive sources of funding.

The Group has reported previously on measures it has taken since 2019 to significantly reduce G&A costs. Additional steps continue to be made to further reduce costs and enable the Group to best position itself, to manage the potential longer-term impacts of the pandemic, whilst it focuses in the near-term on fiscal, financial and regulatory matters.

In these unprecedented times, the priority for the Group remains the health, safety and wellbeing of our employees and wider stakeholders.

Going concern basis

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

The Directors have given careful consideration to the Group's ability to continue as a going concern through review of cash flow forecasts prepared by management for the going concern period, review of the key assumptions on which these forecasts are based and the sensitivity analysis. The forecasts reflect the Group's best estimate of expenditures and receipts for the period. The forecasts are regularly updated to enable continuous monitoring and management of the Group's cash flow and liquidity risk. The forecasts indicate that, following the completion of the equity placement announced on 1 April 2022 for approximately US$4.4 million, settlement of the ARA Loan plus accrued interest of approximately US$460,000 in aggregate and subject to the principal assumptions noted below, the Group would have adequate resources to continue as a going concern for the foreseeable future, that is a period of not less than 12 months from the date of approval of the consolidated financial statements.

As part of its analysis in making the going concern assumption, the Directors have considered the range of risks facing the business on an ongoing basis, as set out in the risk section of this Annual Report that remain applicable to the Group. The principal assumptions made in relation to the going concern assessment relate to the capital commitments on its operated assets in Tanzania, the reservation of rights made by the TPDC in respect of certain claims that the Group consider are without merit and the ongoing objection to a tax assessment in Tanzania (see Note 24).

As disclosed in Note 24, the Group received a tax assessment in February 2020 from the TRA of US$2.2 million in relation to an audit covering the period from 2013 to 2015 which is excluded from the cash forecast as any cash outflow during the going concern period is considered unlikely based on legal advice and the timeframes for tax cases in Tanzania. Additionally, development and decommissioning of the Group's other assets in Tanzania is excluded from the cash forecast as the Group does not plan to seek an extension to the Nyuni Area PSA licence, with the expectation that the Group will return the licence to the Ministry of Energy, and no capital expenditure in the period is expected to arise. However, a risk exists that the Group loses its objection to the tax assessment or is unable to renegotiate or defer commitments relating to development or decommissioning on its operated Licence interests during the period. Consequently, the Directors note additional funding would be required to meet these potential liabilities. There remains significant uncertainty as regards the ability of Aminex to raise further funds, if required. This may result in the Company having to raise funds at whatever terms are available at the time.

These circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue to apply the going concern basis of accounting. As a result of their review, and despite the aforementioned material uncertainty, the Directors have confidence in the Group's forecasts and have a reasonable expectation that the Group will continue in operational existence for the going concern assessment period and have therefore used the going concern basis in preparing these consolidated fi ancial statements.

On behalf of the Board
Tom Mackay
Director

8 April 2022

Directors’ Remuneration Report

In preparing this Report, the Remuneration Committee has followed the provisions of the QCA Code published in April 2018, unless otherwise stated.

Following a review of its remuneration policy by an independent external consultancy in 2017, and subsequent recommendation by the Remuneration Committee, it was resolved that the Executive Director’s remuneration package should, where working capital and financial considerations permit, have a combination of the following components:

- Base Salary;
- Annual Performance Bonus Award; and
- Award of Options under the Aminex PLC Restricted Share Plan.

Base Salary should be benchmarked against comparable companies in the Company’s peer group. Any Annual Bonus Award, when capital considerations permit, is to be set against key business performance indicators to be set at the beginning of each year and the Committee will continue to consider the award of options under the Aminex PLC Restricted Share Plan.

When determining the total remuneration of the Executive Director, the Committee takes into account the remuneration practices adopted in the general market. The Committee also commissioned an updated benchmarking study during 2019 from an external consultancy.

Remuneration of Directors

The Non-Executive Directors’ fees were as follows:

	Fees	
	2021 US$’000	2020 US$’000
Sultan Al-Ghaithi	**11**	-
Robert Ambrose[1]	**-**	14
Linda Beal	**-**	12
John Bell	**-**	17
Ola Fjeld[1]	**-**	16
James Lansdell	**27**	3
Tom Mackay	**27**	9
Jan Gunnar Opsal[1]	**2**	22
Charles Santos[2]	**2**	12
Harald van Dongen[1]	**-**	18
Total	**69**	123

1 Fees are paid to Eclipse Investments LLC
2 Appointed Executive Chairman on 29 January 2021

The remuneration of the Executive Directors was as follows:

	Basic Salary		Bonus		Benefits in kind		Sub total		Pension		Total	
	2021 US$’000	2020 US$’000	**2021 US$’000**	2020 US$’000	**2021 US$’000**	2020 US$’000	**2021 US$’000**	2020 US$’000	**2021 US$’000**	2020 US$’000	**2021 US$’000**	2020 US$’000
Robert Ambrose	**7**	55	**-**	-	**-**	-	**7**	55	**-**	-	**7**	55
Tom Mackay	**-**	76	**-**	-	**-**	-	**-**	76	**-**	-	**-**	76
Charles Santos	**73**	-	**-**	-	**-**	-	**73**	-	**-**	-	**73**	-
Total	**80**	131	**-**	-	**-**	-	**80**	131	**-**	-	**80**	131

The exchange rate used for the conversion of base remuneration in Pound sterling into US dollars is 1.3301.

The Company is in a position whereby preservation of capital is considered to be paramount. Consequently, salaries remain reduced and no bonus was awarded to the Executive Director in 2021. It is the intention that both executives and staff should be accordingly compensated, in the meantime, through the award of options under the Plan. Salaries are reviewed annually with effect from 1 January. Benefits in kind comprise life insurance and health insurance. As at 31 December 2021, there was one Executive Director (2020: one) and three Non-Executive Directors (2020: four). There was an average number of one Executive Director and three Non-Executive Directors holding office during the year.

Share options

Certain Directors participate in the Aminex PLC Share Option Scheme ("the Scheme") and are granted options over the Company's Ordinary Shares at prevailing market prices at the time of the grant. Options are exercisable not later than ten years after the date of grant, with the majority of options granted being limited to exercise within three to five years of date of grant. The Scheme was established in 1980 and subsequently extended with shareholders' approval at the Annual General Meetings held in 1996, 1999, 2004, 2009 and 2014. The Scheme expired in May 2020 and no further options will be granted under the Scheme. The options that have been granted, and set out below, will continue to have effect until expiry or exercise of such options.

The Company adopted the Aminex PLC Restricted Share Plan on 1 May 2020. All options that were granted under this plan on 1 May 2020 were surrendered by the relevant directors in June 2020 and such plan was terminated on 1 July 2020. Accordingly, there are no outstanding options granted under this plan.

The Company, following approval of its shareholders at the 2020 Annual General Meeting, adopted a new Aminex PLC Restricted Share Plan ("the Plan") in July 2020. The option price will be determined by the Board provided that it is no lower than 70% of the average share price over the previous ten trading days. Options are exercisable not later than five years after the date of grant.

The Scheme and the Plan do not comply in all respects with current best practice of the QCA Code. As stated elsewhere in this report, certain of the Company's current and former Non-Executive Directors hold options over the Ordinary Shares of the Company. The Board considers that it is in the Group's best interests to attract and retain high calibre directors. With limited cash resources, and after due and careful consideration of, and taking into account remuneration packages and services provided, the Board has previously granted options to Non-Executive Directors.

The Directors who held office at 31 December 2021 had the following beneficial interests in options over the Company's Ordinary Shares:

Name	Options held at 1 January 2021 Number	Options granted/ (lapsed) during the year Number	Options held at 31 December 2021 Number	Exercise price Sterling	Period of exercise From	To
Tom Mackay	5,000,000	-	5,000,000	Stg0.86p	Jun-19	Jun-24
	20,000,000	-	20,000,000	Stg1.40p	Nov-19	Nov-26
	25,000,000	**-**	**25,000,000**			

No options were granted during the year. Since the year end, a total of 42,000,000 options were granted to Charles Santos, Tom Mackay and James Lansdell with an exercise price of Stg0.60p, the prevailing market price at the time. Brian Cassidy, the Company Secretary, has an interest in 24,000,000 options with an exercise price ranging from Stg0.60p to Stg1.40p.

No options were exercised and 40,000,000 options lapsed during the year.

Non-Executive Directors

Fees paid to Non-Executive Directors are determined by the Board. Each Non-Executive Director has a letter of appointment and either party may terminate the agreement immediately upon written notice.

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

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

Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. Under that law, the Directors are required to prepare the Group Financial Statements in accordance with IFRS as adopted by the European Union and applicable laws including Article 4 of the IAS Regulation. The Directors have elected to prepare the Company Financial Statements in accordance with IFRS as adopted by the European Union as applied in accordance with the Companies Acts 2014.

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

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

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

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

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

Responsibility statement as required by the Transparency Directive

Each of the Directors, whose names and functions are listed on page 11 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- The Group Financial Statements, prepared in accordance with IFRS as adopted by the European Union, and the Company financial Statements, prepared in accordance with the IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014, give a true and fair view of the assets, liabilities, financial position of the Group and Company at 31 December 2021 and of the profit or loss of the Group for the year then ended;
- The Directors' Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- The Annual Report and financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for the shareholders to assess the Company's position and performance, business model and strategy.

Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of the relevant audit information and have established that the Group's statutory auditors are aware of that information. In so far as the Directors are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

On behalf of the Board
Charles Santos
Director

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aminex Plc ('the Company') and its subsidiaries ('the Group') for the year ended 31 December 2021, which comprise the Group income statement, the Group statement of comprehensive income, the Group and the Company balance sheets, the Group and Company statement of changes in equity, the Group and Company statement of cash flows and notes to the fi ancial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2021 and of its loss for the year then ended;
- the Company statement of financial position gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2021;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard as applied to listed entities issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements, which describes that should the Group lose its objection to the tax assessment or is unable to renegotiate or defer commitments relating to development or decommissioning on its operated Licence interests during the period, the Group will need to raise additional funding. There is significant uncertainty as to its ability to do so. As stated in note 1, these events or conditions, along with other matters as set out in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Given the conditions and uncertainties noted above we considered going concern to be a key audit matter.

We performed the following procedures in respect of this key audit matter:

- We considered the Directors' assessment of potential risks and uncertainties associated with areas such as the Group's operations, ability to secure funding and potential for payments arising in the forecast period in respect of claims and disputes that are relevant to the Group's business model and operations. We considered the consistency of the Director's assessment of financial exposure to claims and disputes against the work completed throughout the audit with respect to these matters. We formed our own assessment of risks and uncertainties based on our understanding of the business and oil and gas sector.
- We reviewed the Directors' sensitivity analysis performed, assessed the appropriateness of the assumptions made and considered whether such scenarios were reasonably possible.
- We assessed the base case cash flow forecasts and the underlying key assumptions. In doing so, we considered the consistency of the forecast against factors such as historical operating expenditure and the Groups operating strategy. We evaluated commitments under the Production Sharing Agreements and licences, reviewed board minutes, market announcements and correspondence with the TPDC and PURA for indications of additional cash requirements.
- We agreed the post year end equity placement which is awaiting completion to the placing and subscriptions agreements.
- We reviewed and considered the adequacy of the disclosure within the financial statements relating to the Directors' assessment of the going concern basis of preparation.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section above, we have determined the matter described below to be a key audit matter.

Key audit matter	How the scope of our audit addressed the matter
Carrying value of Gas Assets	
The groups gas assets consist of both exploration and evaluation (E&E) assets as well as gas producing assets. As detailed in the note 10, the groups' E&E assets consist of the Nyuni Area, Lindi and Mtwara (Ruvuma PSA), and Kiliwani South exploration areas which have a carrying value of USD $38.1m as at 31 December 2021. The gas producing well, Kiliwani North-1 has a nil carrying value following the impairment recognised during the year, as detailed in note 11. In respect of the E&E assets, management are required to assess each year whether there are any potential impairment triggers under IFRS 6 *Exploration for and Evaluation of Mineral Resources* which would indicate that the carrying value of E&E assets may not be recoverable. In respect of the gas producing assets, management are required to assess at least annually, whether there is any indication that the group's gas producing assets may be impaired, in accordance with IAS 36 *Impairment of assets*. As disclosure in note 1, 10, and 11 the impairment review of the groups gas assets requires management judgement. Given the materiality of these assets in the context of the financial statements and the judgements involved, we determined this to be a key audit matter.	Our procedures in relation to management's assessment of the Carrying value of E&E assets included: • We reviewed Management's impairment review and performed our own assessment of impairment indicators in accordance with IFRS 6 in order to determine whether their assessment was complete and in accordance with the requirements of the accounting standard. • We met with operational management and reviewed board minutes and press releases to assess the level of exploration activity undertaken in the year, the results of exploration activity and the future plans for each of the licence areas to identify any matters that may contradict managements judgement. • We gained an understanding of the strategy the directors are pursuing in each licence area. In doing so, we reviewed the licence documentation, the respective PSAs and the related legislation, made inquiries of management and reviewed correspondence in respect of the licences. This included obtaining and reviewing the Mtwara licence extension granted during the year. • We reviewed the planned works programme to determine if expenditure is planned in each licence area to identify whether there were circumstances whereby no further expenditure was planned, which would be an indicator of impairment. • We considered management's impairment review and conclusion that it was appropriate to continue to impair the Lindi exploration costs. In doing so, we reviewed the legislation relevant to the impairment and the terms of the Ruvuma PSA. • In respect of the Nyuni Area PSA we made inquiries of management and reviewed correspondence with the regulatory authorities to evaluate whether the conditions that triggered the original impairment had reversed. • Regarding the Kilwani South prospect, we considered management's impairment review and conclusion that it was appropriate to impair the asset in full on the basis that there being no intention to progress E&E activities in the licence area. • We evaluated the adequacy of the Group's disclosures in respect of the impairment assessments against the requirements of the applicable accounting standard.

Key audit matters continued

Key audit matter	How the scope of our audit addressed the matter
Carrying value of Gas Assets	
	Our procedures in relation to management's assessment of the Carrying value of KN-1 assets included: • We reviewed Management's impairment review and performed our own assessment of impairment indicators in accordance with IAS 36 in order to determine whether their assessment was complete and in accordance with the requirements of the accounting standard. • We considered management's judgement regarding the basis for the full write-down of the carrying value of KN-1 being the uncertainty of timings for gas production. In doing so we considered the Groups operating strategy for the asset and status of discussions with TPDC with respect to licencing terms. • We assessed the adequacy of the disclosures contained within the financial statements against the requirements of the applicable accounting standard.
Key observations Based on the procedures performed we found the judgements made by management in their assessment of the carrying value of Gas Assets to be reasonable and disclosures in the financial statement with respect to these matters to be appropriate.	

Our application of materiality

We apply the concept of materiality both in planning and performing our audit and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Group materiality FY 2021	Group materiality FY 2020	Basis for materiality
US$440,000	US$390,000	1% of total assets (2020: 0.75% of total assets)

We consider total assets to be one of the principal considerations for stakeholders of the Group in assessing the financial performance of the Group.

Whilst materiality for the financial statements as a whole was US$440,000 (2020: US$390,000), the significant components of the group were audited to a lower materiality of US$309,000 to US$40,000.

Materiality for the Parent Company was set at US$309,000 (2020: US$273,000) and was restricted to 70% of Group materiality.

Performance materiality is the application of materiality at the individual account or balance level and is set at an amount which reduces to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality was set at US$331,000 for the financial statements as a whole and US$216,000 for the Parent Company which represents 70% of the above materiality levels. The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

We agreed with the Audit Committee that we would report to the committee all audit differences in excess of US$8,000 (2020: US$8,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the audit committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit report

Our audit was scoped by obtaining an understanding of the Group and its environment, as well as assessing the risks of material misstatement in the financial statements at Group level.

Whilst the Company is registered in Ireland and listed on the London Stock Exchange in the UK, the Group's principal operations are located in Tanzania. In approaching the audit, we considered how the Group is organised and managed. We assessed there to be three significant components being Aminex Plc, Aminex Petroleum Services Limited and Ndovu Resources Limited. All of these were subject to a full scope audit and the audits were conducted by the Group audit team, which included partners and staff from BDO UK who were part of the Group audit team.

The remaining components of the Group were considered non-significant and were subject to analytical review procedures by the Group audit team.

An overview of the scope of our audit report continued

We applied materiality to assist us determine what risks were significant risks,the significant financial statement areas to be covered, including the relevant key audit matters detailed above.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Based on the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Opinions on other matters prescribed by the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set on page 29, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these fi ancial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsiblities_for_audit.pdf This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

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

Teresa Morahan
for and on behalf of
BDO, Dublin, Statutory Audit Firm
AI223876
8 April 2022

Group Income Statement

for the year ended 31 December 2021

	Notes	**2021 US$'000**	2020 US$'000
Continuing operations			
Revenue	2	**143**	384
Cost of sales		**(292)**	(803)
Gross loss		**(149)**	(419)
Administrative expenses		**(2,821)**	(1,401)
Expected credit losses of trade receivables	15	**1,315**	(424)
Impairment against property, plant and equipment assets	11	**(872)**	(729)
Impairment against exploration and evaluation assets	10	**(5,966)**	(690)
Loss from operating activities		**(8,493)**	(3,663)
Finance income	6	**16**	-
Finance costs	7	**(81)**	(310)
Loss before tax	5	**(8,558)**	(3,973)
Taxation	8	**-**	(2,168)
Loss for the financial year attributable to equity holders of the Company		**(8,558)**	(6,141)
Basic and diluted loss per Ordinary Share (in US cents)	9	**(0.23)**	(0.16)

Group Statement of Other Comprehensive Income

for the year ended 31 December 2021

	2021 US$'000	2020 US$'000
Loss for the financial year	**(8,558)**	(6,141)
Other comprehensive income:		
Items that are or may be reclassified to profit or loss:		
Currency translation differences	**(55)**	44
Total comprehensive expense for the financial year attributable to the equity holders of the Company	**(8,613)**	(6,097)

On behalf of the Board

Charles Santos
Director

Tom Mackay
Director

8 April 2022

Group and Company Balance Sheets

at 31 December 2021

	Notes	Group		Company	
		2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
Assets					
Non-current assets					
Exploration and evaluation assets	10	**38,125**	42,887	**-**	-
Property, plant and equipment	11	**37**	1,108	**-**	-
Investments in subsidiary undertakings	13	**-**	-	**5,844**	5,844
Amounts due from subsidiary undertakings	14	**-**	-	**88,284**	89,027
Total non-current assets		**38,162**	43,995	**94,128**	94,871
Current assets					
Trade and other receivables	15	**1,365**	8,551	**14**	29
Amounts due from subsidiary undertakings	14	**-**	-	**705**	790
Cash and cash equivalents	16	**4,685**	449	**207**	322
Total current assets		**6,050**	9,000	**926**	1,141
Total assets		**44,212**	52,995	**95,054**	96,012
Equity					
Issued capital	21	**69,206**	69,206	**69,206**	69,206
Share premium		**124,481**	124,481	**124,481**	124,481
Other undenominated capital		**234**	234	**234**	234
Share option reserve		**769**	1,327	**769**	1,327
Foreign currency translation reserve		**(2,191)**	(2,136)	**-**	-
Retained earnings		**(159,748)**	(151,748)	**(100,248)**	(99,405)
Total equity		**32,751**	41,364	**94,442**	95,843
Liabilities					
Liabilities					
Long-term lease liabilities	18	**-**	32	**-**	-
Decommissioning provision	19	**1,615**	874	**-**	-
Other long-term liabilities		**-**	67	**-**	-
Total non-current liabilities		**1,615**	973	**-**	-
Current liabilities					
Trade and other payables	17	**9,846**	10,467	**612**	169
Short-term lease liabilities	18	**-**	191	**-**	-
Total current liabilities		**9,846**	10,658	**612**	169
Total liabilities		**11,461**	11,631	**612**	169
Total equity and liabilities		**44,212**	52,995	**95,054**	96,012

On behalf of the Board

Charles Santos
Director

Tom Mackay
Director

8 April 2022

Group Statement of Changes in Equity

for the year ended 31 December 2021

	Attributable to equity shareholders of the Company						
	Share capital US$'000	Share premium US$'000	Other unde-nominated capital US$'000	Share option reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000
At 1 January 2020	69,206	124,481	234	2,264	(2,180)	(147,234)	46,771
Transactions with shareholders of the Company recognised directly in equity							
Share-based payment charge	-	-	-	690	-	-	690
Share option reserve transfer	-	-	-	(1,627)	-	1,627	-
Total Comprehensive income:							
Loss for the financia year	-	-	-	-	-	(6,141)	(6,141)
Currency translation diffe ences	-	-	-	-	44	-	44
At 31 December 2020	69,206	124,481	234	1,327	(2,136)	(151,748)	41,364
Transactions with shareholders of the Company recognised directly in equity							
Share option reserve transfer				**(558)**		**558**	**-**
Total Comprehensive income:							
Loss for the financia year	**-**	**-**	**-**	**-**	**-**	**(8,558)**	**(8,558)**
Currency translation diffe ences	**-**	**-**	**-**	**-**	**(55)**	**-**	**(55)**
At 31 December 2021	**69,206**	**124,481**	**234**	**769**	**(2,191)**	**(159,748)**	**32,751**

Company Statement of Changes in Equity

for the year ended 31 December 2021

	Attributable to equity shareholders of the Company					
	Share capital US$'000	Share premium US$'000	Other un denominated capital US$'000	Share option reserve US$'000	Retained earnings US$'000	Total US$'000
At 1 January 2020	69,206	124,481	234	2,264	(125,770)	70,415
Transactions with shareholders of the Company recognised directly in equity						
Share-based payment charge	-	-	-	690	-	690
Share option reserve transfer	-	-	-	(1,627)	1,627	-
Total Comprehensive income:						
Profi for the financia year	-	-	-	-	24,738	24,738
At 31 December 2020	69,206	124,481	234	1,327	(99,405)	95,843
Transactions with shareholders of the Company recognised directly in equity						
Share option reserve transfer	**-**	**-**	**-**	**(558)**	**558**	**-**
Total Comprehensive income:						
Loss for the financia year	**-**	**-**	**-**	**-**	**(1,401)**	**(1,401)**
At 31 December 2021	**69,206**	**124,481**	**234**	**769**	**(100,248)**	**94,442**

Group and Company Statements of Cashflows

for the year ended 31 December 2021

	Notes	Group 2021 US$'000	Group 2020 US$'000	Company 2021 US$'000	Company 2020 US$'000
(Loss) / profi for the financia year		**(8,558)**	(6,141)	**(1,401)**	24,738
Depreciation	11	**209**	242	**-**	-
Equity-settled share-based payments	4	**-**	690	**-**	491
Finance income	6	**(16)**	-	**-**	-
Finance costs	7	**81**	310	**-**	175
Impairment of exploration and evaluation assets	10	**5,966**	690	**-**	-
Impairment of property, plant and equipment	11	**872**	729	**-**	-
Expected credit loss (credit) / charge	15	**(1,315)**	424	**-**	-
Change in impairment provision against amounts due from subsidiary undertakings	14	**-**	-	**1,055**	(25,764)
Capital gain tax on Farm-Out	8	**-**	2,168	**-**	-
Decrease / (increase) in trade and other receivables		**8,530**	436	**15**	(171)
Decrease in trade and other payables		**(883)**	(37)	**(10)**	(220)
Net cash generated by / (used in) operations		**4,886**	(489)	**(341)**	(751)
Tax paid		**-**	(2,168)	**-**	-
Net cash inflows / (outflows) from operating activities		**4,886**	(2,657)	**(341)**	(751)
Investing activities					
Acquisition of property, plant and equipment		**(3)**	(62)	**-**	-
Expenditure on exploration and evaluation assets		**(901)**	(1,308)	**-**	-
(Increase) / decrease in amounts due from subsidiary undertakings		**-**	-	**(1,545)**	(3,126)
Decrease / (increase) in repayments from subsidiary undertakings		**-**	-	**1,318**	-
Advances on Farm-Out		**-**	2,000	**-**	2,000
Net cash (outflows) / inflows from investing activities		**(904)**	630	**(227)**	(1,126)
Financing activities					
Borrowings	27	**450**	2,000	**450**	2,000
Payment of lease liabilities	18	**(212)**	(183)	**-**	-
Net cash inflows from financing activities		**238**	1,817	**450**	2,000
Net increase / (decrease) in cash and cash equivalents		**4,220**	(210)	**(118)**	123
Cash and cash equivalents at 1 January	16	**449**	694	**322**	214
Foreign exchange gain / (loss)		**16**	(35)	**3**	(15)
Cash and cash equivalents at 31 December	16	**4,685**	449	**207**	322

1 Statement of Accounting Policies

Aminex PLC (the "Company") is a company domiciled and incorporated in Ireland. The principal activities of the Group are the exploration, appraisal, development and production of oil and gas assets, reserves and resources. The Group operates through subsidiary undertakings, details of which are set out in Note 13 to the fi ancial statements. The Group's principal area of activity is in Tanzania. The Group financial statements for the year ended 31 December 2021 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as "the Group"). The registered office address is Paramount Court, Corrig Road, Sandyford Business Park, Dublin 18, D18 R9C7, Ireland.

Basis of preparation

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

The principal accounting policies adopted in the preparation of the consolidated and company financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated and company financial statements are presented in US Dollars, which is also the Company's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed below.

The consolidated and company financial statements have been prepared on a historical cost basis.

Going concern

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

The Directors have given careful consideration to the Group and Company's ability to continue as a going concern through review of cash flow forecasts prepared by management for the going concern period, review of the key assumptions on which these forecasts are based and the sensitivity analysis. The forecasts reflect the Director's best estimate of expenditures and receipts for the period. The forecasts are regularly updated to enable continuous monitoring and management of the Group and Company's cash flow and liquidity risk. The forecasts indicate that, following the completion of the equity placement announced on 1 April 2022 for approximately US$4.4 million, settlement of the ARA Loan plus accrued interest of approximately US$460,000 in aggregate and subject to the principal assumptions noted below, the Group and Company would have adequate resources to continue as a going concern for the foreseeable future, that is a period of not less than 12 months from the date of approval of the consolidated financial statements.

As part of its analysis in making the going concern assumption, the Directors have considered the range of risks facing the business on an ongoing basis, as set out in the risk section of this Annual Report that remain applicable to the Group and Company. The principal assumptions made in relation to the going concern assessment relate to the capital commitments on its operated assets in Tanzania, the reservation of rights made by the TPDC in respect of certain claims that the Director's consider are without merit and the ongoing objection to a tax assessment in Tanzania (see Note 24).

As disclosed in Note 24, the Group received a tax assessment in February 2020 from the TRA of US$2.2 million in relation to an audit covering the period from 2013 to 2015 which is excluded from the cash forecast as any cash outflow during the going concern period is considered unlikely based on legal advice and the timeframes for tax cases in Tanzania. Additionally, development and decommissioning of the Group's other assets in Tanzania is excluded from the cash forecast as the Group does not plan to seek an extension to the Nyuni Area PSA licence, with the expectation that the Group will return the licence to the Ministry of Energy, and no capital expenditure in the period is expected to arise. However, a risk exists that the Group loses its objection to the tax assessment or is unable to renegotiate or defer commitments relating to development or decommissioning on its operated Licence interests during the period. Consequently, the Directors note additional funding would be required to meet these potential liabilities. There remains significant uncertainty as regards the ability of Aminex to raise further funds, if required. This may result in the Company having to raise funds at whatever terms are available at the time.

These circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group and Company's ability to continue as a going concern. As a result of their review, and despite the aforementioned material uncertainty, the Directors have confidence in the Group's forecasts and have a reasonable expectation that the Group and Company will continue in operational existence for the going concern assessment period and have therefore used the going concern basis in preparing these consolidated financial statements.

Statement of compliance

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

1 Statement of Accounting Policies (continued)

Change in accounting policies

i) New accounting standards, interpretations and amendments effective from 1 January 2021

A number of new and amended standards and interpretations issued by IASB have become effective for the first time for financial periods beginning on (or after) 1 January 2021 and have been applied by the Group in these financial statements. None of these new and amended standards and interpretations had a significant effect on the Group because they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

ii) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods and which have not been adopted early by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods nor on foreseeable future transactions.

The principal accounting policies adopted are set out below.

Basis of consolidation

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

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

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

Investments in subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Such power, generally but not exclusively, accompanies a shareholding of more than one-half of the voting rights. Non-current investments in subsidiaries of the Company are shown at cost less provision for impairment.

Joint operations

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

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when performance obligations are satisfied and it transfers control over a good or service to a customer. Details of the Group's sources of revenue from contracts with customers and details on when control passes are detailed in Note 2.

Employee benefits

(a) Pensions and other post-employment benefits

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

(b) Share-based payments

The Group operates a number of share option schemes. For equity-settled share-based payment transactions (i.e. the issuance of share options), the Group measures the services received by reference to the value of the option or other financial instrument at fair value at the measurement date (which is the grant date) using a recognised valuation methodology for the pricing of financial instruments (i.e. the Black Scholes model).

If the share options granted do not vest until the completion of a specified period of service, the fair value assessed at the grant date is recognised in the income statement over the vesting period as the services are rendered by employees with a corresponding increase in equity. For options granted with no vesting period the fair value is recognised in the income statement at the date of the grant.

Where share options granted do not vest until performance-related targets, which include targets outside management's control, have been achieved (i.e. a variable vesting period), the fair value assessed at the grant date is recognised in the income statement over a vesting period estimated by management based on the most likely outcome of the performance condition (IFRS 2.15(b)).

1 Statement of Accounting Policies (continued)

(b) Share-based payments (continued)

Share options issued by the Group that are subject to market-based vesting conditions, as defined in IFRS 2, are ignored for the purposes of estimating the number of equity shares that will vest; these conditions have already been taken into account when fair valuing the share options.

Non-market vesting conditions are not taken into account when estimating the fair value of share options at the grant date; such conditions are taken into account through adjusting the number of equity instruments included in the measurement of the amount charged to the income statement over the vesting period so that, ultimately, the amount recognised equates to the number of equity instruments that actually vest. The expense in the income statement in relation to share options represents the product of the total number of options anticipated to vest and the fair value of these options at the date of grant.

Share options where the performance conditions are service-related and non-market in nature, the cumulative charge to the income statement is reversed only where an employee in receipt of share options leaves the Group prior to completion of the service period and forfeits the options granted and/or performance conditions are not expected to be satisfied. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The proceeds received by the Group on the exercise of share entitlements are credited to share capital and share premium. Where share options are awarded by the Group to employees of subsidiary companies, the value of the share-based payment is credited to the Group's share option reserve and charged through investments in subsidiary undertakings to the income statement of the relevant subsidiary company.

When share options which have not been exercised reach the end of the original contractual life, the value of the share options is transferred from the share option reserve to retained earnings. The Group does not operate any cash-settled share-based payment schemes or share-based payment transactions with cash alternatives as defined in IFRS 2.

Share capital

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

Finance costs

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

Finance income

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

Tax

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

Tax currently payable is based on taxable profit for the year and any adjustments to tax payable in respect of previous years. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The liability for current tax is calculated using rates that have been enacted or substantively enacted at the balance sheet date. Where there are uncertain tax positions, the Group assesses whether it is probable that the position adopted in tax filings will be accepted by the relevant tax authority, with the results of this assessment determining the accounting that follows. If it is not considered probable that the income tax filing position will be accepted by the tax authority, the uncertainty is reflected within the carrying amount of the applicable tax asset or liability by using either the most likely amount or an expected value of the tax treatment, depending on which method is considered to better predict the resolution of the uncertainty, based on the underlying facts and circumstances.

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

Deferred tax is provided, using the liability method, on all temporary differences between the carrying amounts of assets and liabilities for fi ancial reporting purposes and the amounts used for taxation purposes, except those arising from non-deductible goodwill or on initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realised or the liability to be settled based on laws that have been enacted or substantively enacted at the balance sheet date.

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

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

1 Statement of Accounting Policies (continued)

Earnings per ordinary share

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

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

Foreign currency translation

The presentation currency of the Group and the functional currency of Aminex PLC is the US dollar ("US$"), representing the currency of the primary economic environment in which the Group operates. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the rate of exchange at the balance sheet date. All translation differences are taken to the income statement.

Results and cash flows of non-dollar subsidiary undertakings are translated into US dollars at average exchange rates for the year and the related assets and liabilities (including goodwill and fair value adjustments) are translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on translation of the results of non-dollar subsidiary undertakings at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity, net of differences on related currency borrowings. Proceeds from the issue of share capital are recognised at the prevailing exchange rate on the date that the Board of Directors ratifies such issuance; any foreign exchange movement arising between the date of issue and the date of receipt of funds is charged or credited to the income statement.

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

	Average		Year-end	
	2021	2020	**2021**	2020
US$1 equals				
Pound sterling	**0.7518**	0.7445	**0.7420**	0.7327
Euro	**0.8851**	0.8220	**0.8835**	0.8146
Australian dollar	**1.3974**	1.3280	**1.3795**	1.2922
Tanzanian shilling	**2,297.78**	2,297.52	**2,297.81**	2,298.46

On loss of control of a foreign operation, accumulated currency translation differences are recognised in the income statement as part of the overall gain or loss on disposal.

Exploration and evaluation assets

The assessment of what constitutes an individual exploration and evaluation ("E&E") asset (an E&E asset is the same as a cash-generating unit ("CGU") for the purposes of impairment testing) is based on technical criteria but normally a production sharing agreement ("PSA") is designated as an individual E&E asset. A PSA will normally equate to a single licence except for the Ruvuma PSA (see Note 10).

E&E expenditure incurred prior to obtaining the legal rights to explore an area is recognised in the income statement as incurred. Costs incurred after rights to explore have been obtained, such as geological and geophysical surveys, drilling and commercial appraisal costs and other directly attributable costs of exploration and appraisal including technical and administrative costs, are capitalised as intangible E&E assets.

Capitalised E&E costs are not amortised prior to the conclusion of appraisal activities. At completion of appraisal activities, if technical feasibility is demonstrated, commercial reserves are discovered and commercial viability is demonstrable, then, following development sanction, the carrying value of the relevant E&E asset will be reclassified to property, plant and equipment, but only after the carrying value of the E&E asset has been assessed for impairment and, where appropriate, its carrying value adjusted. If, after completion of appraisal activities in an area, it is not possible to determine technical feasibility and commercial viability, if the legal rights to explore expire or if the Group decides not to continue E&E activities then the costs of such unsuccessful E&E are written off to the income statement in the period the relevant events occur.

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

Developing and producing oil and gas assets are aggregated generally on a field-by-field basis and represent the cost of developing the commercial reserves discovered and bringing them into production, together with the E&E expenditure incurred in finding commercial reserves transferred from intangible E&E assets as outlined in the accounting policy above.

Subsequent expenditure is capitalised only where it either enhances the economic benefits of the developed and producing properties or replaces part of the existing developed and producing properties. The carrying amounts of the part replaced are expensed to the income statement.

Interest on borrowings for development projects is capitalised by field up to the time that the asset commences to produce commercial reserves.

1 Statement of Accounting Policies (continued)

Farm-outs

A farm-out is an arrangement whereby the Group gives up the right to future reserves via reduction in the working interest in a licence in exchange for cash consideration or a reduction in future funding commitments which will be met, or "carried", by another party (farmee).

Any cash consideration received as part of a farm-out arrangement that relates to (i) the purchase of a right to receive future reserves from the asset, or (ii) past capitalised costs of the asset are credited against the carrying amount of the existing asset. Consequently, the Group does not recognise any gain or loss on the partial disposal of interest in the asset. If consideration received exceeds the carrying amount of the exploration & evaluation asset, this excess is recognised as a gain in the income statement. Any future commitments that will be met by the farmee are excluded when the licence is yet to establish proven reserves.

Subsequent exploration & evaluation expenditure settled by the farmee as part of the carried interest is not recognised by the Group in the carrying value of the asset.

Capital gain taxes arising on farm-out transactions are recorded in the income statement.

Depletion

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

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

Impairment

E&E assets are assessed at each reporting date for indicators of impairment, with an impairment test being required when facts and circumstances suggest that the carrying amount of capitalised E&E expenditure exceeds its recoverable amount and sufficient data exists to enable the Group to determine technical feasibility and commercial viability.

Under IFRS 6, the following indicators are set out to determine whether an E&E asset is required to be tested for impairment:

a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

d) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

The list is not exhaustive, and management will consider other relevant changes in facts and circumstances that may indicate the requirement for an E&E asset impairment test.

Where an indicator of impairment exists, management will assess the recoverability of the carrying value of the E&E asset (equivalent to the CGU). This assessment is based on a range of technical and commercial considerations and confirming that sufficient progress is being made to establish development plans and timing. If no future activity is planned, or the value of the asset cannot be recovered via successful development or sale, the balance of the E&E expenditure is impaired wholly or in part as appropriate.

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

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

1 Statement of Accounting Policies (continued)

Decommissioning costs

A liability is recognised once there is an obligation for the decommissioning of oil and gas wells. Decommissioning cost estimates are measured based on current requirements, technology and price levels, which is inflated to estimate the future cost at the expected abandonment date; the present value is calculated using amounts discounted over the useful economic life of the assets. This amount is included within the related exploration and evaluation or developed and producing assets by field and the liability is included in provisions. Such cost is depleted over the life of the field on a unit of production basis and charged to the income statement. The unwinding of the discount is reflected as a finance cost in the income statement over the remaining life of the well. Changes in estimates are recognised prospectively, with corresponding adjustments to the provision and the associated asset. The effects of changes resulting from revisions to the timing or the amount of the original estimate of the provision are reflected on a prospective basis, generally by adjustment to the carrying amount of the related exploration and evaluation or property, plant and equipment.

Property, plant and equipment – other

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

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

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

Leasehold property	remaining life of lease
Plant and equipment	3-5 years
Fixtures and fittings	3-5 years

The useful lives and residual values are reassessed annually.

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

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

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

Cash and cash equivalents

Cash and cash equivalents refer to deposits with a maturity of less than 90 days at inception and include cash in hand, current accounts with banks and cash held by the Group in current accounts with banks on behalf of joint venture partners.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Up to the date of this balance sheet, the Group had not utilised derivative financial instruments.

There are no material financial assets and liabilities for which differences between carrying amounts and fair values are required to be disclosed. The classification of financial instruments as required by IFRS 7 is disclosed in Notes 15, 16, 17 and 20.

(a) Financial assets

Financial assets are initially recognised at fair value, normally being the transaction price, and subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets is determined by the contractual cash flows and where applicable the business model for managing the financial assets. The Group derecognises financial assets when the contractual rights to the cash flows expire or the financial asset is transferred to a third party. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(i) Financial assets at fair value through profit or loss

Where a financial instrument is classified as a financial asset at fair value through profit or loss it is initially recognised at fair value. At each balance sheet date, the fair value is reviewed and any gain or loss arising is recognised in the income statement. Changes in the net present value of the financial asset arising from discounting are included in other gains and losses.

(ii) Financial assets at amortised cost

Financial assets are classified as measured at amortised cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired and when interest is recognised using the effective interest rate method. This category of financial assets includes trade and other receivables and loans provided to subsidiary undertakings of the Company.

1 Statement of Accounting Policies (continued)

(b) Financial liabilities

Financial liabilities are generally stated at amortised costs using the effective interest rate method.

(c) Impairment of financial assets

The expected credit loss model is applied for recognition and measurement of impairments in financial assets measured at amortised cost. The loss allowance for the financial asset is measured at an amount equal to the 12-month expected credit losses. If the credit risk on the financial asset has increased significantly since initial recognition, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses. Changes in loss allowances are recognised in profit and loss. For trade receivables, a simplified impairment approach is applied recognising expected lifetime losses from initial recognition.

Leases

The Group enters into leases in respect of leases of various office properties. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term. Lease payments are discounted using the incremental borrowing rate (being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions), unless the rate implicit in the lease is available. The Group currently uses the incremental borrowing rate as the discount rate for all of its leases.

Right-of-use assets are measured at cost, which comprises the initial measurement of the lease liability, plus any lease payments made prior to lease commencement, initial direct costs incurred and the estimated cost of restoration or decommissioning; less any lease incentives received. Right-of-use assets are depreciated over the lease term.

Lease repayments made are allocated to capital repayment and interest so as to produce a constant periodic rate of interest on the remaining lease liability balance.

Right-of-use assets are presented within property, plant and equipment. Lease liabilities are presented under non-current liabilities unless due within 12 months of the reporting date, in which case they are included in current liabilities. In the cash flow statement, lease repayments (both the principal and interest portion) are presented within cash used in financing activities. When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss. Leases of low-value items (such as office equipment) and short-term leases (where the lease term is 12 months or less, which include the rental of drilling rigs) are expensed on a straight-line basis to the income statement. The Group does not have any activities as a Lessor.

Critical accounting judgements

The Group assesses critical accounting judgements annually. The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

Carrying value of intangible exploration and evaluation assets (Note 10):

The amounts for intangible exploration and evaluation assets represent active exploration projects. These amounts will be written off to the income statement as exploration costs unless commercial reserves are established, or the determination process is not completed and there are no indications of impairment in accordance with the Group's accounting policy. The process of determining whether there is an indicator for impairment or impairment reversal and the subsequent calculation requires critical judgement. The key areas in which management has applied judgement are as follows: the Group's intention to proceed with a future work programme for a prospect or licence; the likelihood of licence renewal or extension; the review of new legislation or regulations that may impact the economic terms of the Group's PSAs: the assessment of whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale and the success of a well result or geological or geophysical survey.

The key risk area to which this judgement was applied during 2021 was the assessment and identification of impairment indicators, in accordance with IFRS 6, related to the Ruvuma PSA and Kiliwani South CGUs.

The Company is fully carried for its 25% participating interest in the Ruvuma PSA CGU by the US$35 million carry arrangement ("the Carry") under the Farm-Out which completed in October 2020. This is equivalent to a gross field investment of US$140 million and expected to carry the Group through to commercial production. In August 2021, APT, the operator of the Ruvuma PSA, received a 2-year licence extension. The licence renewal terms include commitments to acquire a minimum 200 km^2 of 3D seismic data, drill the Chikumbi-1 well and conclude negotiations of gas terms. The Company's 2021 expenditure on the Ruvuma PSA CGU was fully covered by the Carry. Furthermore, the Company is fully funded under the Carry for the 2022 approved work programme that includes the planned acquisition of 383 km^2 of 3D seismic data, the drilling of the Chikumbi-1 exploration and appraisal well and the negotiation of gas terms. Management have a reasonable expectation that the planned development of the Ntorya location contained within the Ruvuma PSA CGU would result in the assets recoverable amount being greater than its' carrying value. Therefore, no impairment has been recognised against the Ruvuma PSA.

1 Statement of Accounting Policies (continued)

Carrying value of intangible exploration and evaluation assets (Note 10): (continued)

In respect to the Kiliwani South prospect, the assets are located within the Kiliwani North Development Licence acreage and although the licence expires in 2036, no work programme was planned for 2022 as commercial discussions continue over KNDL and following the rejection of proposed terms over the Nyuni Area licence for the second extension period the Company considers any seismic programme solely over the Kiliwani South prospect to be uneconomical. The Directors concluded that these factors are indicators of impairment and resulted in a full impairment of the carrying value of the Kiliwani South CGU (see Note 10).

In respect to the Nyuni Area PSA CGU, management concluded in 2018 that an impairment trigger event had occurred and resulted in the asset being fully impaired. Expenditure on the Nyuni Area PSA E&E asset during 2021 was capitalised and immediately impaired from the exploration and evaluation assets to the income statement as exploration and evaluation expenditure in line with the Group's accounting policy. During 2021, discussions continued with the Ministry of Energy to agree terms with the licence holder for the second exploration phase. Terms on an extension have still not been reached, and, moreover, attempts to attract industry partners to participate in the Licence over the last two years have been unsuccessful, as the Company pivots towards a non-operator strategy. Consequently, the Directors maintained their position of a full impairment over the Nyuni Area PSA CGU. Subsequent to the year end, the Group commenced the process to return the licence to the Ministry of Energy.

Carrying value of property plant and equipment assets (Note 11):

During oil and gas operations, production from a well is subject to a rate of decline as the reservoir is depleted and the pressure naturally decreases. There are various mechanical options available to the business to remedy such decline and to increase production from an existing well. Management's critical judgements in deciding whether they can remediate a decline in production relate to: whether the technology and technical expertise is available at its operating locations to remedy the production decline, whether the chosen remedial action will be successful and whether it will be economical to perform the remediation work. If management decides, after reviewing all available options, that there is no economical method for remediating a well, an asset would be impaired.

During 2021, the Kiliwani North-1 well continued not to produce, and consequently management assessed the asset for impairment in accordance with IAS 36. Management noted that with continued uncertainty over commercial terms for production from the KN-1 well the Group could not ascertain whether it would be economical to perform a remediation programme on the well. As part of the KNDL settlement agreement signed in October 2021 over past gas sales, the TPDC reserved its rights in respect of profit share and royalty. The Group recognised that reaching agreement on commercial terms would result in further delays to achieving any future production. Furthermore, as the Company has pivoted toward a non-operator strategy, despite actively pursuing farm in partners to conduct works over the licence, there is no certainty that a partner will be identified and the remediation programme will commence. Consequently, any development would not commence until the above matters are resolved.

Impairment exists when the carrying value of the asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. These above factors were considered indicators of impairment and resulted in a full impairment of the KNDL CGU, which reflects the carrying value of the KN-1 well. Management maintain that the KNDL CGU's value would only be realised from future cash flows generated by the asset. Details are disclosed in Note 11. The potential results of future remediation work may be different to current management judgements and may result in an impairment reversal to the Kiliwani North CGU which would impact the Group's financial statements.

Recognition of contingent liabilities (Note 24):

The TRA finalised an audit of taxation years 2013 to 2015 with an assessment issued to the Group in February 2020 covering non income taxes including VAT, withholding tax and employment taxes. The Group objected to the fi dings. Details of the tax assessment along with progress during 2021 are contained in Note 24.

In 2018, the Group received notification from the TPDC requesting payment of certain amounts. During 2021, the Group and TPDC reached a settlement in respect of past gas sales and amounts due to TPDC related to this notification. As part of the settlement, both parties reserved their rights in relation to certain matters where agreement was not reached (see Note 24). Judgement is required to determine whether a provision is necessary in relation to these remaining matters or a disclosure as a contingent liability. Management consider the recognition and classifi ation judgement of signifi ance due to potential changes to, and inconsistent interpretation of, laws and regulations in the location it operates. Critical judgements relate to the application of certain criteria in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" that include: whether the Group has a present obligation as a result of a past event, whether there is a probable outflow of economic resources, and whether that outflow can be measured reliably. Judgement is made based on technical merit of any assessment or claim, legal precedence and management expectations.

Going concern

Refer to page 38.

1 Statement of Accounting Policies (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of trade receivables and amounts due from subsidiary undertakings (Note 14):

The Group uses a forward-looking impairment model based on expected credit losses ("ECLs") of financial assets in accordance with IFRS 9, including short-term trade receivables. The standard requires the Company to book an allowance for ECLs for its financial assets. Management calculate a net present value of outstanding receivables discounted by the discount rate, for a range of possible scenarios, including delays and no payment, with a probability assigned to each. The assumptions of scenarios, probability weighting and discount rate require critical judgement.

During 2021, the Group reached settlement for its trade receivables from the TPDC for past gas sales and late payment interest (see Note 15). The Group notes no material credit loss in its remaining trade receivables balances as at 31 December 2021.

During the year, following the impairment against the Kiliwani North property, plant and equipment CGU of US$0.87 million (see Note 11) there was considered to be a potential increase in credit risk. Therefore, in line with the requirements of IFRS 9, the Company calculated an expected credit loss equivalent to the lifetime expected credit losses. Arriving at the expected credit loss allowance involved considering different scenarios for the recovery of the intercompany loan receivables, the possible credit losses that could arise and the probabilities for these scenarios. The following was considered: the success of the development of the Ntorya Location, funded under the Ruvuma PSA Farm-Out agreement with APT, value of the potential reserves, project risks, the ability to achieve certain production levels. Third party valuation reports were used to support valuations where available. Significant judgement is required in determining the probability of the different scenarios. The Company applies no discounting to the expected credit loss calculation as the effective interest rate is considered to be 0% as the loans are interest free and payable on demand. Following the review, the Group recognised a partial impairment against the loans due from subsidiaries as a result of the impairment of the Kiliwani North CGU (see Note 11).

Decommissioning estimates (Note 19):

Provisions for decommissioning obligations are made on the best estimate of the likely committed cash outflow. Specialist input is sought from third party experts to estimate the cost to perform the necessary remediation work at the reporting date. The third party expert used, has experience in the industry and location where the Group operates and has assisted the Group's operations in the past. This enables a degree of knowledge of conditions specifically relevant to the Group. The third party conducted a desktop review, provided a range of cost estimates for each well to be decommissioned. Management review and adopt the mid-to-upper range where appropriate. The range provided by the third-party expert, on an undiscounted basis, equates to US$2 million to US$5 million. Provision for environmental clean-up and remediation costs is based on current legal and contractual requirements, technology and management's estimate of costs with reference to current price levels.

Changes to the type of remediation method, legislation, including in relation to climate change, well condition, technology and equipment available in country can all have a significant impact on the cost estimate that may result in the cost being higher than the current upper-range estimate provided.

The estimation of the timing of well abandonment, inflation and discount rates is also considered to be judgemental and can have a significant impact on the net present value of the obligation. Abandonment timing is forecast to occur at the expiration, or if planned renewal, expected expiration of the licence term. In respect of inflation, management references inflation figures published by the World Bank, and for discount rate estimates references the central banks of the United States and Tanzania when making such estimates (see Note 19).

Uncertain tax and regulatory positions (Note 24):

The Group is subject to various tax and regulatory audits from time to time in the ordinary course of business, which may give rise to assessments and the potential for items considered to be available for cost recovery to be disallowed in the jurisdictions in which the Group operates. In order to assess whether these amounts should be provided for in the Financial Statements, management has assessed these matters in the context of the laws and operating agreements of the countries in which it operates. Management has applied judgement in assessing the likely outcome of these matters and has estimated the financial impact based on external tax and legal advice, recent precedence in the relevant jurisdiction and prior experience of such audits. In February 2020, the TRA issued the Group with a tax assessment. The Company objected to the assessment. Due to the interpretation of tax law in-country by the Revenue Authority, significant uncertainty remains and the results of any submitted objections or appeals process in relation to the tax assessment can influence the estimation of any future liability. This uncertainty often remains until the conclusion of this process. Details of the assessment are disclosed in Note 24. With reference to the prejudicial exemption in IAS 37, the Group will not disclose any further information about the assumptions for any provision. The disclosure of such information is believed to be detrimental to the Group in connection with ongoing discussions.

2 Segmental Information

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

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

The Group's revenue is derived from contracts with customers. The timing of revenue streams depends on the following for products and services:

Producing oil and gas assets

The Group satisfie its performance obligation by transferring a nominated volume of gas to its customer. The title to gas transfers to a customer when the customer takes physical possession of the gas at the contracted delivery point. The gas needs to meet certain agreed specifications The Group generated no revenue under this segment (2020: US$ nil).

Oilfield services

Revenue for services is recognised as services are rendered to the customer. All services rendered by the Group relate to Joint operations to which the Group is a party and the terms of the services provided are subject to service contracts.

The IFRS 8 operating segments as follows (i) Producing Oil and Gas Properties, (ii) Exploration Activities and (iii) Oilfiel   Services are the disaggregation of revenue from customers as required by IFRS 15.

Operating segment results - 2021

	Tanzania Producing oil and gas properties 2021 US$'000	Tanzania Exploration activities 2021 US$'000	UK Oilfield services 2021 US$'000	Unallocated Corporate Aminex Group 2021 US$'000	Total 2021 US$'000
Revenue	-	-	143	-	143
Cost of sales	(114)	(35)	(143)	-	(292)
Depletion	-	-	-	-	-
Gross loss	(114)	(35)	-	-	(149)
Depreciation	-	-	-	(209)	(209)
Administrative expenses	(192)	-	(97)	(1,008)	(1,297)
Impairment against property, plant and equipment assets	-	(872)	-	-	(872)
Impairment against exploration and evaluation assets	-	(5,966)	-	-	(5,966)
Operating loss	(306)	(6,873)	(97)	(1,217)	(8,493)
Finance costs	(15)	(62)	-	(4)	(81)
Finance income	-	-	-	-	-
Foreign exchange loss	-	-	-	16	16
Loss before tax	(321)	(6,935)	(97)	(1,205)	(8,558)
Taxation	-	-	-	-	-
Loss after tax	(321)	(6,935)	(97)	(1,205)	(8,558)
Segment assets	2,160	38,226	-	3,826	44,212
Segment liabilities	(3,753)	(3,332)	-	(4,376)	(11,461)
Capital expenditure additions	44	1,204	-	2	1,250
Other material non-cash items					
Unwinding of discount on decommissioning provision (Note 19)	-	(76)	-	-	(76)

2 Segmental Information (continued)

Operating segment results - 2020

	Tanzania Producing oil and gas properties 2020 US$'000	Tanzania Exploration activities 2020 US$'000	UK Oilfield services 2020 US$'000	Unallocated Corporate Aminex Group 2020 US$'000	Total 2020 US$'000
Revenue	-	-	384	-	384
Cost of sales	(419)	-	(384)	-	(803)
Depletion	-	-	-	-	-
Gross loss	(419)	-	-	-	(419)
Depreciation	-	-	-	(242)	(242)
Administrative expenses	(617)	-	(97)	(869)	(1,583)
Impairment against property, plant and equipment assets	(729)	-	-	-	(729)
Impairment against exploration and evaluation assets	-	(690)	-	-	(690)
Operating loss	(1,765)	(690)	(97)	(1,111)	(3,663)
Finance costs	(39)	(63)	-	(173)	(275)
Finance income	-	-	-	-	-
Foreign exchange loss	-	-	-	(35)	(35)
Loss before tax	(1,804)	(753)	(97)	(1,319)	(3,973)
Taxation	-	(2,168)	-	-	(2,168)
Loss after tax	(1,804)	(2,921)	(97)	(1,319)	(6,141)
Segment assets	6,425	42,993	-	3,577	52,995
Segment liabilities	(6,213)	(3,030)	-	(2,388)	(11,631)
Capital expenditure additions	-	1,587	-	63	1,650
Other material non-cash items					
Share based payments (Note 4)	-	-	-	(690)	(690)
Unwinding of discount on decommissioning provision (Note 19)	(39)	(63)	-	-	(102)

Total non-current assets and liabilities by geographical region are set out in Notes 10, 11, 18 and 19 to the financia statements.

3 Employment

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

	2021 US$'000	2020 US$'000
Salaries and wages	**717**	1,153
Social security costs	**71**	97
Other pension costs	**25**	28
Redundancy	**40**	23
Share based payment charge	**-**	690
	853	1,991
Employment costs capitalised (Note 10)	**(199)**	(840)
Employment costs charged against the Group operating loss	**654**	1,151

A proportion of the Group's employment costs charged against the Group operating loss are recharged to partners in Joint operations by the Group acting as operator, a proportion is allocated to the Group's cost of sales with the remainder classifie under administrative expenses.

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

	2021 US$'000	2020 US$'000
Europe	**4**	7
Tanzania	**5**	6
	9	13

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

	2021 US$'000	2020 US$'000
Share based payment charge	**-**	491

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

Directors' emoluments (which are included in administrative expenses) and interests are shown in the Directors' Remuneration Report on pages 27 to 28.

4 Share based payments

Aminex PLC operates or operated the following share option schemes:

- Executive Share Option Scheme ("ESOS"). Under the terms of the ESOS, certain Directors and employees of Aminex PLC, and its subsidiary companies, were entitled to subscribe for Ordinary Shares in Aminex PLC at the market value on the date of the granting of the options. Options are granted at market price, in accordance with the ESOS rules, with reference to the average closing price for the fourteen days prior to the grant of options. Options granted before and during 2010 will expire at a date no later than 10 years after their grant date. Options granted between 2016 and 2018 expire at a date no later than 3 years after their grant date. In January 2021, 40 million share options granted in January 2018 expired. All options granted prior to 2019 under the ESOS have now expired. Of the options granted during 2019 onwards, those issued in February and June 2019, and February 2020 vest immediately, and the options granted in November 2019 and January 2020 vest in tranches subject to the achievement of certain market and non-market performance conditions. The options granted in 2020 will expire at a date either 5 years or 7 years after their date of grant, as detailed below. The ESOS expired on 10 May 2020 and therefore no further share options will be granted pursuant to the ESOS.
- Old Restricted Share Plan ("Old RSP"). On 1 May 2020, 151 million share options were issued to certain Directors under the Old RSP. These share options were subsequently cancelled by those Directors in June 2020, surrendering and waiving all their rights to the share option grant. Consequently, in line with the Group's accounting policy, the options are deemed to fully vest on the date of cancellation and the full fair value of the grant of US$290,000 was charged to the income statement during 2020. The Old RSP was terminated by the Board on 1 July 2020 and therefore no further share options will be granted pursuant to the Old RSP.
- New Restricted Share Plan ("New RSP"). The New RSP was adopted by the Board on 1 July 2020 and approved by shareholders of the Company at its AGM on 29 July 2020. No share options were granted under the New RSP during 2021.

The fair value of the grant date is measured using a recognised valuation methodology for the pricing of financial instruments i.e. the Black-Scholes method.

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

	2021 US$'000	2020 US$'000
Share based payment charge	**-**	690

	Number of options	Average exercise price
Outstanding at 1 January 2020	182,261,000	Stg2.42p
Granted	155,200,000	Stg0.80p
Cancelled	(151,000,000)	Stg0.80p
Expired	(26,850,000)	Stg6.14p
Outstanding at 31 December 2020	159,611,000	Stg1.76p
Granted	**-**	**-**
Cancelled	**-**	**-**
Expired	**(40,000,000)**	**Stg3.08p**
Outstanding at 31 December 2021	**119,611,000**	**Stg1.32p**
Exercisable at 31 December 2020	112,111,000	Stg1.92p
Exercisable at 31 December 2021	**72,111,000**	**Stg1.27p**

On 31 December 2021, there were options over 72,111,000 (2020: 112,111,000) Ordinary Shares outstanding which are exercisable at prices ranging from Stg0.86 pence to Stg3.08 pence per share and which expire at various dates up to 2029. The weighted average remaining contractual life of the options outstanding is 4.63 years (2020: 4.22 years). The average share price for the year ended 31 December 2021 was Stg0.61pence/€0.00705 (2020: Stg0.76pence/€0.00843).

5 Loss before tax

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

	2021 US$'000	2020 US$'000
Depreciation of other property, plant and equipment	**209**	242
Auditor's remuneration – Group audit (i)	**103**	95
Auditor's remuneration – overseas (ii)	**56**	57
Auditor's remuneration – non-audit services (iii)	**-**	5
Low value and short-term lease payments	**18**	18

(i) Audit comprises audit work performed by BDO Ireland and member firms on the consolidated financial statements. In 2021, US$15,000 (2020: US$14,000) of audit fees related to the audit of the Company.
(ii) Audit comprises audit work performed by BDO Ireland and member firm on the subsidiaries financial statements. In 2021, US$56,000 (2020: US$57,000).
(iii) Non-audit services comprise the review of regulatory submissions. In 2021, US$nil (2020: US$5,000).

6 Finance income

	2021 US$'000	2020 US$'000
Foreign exchange gain	**16**	-
	16	-

7 Finance costs

	2021 US$'000	2020 US$'000
Interest expense	**-**	160
Unwinding of discount on decommissioning provision (Note 19)	**76**	102
Interest on lease liabilities (Note 18)	**5**	12
Foreign exchange loss	**-**	36
	81	310

Included in financ cost in the comparative period was an interest expense in respect of the US$3.0 million Advance and US$2.0 million Loan from ARA, a related party of the Group. The Advance and Loan from ARA was settled in full on the completion of the Farm-Out in October 2020 (see Note 27).

8 Income tax expense

The components of the income tax expense for the years ended 31 December 2021 and 2020 were as follows:

	2021 US$'000	2020 US$'000
Current tax expense:		
Current year	**-**	2,168
Deferred tax expense:		
Origination and reversal of temporary diffe ences	**-**	-
Total income tax expense for the Group	**-**	2,168

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

	2021 US$'000	2020 US$'000
Loss before tax	**(8,558)**	(6,141)
Irish standard tax rate	**12.5%**	12.5%
Taxes at the Irish standard rate	**(1,069)**	(767)
Effec of diffe ent tax rates in foreign jurisdiction	**(1,401)**	(928)
Expenses not deductible for tax purposes	**822**	503
Losses carried forward	**1,648**	1,192
Capital gains tax on Farm-Out	**-**	2,168
	-	2,168

8 Income tax expense (continued)

Expenses not deductible for tax purposes predominantly relate to impairment charge taken during the year on exploration and evaluation assets of US$ 5,966,080 (2020: US$690,000) and the impairment against property, plant and equipment assets of US$871,880 (2020: US$729,000).

Included in the comparative period was a capital gains tax charge of US$2.17 million paid to the TRA in May 2020 in relation to the completion of the Farm-Out in order to receive Tanzanian tax clearance for the transaction.

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

	2021 US$'000	2020 US$'000
Net operating losses	**27,682**	26,399

The gross amount of unused tax losses carried forward with their expiry dates is as follows:

	Ireland 2021 US$'000	**UK 2021 US$'000**	**Rest of World 2021 US$'000**	**Total 2021 US$'000**
One year	**-**	**-**	**-**	**-**
Two years	**-**	**-**	**-**	**-**
Three years	**-**	**-**	**-**	**-**
Four years	**-**	**-**	**-**	**-**
Five years	**-**	**-**	**-**	**-**
More than fiv years	**13,492**	**23,166**	**73,452**	**110,110**
Total	**13,492**	**23,166**	**73,452**	**110,110**

	Ireland 2020 US$'000	UK 2020 US$'000	Rest of World 2020 US$'000	Total 2020 US$'000
One year	-	-	-	-
Two years	-	-	-	-
Three years	-	-	-	-
Four years	-	-	-	-
Five years	-	-	-	-
More than five years	13,278	23,887	68,927	106,092
Total	13,278	23,887	68,927	106,092

These losses can be carried forward indefinitely but may only be offset against taxable gains or taxable profits earned from the same trade or trades.

9 Loss per Ordinary Share

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

The calculations for the basic loss per share for the years ended 31 December 2021 and 2020 are as follows:

	2021	2020
Loss for the financia year (US$'000)	**(8,558)**	(6,141)
Weighted average number of Ordinary Shares ('000)	**3,770,685**	3,770,685
Basic and diluted loss per Ordinary Share (US cents)	**(0.23)**	(0.16)

There is no diffe ence between the basic loss per Ordinary Share and the diluted loss per Ordinary Share for the years ended 31 December 2021 and 2020 as all potential Ordinary Shares outstanding are anti-dilutive. There were 119,561,000 (2020: 159,561,000) share options issued which are anti-dilutive as at 31 December 2021.

10 Exploration and evaluation assets

Group

	Tanzania and Total US$'000
Cost	
At 1 January 2020	108,450
Additions	747
Disposals	(6,977)
Employment costs capitalised	840
At 31 December 2020	103,060
Additions	**1,005**
Disposals	**-**
Employment costs capitalised	**199**
At 31 December 2021	**104,264**
Provisions for impairment	
At 1 January 2020	59,483
Increase in impairment provision	690
At 31 December 2020	60,173
Increase in impairment provision	**5,966**
At 31 December 2021	**66,139**
Net book value	
At 31 December 2021	**38,125**
At 31 December 2020	42,887

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

The additions to exploration and evaluation assets during the period relate mainly to own costs capitalised for geological, geophysical and administrative ("GG&A") work, licence maintenance costs and increases in estimates to decommissioning costs along with training and licence fees under the respective PSAs.

The amount for Exploration and evaluation assets represents active exploration projects. These will ultimately be written off to the Income Statement as exploration costs if commercial reserves are not established but are carried forward in the Balance Sheet whilst the determination process is not yet completed and there are no indications of impairment having regard to the indicators in IFRS 6.

In accordance with its accounting policies each CGU is evaluated annually for impairment, with an impairment test required when a change in facts and circumstances, in particular with regard to the remaining licence terms, likelihood of renewal, likelihood of further expenditures and ongoing acquired data for each area, result in an indication of impairment.

Ruvuma PSA

The Ruvuma PSA, comprised two exploration licences; Mtwara and Lindi. On 22 October 2020, the Group completed the Ruvuma Farm-Out. On completion, the Group, through its wholly owned subsidiary, Ndovu Resources Limited, transferred a 50% interest in, and operatorship of, the Ruvuma PSA to APT, a related party of the Group.

The Group holds a 25% interest in the Ruvuma PSA with a US$35.0 million carry to potentially significant volumes of production. The Farm-Out includes a full carry for a minimum work programme including the drilling and testing of the Chikumbi-1 well, the acquisition of 3D seismic over a minimum of 200 km^2 within the Ntorya Location area, and further production wells and infrastructure as required to propel the project to its estimated P50 production level of approximately 140 MMcf/d (gross project levels), as shown in an io Ntorya commercialisation study. The full carry for Aminex's share of costs up to US$35.0 million in respect of its 25% interest implies a potential expenditure during the carry period of up to US$105.0 million for the aggregate 75% working interest held by Aminex and APT.

A two-year Licence extension, effective from 15 August 2021, was received over the Mtwara Licence in respect to the Ntorya Location. Although the extension is over the smaller Ntorya Location area, this is not considered an indicator of impairment as the area corresponds to the identified Ntorya asset development programme. During the two-year extension period the operator is committed to undertake acquiring 200 km^2 of 3D seismic (minimum expenditure of US$7.0 million), drill the Chikumbi-1 exploration well (minimum expenditure of US$15.0 million) and complete the negotiation of the Gas Terms for the Ruvuma PSA with the TPDC and, using the data gathered from the Chikumbi-1 exploration and appraisal well and seismic acquisition, prepare and submit an application for a Development Licence for the Ntorya Location area.

The Farm-Out has secured funding for the next phase of development for the Ruvuma PSA CGU, for which the Group will be carried for its share up to US$35.0 million, equivalent to US$140.0 million gross field expenditure. The Carry balance as at 31 December 2021 was US$33.6 million. There is a clear development plan for the asset outlined by the new operator, ARA Petroleum Tanzania Limited ("APT"), with the support of the JV partners.

During 2021, the 3D seismic mobilised in October and the target to drill the Chikumbi-1 well was set for November 2022. In June, it was reported that APT had reinterpreted existing 2D seismic which resulted in an upward revision of risked mean GIIP to 3.024 TCF (8.236 TCF unrisked mean GIIP). In September, the 3D seismic acquisition contract was awarded to Africa Geophysical Services Limited and mobilisation of the seismic team commenced in October with preparatory works continuing through November and December.

10 Exploration and evaluation assets (continued)

Nyuni Area PSA

Aminex fully provided for the Nyuni Area PSA exploration asset in 2018 following confirmation from the Tanzanian authorities that the Nyuni Licence period ended in October 2019, coupled with the communication from the Tanzania Ministry of Energy to withhold all work on the licence, pending a review of the Nyuni Area PSA. The Company was unable to progress the work programme and, therefore, the Directors concluded that the carrying cost of the Nyuni asset should be fully impaired. The status of the Nyuni asset remained the same at 31 December 2021, and subsequent to the yearend the Group commenced the process to hand back the licence to the Ministry. Therefore, the Directors maintain their position. Expenditure during the year is capitalised and then immediately impaired to the income statement as impairment against exploration and evaluation assets.

Kiliwani South

The Kiliwani South CGU, located within the Kiliwani North Development Licence acreage, was previously identified as a potential lead. The Kiliwani South prospect was estimated by management to contain a mean 57 BCF un-risked GIIP and the prospect has been reviewed by RPS in their February 2018 CPR.

During the year, the Group proposed no work programme and allocated no budget towards the future development of the Kiliwani South CGU. This was due to no agreement reached with the Ministry of Energy on the work commitments over the Nyuni Area PSA and the delay to agreeing commercial terms on the Kiliwani North Development Licence. The Group previously considered any future drilling on the Licence would be dependent upon improved seismic resolution of the target structures that would result from the acquisition and interpretation of a 3D seismic survey, which would only be economic if conducted over both the KNDL and immediately adjacent areas within the Nyuni Area PSA. In line with the requirements of IFRS 6 this is an indicator of impairment. The Directors concluded that the carrying value of the Kiliwani South asset should be fully impaired. Any reversal of the impairment would be dependent on an established development programme for the area, including a seismic and drilling programme where an assessment of the carrying value of the CGU would be reviewed.

11 Property, plant and equipment

Group	Producing assets - Tanzania US$'000	Right of use assets US$'000	Other assets US$'000	Total US$'000
Cost				
At 1 January 2020	8,205	875	66	9,146
Additions in the year	-	48	63	111
Disposed of during the year	-	(148)	-	(148)
Exchange rate adjustment	-	24	3	27
At 31 December 2020	8,205	799	132	9,136
Additions in the year	**44**	**-**	**2**	**46**
Disposed of during the year	**-**	**(48)**	**(20)**	**(68)**
Exchange rate adjustment	**-**	**(10)**	**(1)**	**(11)**
At 31 December 2021	**8,249**	**741**	**113**	**9,103**
Depreciation				
At 1 January 2020	6,648	485	54	7,187
Charge for the year	-	214	28	242
Disposed of during the year	-	(148)	-	(148)
Impairment	729	-	-	729
Exchange rate adjustment	-	16	2	18
At 31 December 2020	7,377	567	84	8,028
Charge for the year	**-**	**186**	**23**	**209**
Disposed of during the year	**-**	**(18)**	**(17)**	**(35)**
Impairment	**872**	**-**	**-**	**872**
Exchange rate adjustment	**-**	**(6)**	**(2)**	**(8)**
At 31 December 2021	**8,249**	**729**	**88**	**9,066**
Net book value				
At 31 December 2021	**-**	**12**	**25**	**37**
At 31 December 2020	828	232	48	1,108

11 Property, plant and equipment (continued)

Development property - Tanzania

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. Production from the Kiliwani North-1 well commenced on 4 April 2016 and depletion is calculated with reference to the remaining reserves of 1.94 BCF, which were ascribed to the field as at 1 January 2018 in an independent reserves and resources report prepared by RPS in February 2018. The report also identified a contingent resource of 30.8 BCF in addition to the reserves. The well has produced approximately 6.4 BCF of gas to date. Production from the Kiliwani North-1 well in 2018 was intermittent and there has been no commercial production from the well since March 2018.

During the year, although the Group and TPDC reached agreement on the settlement of past outstanding gas sales and related amounts due to the TPDC, certain rights were reserved by both parties over areas that remain unresolved related to commercial terms over production from the area (see Note 24). Prior to any development of the Kiliwani North Development Licence taking place, agreement needs to be reached on commercial terms.

During 2021, the KN-1 well remained idle, no progress was made with the TPDC on remediation of the well as discussions continued to focus on commercial terms over the Licence, the Group is transitioning to a non-operator focus, following the successful Farm-Out of the Ruvuma PSA, and the Group proposed no work programme and allocated no budget over the KNDL for 2022. The Directors concluded that these all indicated the asset was impaired.

In accordance with IAS 36, the Group conducted an impairment test as at 31 December 2021 on a value-in-use basis. The cash-generating unit for the purpose of impairment testing is the Kiliwani North-1 well. The Company employs a financial model of the forecast discounted cash flow to calculate the assets value-in-use.

However, as key judgements for the 2021 impairment test concluded no production (see Note 1), the value in use calculation was nil. Consequently, the Directors have concluded that the Kiliwani North CGU is fully impaired and an impairment of $872,000 has been recognised.

Right of use assets

All right of use assets relate to leases the Group has entered into in respect of various office properties. All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

See Note 18 for disclosures around the Group's lease liabilities.

Right of use assets of US$12,000 (2020: US$193,000) relate to an office lease located in the UK and US$nil (2020: US$40,000) located in Tanzania. All other assets are located in the UK.

12 Interests in joint operations

Exploration, evaluation, appraisal and development activities are conducted through joint arrangements governed by joint operating agreements and production sharing agreements. A joint operation is a joint arrangement whereby the parties have joint control to the assets, and obligations for the liabilities, relating to the arrangement. Signifi ant joint operations of the Group are those with the most significant contributions to the Group's net profit or net assets. The Group's interest in the joint operations results are listed in the table below:

Significant joint operations	Country of operation	Principal activity	Group interest 2021	Group interest 2020
Ruvuma PSA (1)	Tanzania	Exploration and evaluation	25%	25%
Nyuni Area PSA (2)	Tanzania	Exploration and evaluation	100%	100%
Kiliwani North Development Licence (3)	Tanzania	Development and production	63.83%	63.83%

(1) The Group's participating interest in the Ruvuma PSA reduced to 25% following the completion of the Farm-Out in October 2020.

(2) This contractual arrangement is controlled by the Group and does not meet the definition of joint operations. However, as it is formed by a contractual arrangement and is not an entity, the Group recognises its share of assets and liabilities arising from this arrangement.

(3) While the Group holds a greater than 50 per cent interest in these joint operations, all participants in these joint operations approve the operating and capital budgets and therefore the Group has joint control over the relevant activities of these arrangements.

13 Investments in subsidiary undertakings

Company	US$'000
At 1 January 2020	6,732
Additions	198
At 31 December 2020	6,930
Additions / (Disposals)	**-**
At 31 December 2021	**6,930**
Provisions for impairment	
At 1 January 2020	1,086
Increase in provision	-
At 31 December 2020	-
Increase in provision	**-**
At 31 December 2021	**1,086**
Net book value	
At 31 December 2021	**5,844**
At 31 December 2020	5,844

The Company's investment in subsidiary remains the same as 2020. No share options granted in the period (2020: US$198,000 increase). The Company reviewed the recoverability scenarios for its investment in subsidiaries and recognised no additional provision in the year (2020: US$nil). After taking into account the provision shown above, the Directors believe the carrying value of these investments to be fully recoverable

Subsidiary undertakings
As at 31 December 2020 the Company had the following subsidiary undertakings, in which the Company directly or indirectly held ordinary shares:

	Proportion held by Company	Proportion held by Subsidiary	Country of Incorporation
Oil and Gas Exploration, Development and Production			
Aminex Petroleum Services Limited (1)	100%	-	UK
Amossco Holdings Limited (1)	-	100%	UK
Amossco Limited (1)	-	100%	UK
Amossco ODS Limited (1)	-	100%	UK
Halyard Offsho e Limited (1)	-	100%	UK
Tanzoil N.L. (2)	100%	-	Australia
Ndovu Resources Limited (3)	-	100%	Tanzania
Osceola Hydrocarbons PLC (4)	100%	-	Ireland
Osceola Oil and Gas Limited (5)	-	100%	UK

Registered offices

1. 20-22 Wenlock Road, London, N1 7GU.
2. 6 Ling Court Atwell, WA 6164, Australia.
3. 368 Msasani Road, Oysterbay 14111, 2nd Floor Mikumi House, Dar es Salaam, Tanzania.
4. Paramount Court, Corrig Road, Sandyford Business Park, Dublin 18, D18 R9C7, Ireland
5. The Soloist Building, 1 Lanyon Place, Belfast BT1 3LP, Northern Ireland

14 Amounts due from subsidiary undertakings

Company	US$'000
Cost	
At 1 January 2020	143,922
Advances to subsidiary undertakings	3,785
Repayments from subsidiary undertakings	(5,659)
At 1 January 2021	142,048
Advances to subsidiary undertakings	**1,545**
Repayments from subsidiary undertakings	**(1,318)**
At 31 December 2021	**142,275**
Provisions for impairment	
At 1 January 2020	77,995
Decrease in provision	(25,764)
At 1 January 2021	52,231
Increase in provision	**1,055**
At 31 December 2021	**53,286**
Net book value	
At 31 December 2021	**88,989**
At 31 December 2020	89,817

	2021 US$'000	2020 US$'000
Included in non-current assets	**88,284**	89,027
Included in current assets	**705**	790
At 31 December	**88,989**	89,817

Included in current assets are loans provided to subsidiary undertakings which are interest free and repayable on demand. Included in non-current assets is US$88.28 million (2020: US$89.03 million) which represents loans provided to subsidiary undertakings which are interest free and repayable on demand. The Directors do not expect to call for repayment of these loans in the foreseeable future. The loans are expected to be repaid by future revenues generated from the Group's assets in Tanzania. During the year, following the impairment against the Group's property, plant and equipment asset, the Kiliwani North CGU (see Note 11) there was considered to be an increased credit risk. Therefore, in line with the requirements of IFRS 9, the Company calculated an expected credit loss equivalent to the lifetime expected credit losses. The Company reviewed the recoverability scenarios of each loan to subsidiaries. The following scenarios and their probabilities were considered for the recovery of the intercompany loan receivables: the success of the development of the Ntorya Location on the Mtwara Exploration Licence, value of the potential reserves, project risks, the ability to achieve certain production levels. Third party valuation reports were used to support valuations where available. This resulted in an increase in the provision of US$1.1 million (2020: US$25.8 million impairment decrease) against these loans. The loans remain considered to be unlikely to be repaid in full. The Company applies no discounting to the expected credit loss calculation as the effectiv interest rate is considered to be 0% as the loans are interest free and payable on demand. After taking into account the provisions shown above, the Directors believe the carrying value of these loans to be fully recoverable.

15 Trade and other receivables

	Group		Company	
	2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
Current				
Trade receivables	**143**	8,304	**-**	-
Amounts due from partners in Joint operations	**950**	914	**-**	-
VAT recoverable	**26**	27	**-**	-
Other receivables	**174**	1,502	**7**	-
Prepayments	**72**	93	**7**	29
	1,365	10,840	**14**	29
Expected credit loss	**-**	(2,289)	**-**	-
	1,365	8,551	**14**	29

Trade receivables are interest bearing and are on terms of 30 days.

Trade and other receivables amounted to US$1.37 million at the period end (31 December 2020: US$8.55 million). The decrease predominantly relates to the settlement reached during the year with the TPDC for US$6.77 million of past gas sales over production from the Kiliwani North-1 well and the agreement by the Group to waive the late payment interest accrued of US$1.57 million.

Set out below are the movements in the allowance for expected credit losses of trade receivables and contract balances:

	Group		Company	
	2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
At 1 January 2021	**(2,289)**	(1,262)	**-**	-
Expected credit loss credited / (charged) to income statement	**1,315**	(424)	**-**	-
Joint operations share of expected credit loss	**974**	(603)	**-**	-
At 31 December 2021	**-**	(2,289)	**-**	-

Aminex recognised an impairment reversal on trade receivables of US$1.32 million (2020: US$0.42 million impairment) following the settlement agreement over past gas sales and late payment interest with the TPDC. The balance of the ECL of US$0.97 million was reversed against the joint operations share of the receivable, disclosed in trade and other payables. The ECL on the TPDC trade receivables was calculated on the full amount due to the Group for gas sales and late payment interest; any actual credit loss was reduced by the liability due to the Group's joint venture partners in respect of amounts due (see Note 17). The expected credit loss in 2020 represented a weighted average range of potential recoverability scenarios, including delayed and partial settlement of amounts due.

In accordance with IFRS 9 the Company notes no material expected credit losses as at 31 December 2021.

16 Cash and cash equivalents

	Group		Company	
	2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
Cash and cash equivalents	**4,685**	449	**207**	322

Included in cash and cash equivalents is an amount of US$1,157,000 (2020: US$3,000) held on behalf of partners in Joint operations.

17 Trade and other payables

	Group		Company	
	2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
Current				
Trade payables	**351**	1,150	**69**	118
Amounts due to partners in Joint operations	**1,841**	1,526	**-**	-
Withholding tax payable	**1,263**	1,150	**-**	-
VAT payable and excise duty	**1,495**	1,728	**-**	-
Capital gains tax payable	**327**	327	**-**	-
Other payables	**1,578**	1,540	**-**	-
Short-term borrowings	**450**	-	**450**	-
Accruals	**2,541**	3,046	**93**	51
	9,846	10,467	**612**	169

The reduction in payables during the year predominantly related to agreed amounts paid to TPDC under the settlement agreement related to the KNDL. Amounts due to partners in joint operations, VAT payable and other payables include amounts arising on gas sales. Short-term borrowings of US$450,000 related to a short-term loan from ARA Petroleum LLC drawn down on 29 December 2021 (see Note 27).

The Directors consider that the carrying amounts of trade payables approximate their fair value.

18 Lease liabilities

Group	US$'000
At 1 January 2020	379
Interest expense	12
Lease payments	(183)
Foreign exchange movements	15
At 31 December 2020	223
At 1 January 2021	**223**
Interest expense	**5**
Lease payments	**(212)**
Foreign exchange movements	**(16)**
At 31 December 2021	**-**

	31 December 2021 US$'000	1 January 2021 US$'000
Current	**-**	191
Non-current	**-**	32
Total lease liability	**-**	223

The Group leases a number of properties in the jurisdictions from which it operates. Certain property leases expired during the year with the remaining lease expiring in January 2022. All lease liabilities relate to leases for various office properties the Group has entered into. In 2020, total non-current lease liabilities of US$32,000 related to corporate office space leased in the UK. The Group incurred low value lease payments during the year of US$11,000 (2020: US$22,000).

19 Provisions – decommissioning

Group	US$'000
At 1 January 2020	764
Increase in decommissioning provision	8
Discount unwound in the year (Note 7)	102
At 1 January 2021	874
Increase in decommissioning provision	**665**
Discount unwound in the year (Note 7)	**76**
At 31 December 2021	**1,615**

	2021 US$'000	2020 US$'000
Non-current	**1,615**	874
Total decommissioning provision	**1,615**	874

Decommissioning costs are expected to be incurred over the remaining lives of the wells, which are estimated to end between 2023 and 2047 with any associated decommissioning arising greater than one year from December 2021. The provision for decommissioning is reviewed annually and at 31 December 2021 and 2020 relates to wells in Tanzania. The basis for determining the best estimate for decommissioning costs are detailed in Note 1. At 31 December 2021, a third party expert conducted a desktop review of the Group's abandonment provisions which resulted in an increase of US$665,000 which predominantly relates in an upward revision of cost estimates stemming from a change of assumptions in relation to potential equipment required to restore locations. The Group adopts the mid-to-upper range provided by a third party expert and significant uncertainty remains over the condition of the well and abandonment requirements until the programme is agreed with the Tanzanian authorities and imminent.

Prices are inflated to future costs at a rate of 2.3% per annum (2020: 3.6%) and discounted at 6.6% per annum (2020: 8.7%), reflecting the associated risk profile. If the discount rate were changed by 1% the value of the provisions could change by $93,000.

20 Financial instruments and risk management

General objectives, policies and procedures

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to executive management. The Board receives regular reports at board meetings through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Group

The Group is exposed through its operations to the following financial risks:

- Liquidity and interest rate risk
- Commodity price risk
- Foreign currency risk
- Credit risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The Group may from time to time enter into derivative transactions to minimise its exposure to interest rate fluctuations, foreign currency exchange rates and movements in oil and gas prices. There were no derivatives held at 31 December 2021 or 31 December 2020.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments used by the Group, from which financial instrument risk arises, comprise:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Lease liabilities

Policies for managing these risks are summarised as follows:

a) Liquidity/interest rate risk

The Group closely monitors and manages its liquidity risk using both short and long-term cash flow projections. Cash forecasts are regularly produced, and sensitivities run for different scenarios including, but not limited to, changes in cost schedules. The Group fi ances its operations through a mixture of shareholders' funds, loans and borrowings and working capital. Board approval is required for all new borrowing facilities.

b) Commodity risk

The Group's activities expose it primarily to the financial risks of changes in gas commodity prices. The Group monitors and manages this risk where considered appropriate through the use of fixed price gas sales contracts.

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

c) Foreign currency risk

The Group reports in US dollars, representing the currency of the primary economic environment in which the Group operates.

The Group conducts and manages its business predominantly in US dollars, the operating currency of the industry in which it participates. The Group also routinely purchases on the spot market the currencies of the countries in which it operates, including Euros in Ireland, Pounds Sterling in the UK and Shillings in Tanzania. From time to time certain transactions are undertaken denominated in other currencies. The risk is managed wherever possible by holding currency in US Dollars and other internationally recognised fungible currencies, converted into less stable currencies as and when the need arises.

d) Credit risk

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

The carrying value of the Group's various financial assets, as presented within the fair value table set out on page 60, represents the Group's maximum credit risk exposure.

20 Financial instruments and risk management (continued)

Fair value

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

	Loans and receivables at amortised cost 2021 US$'000	**Liabilities at amortised cost 2021 US$'000**	**Total carrying amount 2021 US$'000**	**Fair value 2021 US$'000**
Other financial assets and financial liabilities				
Current trade and other receivables	**1,263**	**-**	**1,263**	**1,263**
Cash and cash equivalents	**4,685**	**-**	**4,685**	**-**
Trade payables	**-**	**(351)**	**(351)**	-
Amounts due to partners in Joint operations	**-**	**(1,841)**	**(1,841)**	**-**
Other payables and accruals	**-**	**(4,377)**	**(4,377)**	**-**

	Loans and receivables at amortised cost 2020 US$'000	Liabilities at amortised cost 2020 US$'000	Total carrying amount 2020 US$'000	Fair value 2020 US$'000
Other financial assets and financial liabilities				
Current trade and other receivables	10,719	-	10,719	8,430
Cash and cash equivalents	449	-	449	-
Trade payables	-	(1,150)	(1,150)	-
Amounts due to partners in Joint operations	-	(1,526)	(1,526)	-
Other payables and accruals	-	(3,675)	(3,675)	-

Estimation of fair values

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

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

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

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

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

Amounts due from/(to) partners in joint operations

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

Trade and other receivables/payables

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

Cash and cash equivalents including short-term deposits

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

Risk exposures

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

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

20 Financial instruments and risk management (continued)

Trade and other receivables

The Group's exposure to credit risk is influenced by the individual characteristics of each customer. For trade receivables, credit checks are performed on new customers and appropriate payment terms are agreed with customers. There is a concentration of credit risk by dependence on the TPDC for revenues from gas sales. Trade receivables are monitored by review of the aged debtor reports.

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

	2021	2020
	US$'000	US$'000
Rest of World	**143**	1,318
Tanzania	**-**	8,162
Total	**143**	9,480

In accordance with IFRS 9, Aminex calculated its ECL based on its exposure to credit risk on its trade receivables at the end of the period and recognised a full reversal of impairment on trade receivables that resulted in a net credit in the income statement of US$1,315,000 (2020: US$424,000 impairment charge) (see Note 15). The Group's trade receivables from TPDC were nil (2020: US$8.16 million) following the settlement agreement entered into by both parties in October 2021.

Amounts due from partners in joint operations

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

Cash and short-term deposits

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

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by monitoring rolling forecasts of expected cash flows against actual cash flows. The following are the contractual maturities of the financial liabilities including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount 2021 US$'000	**Contractual cashflows 2021 US$'000**	**6 months 2021 US$'000**	**6-12 months 2021 US$'000**	**1-2 years 2021 US$'000**	**2-5 years 2021 US$'000**	**More than 5 years 2021 US$'000**
Trade payables	**351**	**351**	**351**	**-**	**-**	**-**	**-**
Amounts due to partners in Joint operations	**1,841**	**1,841**	**1,841**	**-**	**-**	**-**	**-**
Other payables	**1,836**	**1,836**	**1,836**	**-**	**-**	**-**	**-**
Accruals	**2,541**	**2,541**	**2,541**	**-**	**-**	**-**	**-**
Lease liabilities	**-**	**-**	**-**	**-**	**-**	**-**	
	6,569	**6,569**	**6,569**	**-**	**-**	**-**	**-**

	Carrying amount 2020 US$'000	Contractual cashflows 2020 US$'000	6 months 2020 US$'000	6-12 months 2020 US$'000	1-2 years 2020 US$'000	2-5 years 2020 US$'000	More than 5 years 2020 US$'000
Trade payables	1,150	1,150	1,150	-	-	-	-
Amounts due to partners in joint operations	1,526	1,526	1,526	-	-	-	-
Other payables	629	629	629	-	-	-	-
Accruals	3,046	3,046	3,046	-	-	-	-
Lease liabilities	223	257	107	107	34	9	
	6,574	6,608	6,458	107	34	9	-

Amounts due to partners in Joint operations are only payable on receipt of amounts for trade receivables (see Note 15).

20 Financial instruments and risk management (continued)

Market risk

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

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

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

Interest rate risk. The Group's exposure to interest rate risk arises from cash and cash equivalents.

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

	Sterling 2021 US$'000	**Euro 2021 US$'000**	**US dollars 2021 US$'000**	Sterling 2020 US$'000	Euro 2020 US$'000	US dollars 2020 US$'000
Cash and cash equivalents	**1**	**29**	**0**	4	1	10
Trade payables	**55**	**67**	**3**	60	73	2
	56	**96**	**3**	64	74	12

Sensitivity analysis

A 15% strengthening or weakening in the value of sterling and the euro against the US dollar, based on the outstanding financial assets and liabilities at 31 December 2021 (2020: 15%), would have the following impact on the income statement. This analysis assumes that all other variables, in particular interest rates, remain constant.

	15% increase 2021 US$'000	**15% decrease 2021 US$'000**	15% increase 2020 US$'000	15% decrease 2020 US$'000
Cash and cash equivalents	**5**	**(5)**	2	(2)
Trade payables	**(19)**	**19**	(20)	20
	(14)	**14**	(18)	18
Tax impact	**-**	**-**	-	-
After tax	**(14)**	**14**	(18)	18

The Group fi ances its operations through a mixture of shareholders' funds, loans and borrowings and working capital. Board approval is required for all new borrowing facilities. The Group has a loan facility with ARA (see Note 27). There are no bank borrowings or overdraft facilities at year end. The Group's liquid resources were held in current accounts at the year end.

The interest rate profile of the Group's interest-bearing financial instruments at 31 December 2021 was as follows:

	Fixed rate 2021 US$'000	**Floating rate 2021 US$'000**	**Total 2021 US$'000**	Fixed rate 2020 US$'000	Floating rate 2020 US$'000	Total 2020 US$'000
Cash and cash equivalents	**-**	**4,685**	**4,685**	-	449	449
Loan facility (see Note 27)	**(450)**	**-**	**(450)**	-	-	-
	(450)	**4,685**	**4,235**	-	449	449

Cash flow sensitivity analysis

An increase of 100 basis points or decrease of 25 basis points in interest rates at the reporting date would have had the following effec on the income statement. This analysis assumes all other variables, in particular foreign currency, remain constant.

	100 bps increase profit 2021 US$'000	**25 bps decrease profit 2021 US$'000**	100 bps increase profit 2020 US$'000	25 bps decrease profit 2020 US$'000
Cash and cash equivalents	**47**	**(12)**	4	(1)
Tax impact	**-**	**-**	-	-
After tax	**47**	**(12)**	4	(1)

The Group has a fixe rate interest bearing loan to ARA outstanding at 31 December 2021 (2020: US$nil). As there are no variable rate loans, there is no potential impact to profi and loss from a change in interest rates.

20 Financial instruments and risk management (continued)

Company

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

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

	Loans and receivables 2021 US$'000	Liabilities at amortised cost 2021 US$'000	Total carrying amount 2021 US$'000	Fair value 2021 US$'000
Other financial assets and financial liabilities				
Amounts due from subsidiary undertakings	**88,989**	**-**	**88,989**	**-**
Cash and cash equivalents	**214**	**-**	**214**	**-**
Trade and other payables	**-**	**(520)**	**(520)**	**-**
Accruals	**-**	**(93)**	**(93)**	**-**

	Cash Loans and receivables 2020 US$'000	Liabilities at amortised cost 2020 US$'000	Total carrying amount 2020 US$'000	Fair value 2020 US$'000
Other financial assets and financial liabilities				
Amounts due from subsidiary undertakings	89,817	-	89,817	-
Cash and cash equivalents	329	-	329	-
Trade and other payables	-	(118)	(118)	-
Accruals	-	(53)	(53)	-

Estimation of fair values

Amounts due from subsidiary companies

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

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

Risk exposures

The Company's operations expose it to the risks as set out for the Group above.

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

Credit risk

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

At the balance sheet date, there was deemed to be an increase in credit risk related to the loans due from subsidiary undertakings due to the impairment during the year against the Group's property, plant and equipment asset, the Kiliwani North CGU. The loans are expected to be recovered from future revenues generated by the Group's assets in Tanzania. Consequently, a lifetime expected credit loss was calculated and a partial provision of US$1.06 million was recognised against the carrying value of the loans due from subsidiary undertakings (2020: US$25.76 million impairment reversal) (see Note 14). Arriving at the expected credit loss allowance involved considering different scenarios for the recovery of the intercompany loan receivables, the possible credit losses that could arise and the probabilities of those scenarios. The following scenarios and their probabilities were considered for the recovery of the intercompany loan receivables: the success of the development of the Ntorya Location on the Mtwara Exploration Licence, value of the potential reserves, project risks, the ability to achieve certain production levels. Third party valuation reports were used to support valuations where available. Details of the Ruvuma PSA Farm-Out in relation to the Group's exploration and evaluation assets are discussed in Note 10. The impairment against the Group's property, plant and equipment are discussed in Note 11.

The Directors are satisfied that no further impairment is considered to have occurred.

Liquidity risk

The liquidity risk for the Company is similar to that for the Group as set out above. Contractual cash flows on trade payables, amounting to US$520,000 (2020: US$118,000), fall due within six months of the balance sheet date.

The Directors have given careful consideration to the Company's and the Group's ability to continue as a going concern (see Note 1).

20 Financial instruments and risk management (continued)

Market risk

The market risk for the Company is similar to that for the Group as set out above.

The Company's exposure to transactional foreign currency risk is as follows:

	2021 Sterling US$'000	2021 Euro US$'000	2020 Sterling US$'000	2020 Euro US$'000
Trade and other payables payables	**55**	**67**	60	73

Sensitivity analysis

A 15% strengthening or weakening in the value of sterling or the euro against the US dollar (2020: 15%), based on the outstanding fi ancial assets and liabilities at 31 December 2021, would have no material impact on the income statement in the current or prior years. This analysis assumes that all other variables, in particular interest rates, remain constant.

The interest rate risk of the Company is similar to that of the Group as set out above. The interest rate profile of the Company's interest-bearing financial instruments at 31 December 2021 was as follows:

	Fixed rate 2021 US$'000	Floating rate 2021 US$'000	Total 2021 US$'000	Fixed rate 2020 US$'000	Floating rate 2020 US$'000	Total 2020 US$'000
Cash and cash equivalents	**-**	**207**	**207**	-	449	449
Loan facility (see Note 27)	**(450)**	**-**	**(450)**	-	-	-
	(450)	**207**	**(243)**	-	449	449

Cash flow sensitivity analysis

An increase of 100 basis points or decrease of 25 basis points in interest rates at the reporting date would have had the following effect on the income statement. This analysis assumes all other variables, in particular foreign currency, remain constant.

	100 bps increase profit 2021 US$'000	25 bps decrease profit 2021 US$'000	100 bps increase profit 2020 US$'000	25 bps decrease profi 2020 US$'000
Cash and cash equivalents	**2**	**(1)**	3	(1)
Tax impact	**-**	**-**	-	-
After tax	**2**	**(1)**	3	(1)

21 Issued capital

Authorised	Number	€
Ordinary Shares of €0.001 each:	5,000,000,000	5,000,000
Deferred shares of €0.059 each:	1,000,000,000	59,000,000
At 1 January and 31 December 2021	**6,000,000,000**	**64,000,000**

Allotted, called up and fully paid	Number	€	US$
Ordinary Shares of €0.001 each:	3,770,684,643	3,770,685	4,670,378
Deferred shares of €0.059 each:	818,658,421	48,300,847	64,535,665
At 31 December 2020	4,589,343,064	52,071,532	69,206,043

Allotted, called up and fully paid	Number	€	US$
Ordinary Shares of €0.001 each:	3,770,684,643	3,770,685	4,670,378
Deferred shares of €0.059 each:	818,658,421	48,300,847	64,535,665
At 31 December 2021	**4,589,343,064**	**52,071,532**	**69,206,043**

Comprised of:	
Ordinary Shares of €0.001	3,770,684,643
Deferred shares of €0.059	818,658,421
	4,589,343,064

No voting rights are attached to the deferred shares.

22 Share option reserve

The share option reserve represents the fair value of share options issued to Directors and employees.

During 2021, the Company awarded no options to Directors and staff (2020: 155,200,000 awarded to Directors and staff) and consequently no charge was recognised in the year (2020: US$690,000). During the year, there was a transfer between the share option reserve and retained earnings of US$558,000 (2020: US$1.63 million), relating to 40,000,000 options which expired (2020: 26,850,000) with a fair value of US$558,000 (2020: US$1,337,000). The transfer during 2020, also included 151,000,000 share options cancelled during the year, that were granted in May 2020, with a fair value of US$290,000. Further details regarding the issuance, lapse and expiry of share options are set out in Note 4.

23 Profi for the financial year

The Company Financial Statements have been prepared and approved by the Directors in accordance with EU IFRS and as applied in accordance with the Companies Act, 2014, which permit a company that publishes its company and group financial statements together, to take advantage of the exemption in Section 304 of the Companies Act 2014 from presenting to its members its Company income statement and related notes that form part of the approved Company financial statements. Of the consolidated loss after taxation, a loss of US$1.40 million (2020: US$24.74 million profit) is dealt with in the Company income statement of Aminex PLC.

24 Commitments, guarantees and contingent liabilities

Commitments exploration activity

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

(a) Following the grant of the first extension to the Nyuni Area PSA, Tanzania, the terms of the licence require the acquisition of 700 kilometres of 3D seismic over the deep-water sector of the licence, and the drilling of four wells, on the continental shelf or in the deep-water, by October 2019. Despite the Group having commenced the process to return the Nyuni Area licence to the Tanzanian authorities it is acknowledged that only part of the seismic acquisition commitment and none of the drilling commitment under the licence has been undertaken.

(b) The Ruvuma PSA, Tanzania, originally comprised two licences. The Mtwara Licence was extended in August 2021, the licence was extended for a further two years (see Note 10). Two wells are required to be drilled, one of which is expected to be the Chikumbi-1 location. The Ruvuma PSA operator is committed to undertake acquiring 200 km^2 of 3D seismic (minimum expenditure of US$7 million), drill the Chikumbi-1 exploration well (minimum expenditure of US$15 million), complete the negotiation of the Gas Terms for the Ruvuma PSA with the TPDC and, using the data gathered from the Chikumbi-1 and seismic acquisition, prepare and submit an application for a Development Licence for the Ntorya Location area.

Guarantees and contingent liabilities

(a) Under the terms of the Addendum to the Ruvuma PSA, Ndovu Resources Limited ("NRL"), a subsidiary company of Aminex PLC, has provided security to the TPDC for up to 15% of the profit share of the Kiliwani North Development Licence to guarantee the amended four-well drilling commitment under the Ruvuma PSA. For each well drilled the security interest will be reduced by 3% for the first well and 4% thereafter.

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

(c) On 11 April 2018, Ndovu Resources Limited received formal notification from the TPDC of certain claims amounting to US$5.97 million against the Kiliwani North Development Licence with regard to unpaid royalties and amounts due under profit share arrangements. The agreed amounts claimed were offset as part of the settlement agreement signed in October 2021 between the Group and the TPDC. As part of the settlement agreement, both parties reserved certain rights including the TPDC reserving its rights in relation to unpaid royalties and profit share arrangements. Aminex has advised the TPDC that it does not accept the balance of the claims, which TPDC estimates to be US$4.18 million (Aminex's net share is equal to US$2.74 million). The Group has received legal advice in country that supports its position, and this has been provided to the TPDC. The Directors believe these claims are without merit and do not consider it appropriate at this stage to provide for these claims.

Tanzanian Tax Assessment

On 28 February 2020, following the conclusion of the TRA audit of NRL, the Group's Tanzanian wholly owned subsidiary, for taxation years 2013 to 2015, the TRA issued a tax assessment in respect of these taxation years. The following matters were raised in the assessments:

24 Commitments, guarantees and contingent liabilities (continued)

Area		Principal US$'000	Interest US$'000	Total US$'000
Withholding tax	Withholding tax on payments made to non-residents for services performed outside of Tanzania	**242**	**182**	**424**
VAT	Output VAT on imported services	**191**	**156**	**347**
Withholding tax	Withholding tax on deemed interest	**797**	**664**	**1,461**
		1,230	**1,002**	**2,232**

NRL considers these claims without technical merit in tax law and, with the assistance of an in-country tax advisor, has submitted an objection to the TRA findings. At this stage it is unclear whether NRL will be successful in its objections and therefore the amount or timing of potential cash outflow remains uncertain. No progress was made on the matter during the year. Provision has been made for amounts NRL has ceded or where management determine the likelihood of success through the objection or appeals process is unlikely. The information usually required by IAS 37 Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it can be expected to prejudice seriously the outcome of the tax assessment.

25 Pension arrangements

The Group contributes towards the cost of certain individual employee and Director defined contribution pension plans. Annual contributions are based upon a percentage of gross annual salary. Pension contributions, which are charged to the Group income statement as incurred, amounted to US$25,000 for 2021 (2020: US$39,000).

26 Note supporting statement of cash fl ws

Details of significan non-cash transactions:

	Group		Company	
	2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
Cash consideration on completion of Farm-Out	**-**	5,000	**-**	5,000
Interim costs related to Farm-Out	**-**	160	**-**	160

Movement in loans and borrowings:

	Group		Company	
	2021 US$'000	2020 US$'000	**2021 US$'000**	2020 US$'000
At 1 January	**-**	-	**-**	-
Advance funding converted to debt	**-**	3,000	**-**	3,000
Drawdowns	**450**	2,000	**450**	2,000
Interest accruing in period	**-**	160	**-**	160
Loan repayments	**-**	(5,000)	**-**	(5,000)
Interest paid	**-**	(160)	**-**	(160)
At 31 December	**450**	-	**450**	-

On 14 December 2021, the Company signed a US$1.7 million carry advance loan facility with ARA Petroleum LLC ("the Loan"), which, through its associated company, Eclipse Investments LLC, is a significan shareholder in Aminex PLC (see Note 27). The loan bears interest at 13.77% per annum. On 29 December 2021, US$450,000 was drawn down against the loan agreement.

During 2020, loan repayments of US$5.0 million represented the cash consideration due under the Farm-Out at completion, on 22 October 2020, which was offse against the US$3.0 million Advance and US$2.0 million Loan provided by ARA, a related party of the Group (see Note 27). Interest of US$160,000 accrued during 2020 on the Advance and Loan and was offse against the firs instalment of the interim costs due on completion of the Farm-Out from ARA. Consequently, the Loan repayments and interest paid in 2020 were non-cash transactions.

27 Related party transactions

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

	2021 US$'000	2020 US$'000
Balances at 31 December		
Amounts owed by subsidiary undertakings	**88,989**	89,817

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

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below. Information about the remuneration of each Director is shown in the Remuneration Report on pages 27 to 28.

	2021 US$'000	2020 US$'000
Short-term benefits	**149**	254
Pension contributions	**-**	-
Share-based payments	**-**	491
	149	745

Directors remuneration of US$2,000 (2020: US$76,000) are paid to Eclipse Investments LLC, a significant shareholder in Aminex PLC. The amount outstanding in respect of the Directors fees at 31 December 2021 was US$12,000 (2020: US$14,000).

Directors remuneration fees for 2021 are due to James Lansdell, Senior Legal Counsel at the Zubair Corporation, and Sultan Al-Ghaithi, Chief Executive Officer at ARA Petroleum LLC, of US$27,000 (2020: US$4,000) and US$11,000 (2020: US$nil) respectively. The Zubair Corporation and ARA Petroleum LLC, through its associated company Eclipse Investments LLC, are a significant shareholder in Aminex PLC. There was a balance outstanding of US$42,000 as at 31 December 2021 (2020: US$nil).

During 2021, the Group entered into a related party transaction in respect of Directors remuneration fees of US$27,000 which were paid to Upstream Solutions Limited, a company connected with Mr Tom Mackay. There was nil balance outstanding as at 31 December 2021 (2020: US$nil).

The Group provided oilfield support services to ARA Petroleum LLC totalling US$nil (2020: US$18,000) during the year which, through its associated company, Eclipse Investments LLC, is a significant shareholder in Aminex PLC. The amount due from ARA Petroleum LLC at 31 December 2021 was US$142,000 (2020: US$139,000).

On 14 December 2021, the Company signed a US$1.7 million carry advance loan facility with ARA Petroleum LLC ("the Loan"), which, through its associated company, Eclipse Investments LLC, is a significant shareholder in Aminex PLC. The loan bears interest at 13.77% per annum. On 29 December 2021, US$450,000 was drawn down against the loan agreement.

28 Post balance sheet events

On 6 January 2022, the Company granted a total of 62 million share options to Directors and employees. Charles Santos was awarded 30 million options over Ordinary Shares and 6 million options over Ordinary Shares were awarded to each of Tom Mackay and James Lansdell, with the remaining 20 million awarded to employees. The exercise price is Stg0.60p, with 50% vesting on the date of grant, 25% six months after the grant date and the remaining 25% twelve months after the grant date. The exercise period shall not exceed five years from date of grant. The share-based payment charge arising from the grant will be charged to the income statement in the year ending 31 December 2022. Further information on Directors' share options are set out in the Directors' Remuneration Report on pages 27 to 28.

On 1 April 2022, the Company raised approximately GB£3.3 million (approximately US$4.4 million) before expenses through the issue of 440,482,181 new ordinary shares in the capital of Aminex at a price of Stg 0.75p per share. The Placing Shares will represent in aggregate 12% of the existing issued ordinary share capital of the Company and are being issued under existing general allotment authorities granted by shareholders at the Company's Annual General Meeting on 29 July 2021. The Company's largest shareholder, Eclipse Investments LLC ("Eclipse"), will subscribe for 84,375,514 Placing Shares. Following admission, the enlarged share capital and the total voting rights of the Company will be 4,211,167,024.

29 Approval of financial statements

These financial statements were approved by the Board of Directors on 8 April 2022.

Senior Personnel

Brian Cassidy General Counsel and Company Secretary
Brian Cassidy is a Solicitor qualifie in England and Scotland. He has over 20 years' experience in the oil and gas industry, during which time he was based in the UK, Azerbaijan, Singapore, Hong Kong, China and South Korea. Before moving in-house, he held senior roles with Ledingham Chalmers LLP, McGrigors LLP and Cliffo d Chance LLP. Prior to joining Aminex PLC, he was Head of Legal and Company Secretary at Bowleven plc.

John Arthur Chief Financial Officer
John Arthur joined Aminex PLC as Group Financial Controller in June 2018, and in November 2019 was promoted to the role of Chief Financial Offic . John is a qualifie Chartered Certifie Accountant with over 17 years' experience working in the oil and gas sector in a number of jurisdictions including Africa, Russia and Europe. John has extensive experience in Africa, specificall sub-Saharan Africa through previous senior held financia roles with Seven Energy where he worked from 2010 to 2018. John holds a Bachelor's degree in Economics and Accounting from the University of Plymouth.

Registrars and Advisers

Registrars

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Telephone sharedealing

Computershare provides a telephone sharedealing service for Irish and UK registered shareholders.
For more information please call:

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

Auditor	BDO, Statutory Auditors	Dublin
Bankers	Bank of Ireland	Dublin
Solicitors	Pinsent Masons	Dublin
Adviser	Davy Stockbrokers Limited	Dublin

Glossary of terms used

AGS:	Africa Geophysical Services Limited
APT:	ARA Petroleum Tanzania Limited
ARA:	ARA Petroleum LLC
BCF:	Billions of cubic feet of natural gas
CGU:	Cash Generating Unit
Contingent Resources:	Discovered sub-commercial resources
CPR:	Competent Persons Report
E&E:	Exploration and Evaluation
ECLIPSE:	Eclipse Investments LLC
ECL:	Expected Credit Loss
FDP:	Field Development Plant
FFD:	Full Field Development
G&A:	General and Administrative Cost
GIIP:	Gas initially in place
KNDL:	Kiliwani North Development License
MCF:	Thousands of cubic feet of natural gas
MMcfd:	Millions of standard cubic feet per day of natural gas
NRL:	Ndovu Resources Limited
PAET:	PanAfrican Energy Tanzania
Pmean:	The average (mean) probability of occurrence
Prospective Resource:	Undiscovered resources mapped with seismic
PSA:	Production Sharing Agreement
PURA:	Petroleum Upstream Regulatory Authority
QCA:	UK Quoted Companies Alliance Corporate Governance Code
RPS:	RPS Energy Consultants Limited
SSIGPP:	Songo Songo Island Gas Processing Plant
TCF:	Trillions of cubic feet of natural gas
TPDC:	Tanzania Petroleum Development Corporation
TRA:	Tanzania Revenue Authority

Principal operating companies

Registered Office:
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Tanzanian Operations:
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