aminex

Annual Report & Accounts 2023

Contents

Executive Chairman's Statement

Dear Shareholder,

In 2023, we achieved a number of milestones that have helped advance our Ntorya gas development in Tanzania and created considerable momentum that has boosted activity since the start of this year, turning 2024 into a decisive period for Aminex.

Our partnership with ARA Petroleum LLC ("ARA") has provided Aminex with the technical and financial capacity to realise the full potential of the Ruvuma PSA including the ongoing appraisal and development of the Ntorya gas discovery situated within the licence area.

In 2023 and early 2024, the following milestones were achieved:

- The completion of the processing of 3D seismic data, the largest onshore seismic campaign in East Africa covering 338 km^2 around Ntorya
- The selection of a more optimal location for drilling the Chikumbi-1 appraisal well through utilisation of the 3D seismic data
- The completion, submission and approval by the Tanzania Petroleum Development Corporation ("TPDC") of the Ntorya Field Development Plan ("FDP")
- The application for a 25-year Development Licence based on the approved FDP
- The approval by Tanzanian authorities for the Development Licence, including Cabinet sign-off, awaiting issuance of the signed licence from the Ministry of Energy
- The signing of a Gas Sales Agreement ("GSA") with ARA Petroleum Tanzania Limited ("APT") and TPDC.

Significant Resource Upgrade

Ruvuma PSA's operator, APT, acquired, processed and interpreted 338 km^2 of new 3D seismic in 2022 and 2023, resulting in the identification of significant additional potential gas volumes within the licence area. The most likely gas initially in place (GIIP) is now estimated to be 3.45 TCF. Furthermore, the 3D seismic dataset supports a substantial in place unrisked resource potential of 16.4 TCF. Such numbers place the discovery within the definition of a "world-class giant" gas field, generally accepted as being greater than 3 TCF recoverable.

Ntorya and any other gas fields found within the Ruvuma PSA can be developed far more quickly and for a significantly lower capital expenditure than current offshore LNG projects, which require the construction of offshore gas facilities, pipelines to shore and massive export terminals.

Crucially, Ruvuma gas can immediately service a fast-developing domestic market thanks to the GSA among TPDC, APT and Aminex (through Ndovu Resources Limited), which was signed in January 2024.

We expect a Development Licence will be issued by the Ministry of Energy very soon, enabling the Ruvuma partners to unlock the project's potential by starting both the drilling and construction work that will lead to first gas. The 25-year Development Licence will be the first such licence issued in Tanzania for 13 years and signifies the government's commitment to developing its onshore energy resources.

The TPDC is responsible for constructing the gas pipeline spur to Madimba and, we understand, it has made considerable progress. Given the importance the Tanzanian Government gives to receiving gas from Ntorya and the efforts of the TPDC, we expect the pipeline spur will be completed before the end of the first half of 2025, bringing revenues from the sale of Ntorya gas shortly thereafter.

Financial prudence

The Farm-Out of the Ruvuma PSA in 2020 carries the Company to potentially material levels of production and gas revenues without the need to return to shareholders for

Ntorya-1 wellhead and wireline BOP with gas flare in the background

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. The carry, equivalent to US$140 million of gross field expenditure, is expected to see the Company through to potentially significant gas production volumes with commensurate revenues.

Furthermore, Eclipse Investments LLC and Aminex have recently signed a funding facility for $3.00 million against the carry, ensuring Aminex has sufficient working capital available after 2024 and until the commencement of revenues from Ntorya gas sales.

We continue to operate with significantly reduced costs and corporate overheads established in recent years. Base running costs (which exclude non-cash and one-off items), before recharges, increased by 8.2% to US$1.58 million for the year, compared with US$1.46 million for 2022, but this was largely due to inflationary increases in third party costs. Despite this rise, base running costs are 70% lower than 2018 levels when cost cutting measures were introduced. The Company has maintained an appropriate structure of capabilities and competencies that match current requirements with a more flexible approach that de-risks our business and creates strategic opportunities.

Transforming Tanzania… and Aminex

Global energy prices remained elevated in 2023, despite retreating from their 2021-2022 peaks. These high prices have been linked to the lack of investment in new oil and gas projects as well as geopolitical turmoil and growing demand in the developing world, particularly East Asia and Africa, where economies and populations are growing.

Many developing countries, including Tanzania, consider natural gas as the best way to alleviate energy poverty. Natural gas brings economic development and growth whilst being significantly cleaner than other fossil fuels such as charcoal and coal. In the tropical regions of the world, it is also more reliable than hydro-electric power given the unreliability in rainfall. Natural gas is an essential energy source for global economic development in the coming decades whilst more developed nations embark on the transition to Zero Carbon economies. The Tanzanian authorities have clearly stated they will fully use the country's energy resources to eliminate energy poverty, spur economic growth and improve living standards for its citizens.

We believe Ntorya is vital in helping realise this vision for the people of Tanzania. This year, we will see this vision start to become a reality. As a founding partner in Ntorya, we are proud and excited to support ARA Petroleum and the Tanzanian authorities in this crucial effort.

This year will be a decisive one for our Company. We expect significant progress in the Ntorya project providing shareholders with several catalytic events likely to improve the Company's underlying value. Events have demonstrated the Operator's capacity to run numerous critical negotiations and operational workstreams while maintaining the full support of the Tanzanian authorities. The net result for Aminex is an essential shift in the narrative of Ruvuma, which can now be considered a potentially world-class discovery with a path to positive cash flow by next year – a remarkable turnaround for the Company since 2020.

I would like to thank our shareholders for their continued support and patience and hope that our operations in 2024 will reward us all with success in Ntorya.

Yours sincerely,
Charles Santos
Executive Chairman

Finance Review

Financial highlights

Financial highlights for 2023 include the continuation of effective cost control measures to help conserve cash, release of US$1.09 million of tax provisions for items no longer deemed necessary and payment of US$1.05 million of accrued taxes.

The Group had US$29.6 million of the carry remaining at the year-end on the Ruvuma PSA (equivalent to US$118.4 million of gross expenditures), which is expected to be sufficient to reach commercial production. The Ruvuma Farm-Out agreement, signed in October 2020, includes a US$35 million carry arrangement whereby the operator APT pays Aminex's participating interest share of cash calls up to this amount.

In April 2024, a US$3.00 million funding facility was signed with Eclipse Investments LLC.

Your attention is drawn to the matters mentioned in the Going Concern analysis on page 39.

Income statement

Group revenues from continuing operations amounted to US$0.11 million (2022: US$0.06 million) and are derived from oilfield services, comprising the provision of technical and administrative services to joint operations and a recharge of costs of US$0.06 million (2022: US$nil) associated with the handover of the operatorship of the Ruvuma PSA.

Cost of sales was US$0.08 million (2022: US$0.28 million), of which US$0.07 million (2022: US$0.08 million) related to the oilfield services operations. There was no cost of sales for Kiliwani North operations (2022: US$0.20 million). Consequently, there was a gross profit for the year of US$0.03 million compared with a gross loss of US$0.22 million for the comparative period.

Group administrative expenses, net of costs capitalised against projects, were US$0.69 million (2022: US$2.96 million). The main elements of this were US$0.38 million (2022: US$0.45 million) for employment costs and US$0.31million (2022: US$0.61 million) for share based payment charges, offset by a credit of US$0.99 million (2022: US$1.00 million charge) for a net decrease in tax provisions.

Base running costs for the Group, which excludes non-cash items and one-off costs, are US$1.58 million for the year (US$1.37 million net of recharges), compared with US$1.46 million for 2022 (US$1.19 million after recharges), an increase of 8.2%. This increase is mainly due to inflationary pressures on third-party costs. However, this level of costs is still a significant reduction from 2018, down 70%, when cost control measures commenced.

Calculation of base running costs

	2023 US$'000	2022 US$'000
Administrative expense (income Statement)	**695**	2,964
less non-cash items:		
Movement in provisions	**676**	(1,736)
less one-off items:		
Legal costs	**-**	(37)
Add back recharges to joint operations	**212**	272
Other	**-**	-
Base running costs	**1,583**	1,463

A total of 48 million share options were granted in the year, which incurred a share-based payment charge in the year of US$0.31 million (2022: US$0.61 million).

The Group recognised impairments during the year in both its producing and exploration and evaluation assets. The Group's producing asset, the Kiliwani North-1 well, which was fully impaired in 2021, mainly due to continued delays in agreeing commercial terms, incurred an impairment charge of US$103,000 (2022: US$101,000) (see Note 12). The Kiliwani South prospect (an exploration and evaluation asset), located on the same Kiliwani North Development Licence, was also fully impaired in 2021, mainly due to the absence of any planned development of the licence area. However, no expenditures were incurred during the year and thus no charge was required (2022: US$35,000) (see Note 11). Nyuni Area (an exploration and evaluation asset) continues to be fully impaired and a charge of US$346,000 was recognised in the year (2022: US$378,000), relating mainly to own costs for administrative work and licence maintenance costs, along with training and licence fees. 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 (see note 11).

The Group's resulting net loss from operating activities was US$1.11 million (2022: US$3.70 million).

Finance costs for the year totalled US$0.16 million (2022: US$0.36 million), being unwinding of the discount rate on the decommissioning liability (2022: US$0.11 million). Other finance costs in 2022 were US$0.23 million of foreign exchange losses and US$0.02 million of interest for the Loan agreement with ARA (see Note 26).

The Group recognised no taxation charge for the year. The Group's loss before and after taxation for the year amounted to US$1.12 million (2022: US$4.06 million).

Balance sheet

The Group's investment in exploration and evaluation assets decreased slightly to US$37.98 million as at 31 December 2023, from US$38.05 million as at 31 December 2022. This was mainly the result of a US$0.12 million reduction in the present value of decommissioning costs of the assets due to lower assumed inflation rates. All exploration and evaluation expenditure on Kiliwani South and the Nyuni Area PSA continue to be impaired as incurred following the full impairment of the assets in 2021 and 2018 respectively. 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 2024 work programme.

The carrying value of property, plant and equipment has decreased from US$7,000 at 31 December 2022 to US$4,000 at 31 December 2023 as a result of the depreciation charge for the year of US$3,000 (2022: US$32,000). Additions of US$103,000 for the Kiliwani North-1 well producing asset were impaired following the decision in 2021 to fully impair the asset. This decision was due to the continued absence of a resolution on the commercial terms for the KNDL coupled with the Group's move towards a non-operator strategy, meaning any development of the KN-1 well would likely only be achieved after a farm-out by the Company.

Current assets amounted to US$4.63 million (2022: US$7.13 million) with trade and other receivables of US$1.59 million (2022: US$1.32 million). The largest element of this is US$1.14 million (2022: US$1.12 million) of amounts due from partners in joint operations. Cash and cash equivalents as at 31 December 2023 were US$3.04 million (2022: US$5.81 million), which includes US$1.02 million of cash held on behalf of partners in joint operations.

Total current liabilities amounted to US$8.19 million at 31 December 2023 compared with US$9.92 million at 31 December 2022. Other payables decreased by US$0.98 million, the main movement being a reduction in provisions for tax liabilities of US$0.99 million. This reduction is due to the release of US$1.09 million relating to items no longer expected to be payable, less US$0.10 million of extra provisions, mainly for interest, being made for some of the assessments received in 2023 for the years 2019 – 2020 and for previous assessments. Other movements include a $0.87 million reduction in VAT and excise duty payable on gas receivables as a result of payments made during the year. The balance includes US$1.02 million (2022: US$1.16 million) payable to the Kiliwani North joint operation partners for their profit shares over Kiliwani North past gas sales.

Non-current liabilities, consisting solely of the decommissioning provision, were US$1.82 million at 31 December 2023 (2022: US$1.88 million). The decrease comprises US$0.22 million from lower estimates of the Group's decommissioning obligations due to a lower assumed inflation rate, offset by US$0.16 million (2022: US$0.11 million) due to unwinding of one year of discount of the decommissioning liability.

As disclosed in Note 24, a number of claims have been received from the Tanzanian tax authorities. Provision has been made for all amounts either ceded by Ndovu Resources Limited or where management determine the likelihood of success through the objection or appeals process is unlikely. However, until these claims are settled, it will remain unclear whether NRL's objections will be successful and therefore the amount and timing of potential cash outflows remain uncertain. This has contributed to current liabilities exceeding current assets, but management are confident that this can be managed satisfactorily over the coming year.

Total equity has decreased by US$0.77 million between 31 December 2022 and 31 December 2023 to US$32.61 million (31 December 2022: US$33.38 million). The main elements of the decrease are an increase in retained deficit of US$1.12 million from the loss for the year, offset by an increase of US$0.31 million (2022: US$0.46 million) to the share option reserve.

Cash Flows

Net cash outflows due to operating activities was US$2.65 million (2022: US$1.89 million). The majority of this was comprised of administrative expenses and payments of taxes.

Net cash outflows from investing activities amounted to US$0.26 million (2022: US$0.48 million). This related to expenditure on exploration and evaluation assets for continuing costs on operated Tanzanian licence interests. No expenditures are incurred by the Group on exploration and evaluation activities on the Ruvuma PSA as these are covered by the US$35 million carry since completion of the Farm-Out in 2020.

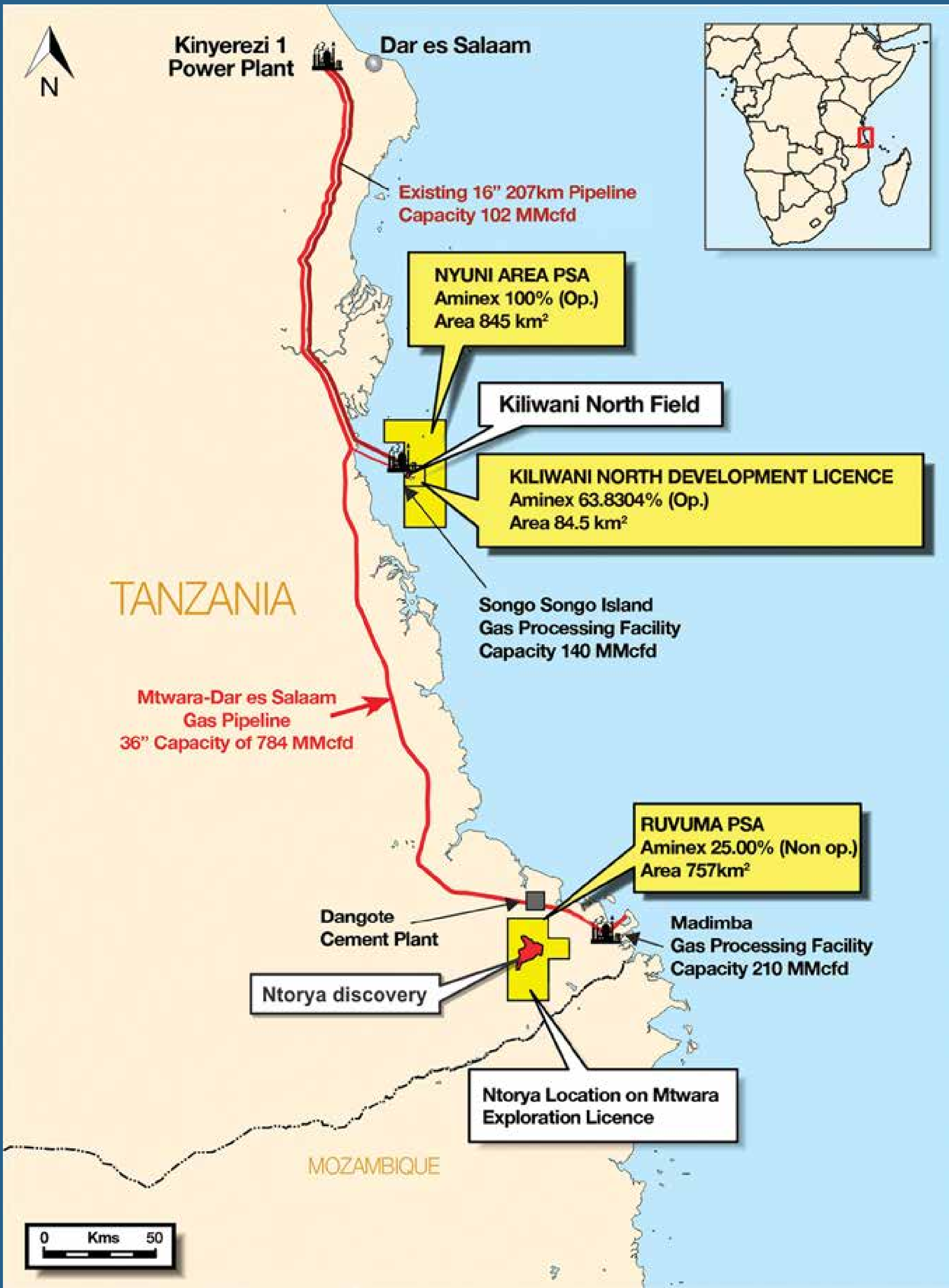
There were no cash inflows from financing activities during the year. In 2022 there was a total inflow of US$3.73 million comprising US$4.20 million (after issue costs) from the April 2022 share placement less repayment of US$0.47 million (including interest) for the ARA loan, a related party of the Group (see Note 26).

Net cash and cash equivalents for the year ended 31 December 2023 decreased by US$2.76 million compared with an increase of US$1.12 million for the comparative period. The balance of net cash and cash equivalents at 31 December 2023 was US$3.04 million (31 December 2022: US$5.81 million).

Nigel Penney
Chief Financial Officer

Operations Review

Aminex's Tanzania Asset Portfolio



Operations Review

continued

TANZANIA

Aminex made its initial investment in Tanzania in 2002. The Company has demonstrated an ability to find, appraise and develop fields successfully from initial concept through to production.

Aminex conducts its operations in Tanzania through its wholly-owned subsidiary, Ndovu Resources Limited, with extensive and constructive relationships with local stakeholders including the country's national oil company, the TPDC, and the upstream regulator, the Petroleum Upstream Regulatory Authority ("PURA").

Aminex, through Ndovu Resources, holds interests in three licences in-country:

- Ruvuma PSA – Development Licence pending
- Kiliwani North Development Licence
- Nyuni Area PSA

Ruvuma PSA – Development Licence pending

Participating interest

Aminex PLC	25%
ARA Petroleum Tanzania Limited (APT - Operator)	75%

Resource Summary – Ntorya Field

Gross Licence Basis (BCF)[1]					
Licence	Gas Resource	1C	2C	3C	Gross PSA unrisked GIIP (BCF)
Mtwara	Development Pending	26	81	213	1,640
Mtwara	Development Unclarified	342	682	950	
			Total 763		

Source: RPS Energy CPR of December 2018

[1] Assuming Development Licence is ratified

The farm-out, completed with APT in October 2020, carries the Company to material levels of production and revenue from gas sales without the need to return to shareholders for 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. The carry, equivalent to US$140 million of gross field expenditure, is expected to see the Company through to potentially significant gas production with commensurate revenues.

Despite attempts by the Operator, at the request of the Government, to fast track an early production system and tie back up to three gas producers via a newly constructed spur line to the gas processing facility at Madimba, various factors have led to delays in both the programme and schedule. The Addendum to the Ruvuma PSA, detailing the fiscal terms for gas (as opposed to oil) production to be applied to production from the PSA, was signed in Dar es Salaam on 25 November 2022. Whilst assurances were given for the early (i) Award of Development Licence, (ii) Signature of the Gas Sales Agreement ("GSA") and (iii) Commitment to construct the gas spur line to Madimba, delays have continued to frustrate progress throughout the year. The GSA was finally signed on

10 January 2024 and the Development Licence is expected to be issued shortly. The Licence will allow the development of the oil and gas assets within the Ruvuma PSA and finally enable APT, as Operator, to formalise drilling contracts and enter direct negotiations with the Tanzanian authorities to expedite construction of the now delayed spur line.

Upon transfer of Operatorship in late 2020, APT immediately started planning the acquisition of approximately 338 km^2 new 3D seismic and preparing for the drilling and testing of the Chikumbi-1 ("CH-1") appraisal well on the Ntorya structure. Acquisition of the 3D seismic was completed in late 2022 and processing undertaken in early 2023. Interpretation commenced in the second half of 2023.

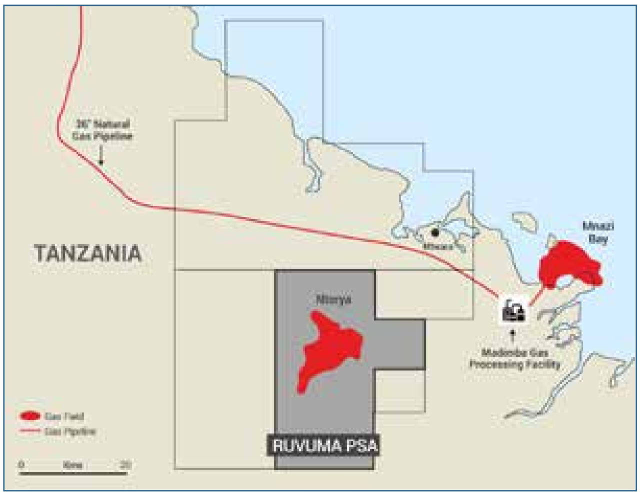
The data seismic is of excellent quality and has been used to refine the extent of the Cretaceous Ntorya discovery, aid in optimally locating future appraisal and development wells, revise in place gas volumes and identify considerable potential upside gas volumes for both the Ntorya play and at other stratigraphic levels across the licence area. APT now estimates Ntorya gas in place to be circa 3.45 TCF but could be as high as 7.95 TCF within multiple stacked channel sands, many of which are currently undrilled. This contrasts with the RPS Energy CPR of 2018 with a P50 GIIP of 1.64 TCF. RPS has been engaged to undertake a revision of their 2018 study to support ongoing activities and the Initial Field Development Plan.

Furthermore, the 3D dataset has revealed considerable undrilled exploration potential within the broader licence area. Multiple undrilled structural and stratigraphic plays spanning a range of geological intervals are estimated by APT to contain an additional total Pmean unrisked GIIP potential of 8.43 TCF.

With the award of the Ruvuma Development Licence expected shortly, the Operator will be in a position, during 2024, to:

- Contract a rig operator to undertake the drilling of the CH-1 appraisal well and, if successful, to complete the well as a gas producer.
- Re-enter and repair a downhole tubular leak in NT-1 to enable the well to be completed as a gas producer.
- Undertake further testing on NT-2, currently suspended as a gas producer, using a mobile test unit and refine the design of in-field gas processing facilities.
- Support the Tanzanian authorities in the construction of a spur pipeline to take gas from Ntorya to the Madimba Gas Plant and accommodate gas extraction from the field.

First gas production is targeting gas rates of up to 60 MMscf/d from NT-1, NT-2 and CH-1 and the authorities have indicated that the spur line will be completed by mid-2025 to permit gas exports from the field.



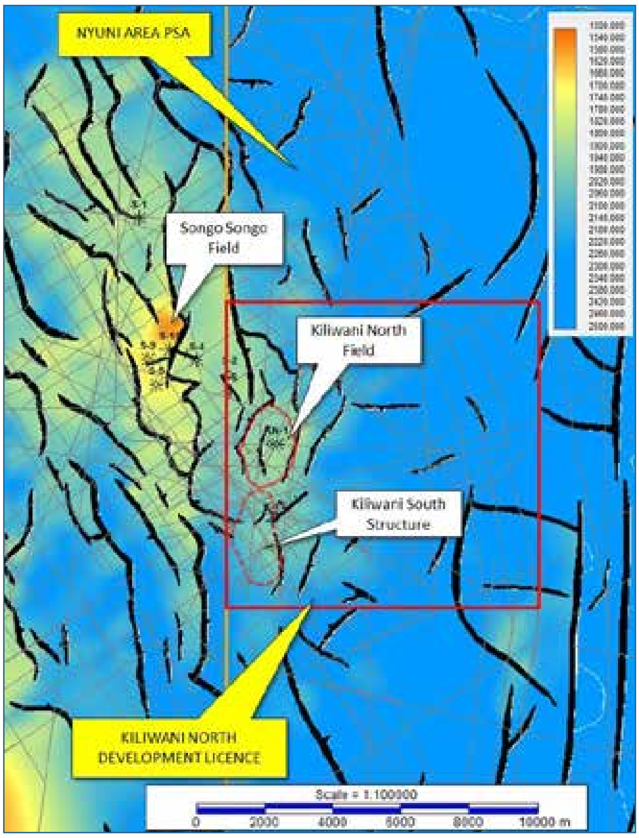
Kiliwani North Development Licence (KNDL)

Participating interest

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

Kiliwani North-1 (KN-1) was drilled into a fault block downdip and immediately to the east of the large Songo Songo Field in 2008 and encountered gas pay within a Cretaceous Neocomian sandstone reservoir. The well tested at a maximum rate of 40 MMscf/d and a Development Licence was issued in 2011 to permit commercial production from the well through the Songo Songo Gas Processing Facility (SSGPF) located on Songo Songo Island.

Production commenced in April 2016 at an average rate of 15 MMscf/d however, from the onset of production, the wellhead pressure declined and production ceased in October 2017 due to the wellhead pressure having declined to the SSGPF inlet pressure of 50 bar. Some 6.5 BCF gas was produced in the period from a reservoir compartment estimated by pressure decline analysis to contain approximately 10 BCF GIIP. The well remains shut-in.



In 2018, RPS Energy independently audited the gas resources and concluded that the Kiliwani North structure, as defined by the existing 2D seismic dataset, contained approximately 31 BCF mean GIIP in multiple reservoir compartments. Additionally, a separate structure identified as Kiliwani South was estimated by Aminex to contain 57 BCF unrisked mean GIIP. Any future drilling activity on KNDL is contingent upon improved seismic resolution of the target structures and the degree of fault compartmentalisation that could be determined with new seismic.

Pan African Energy Tanzania (PAET), the Operator of the adjacent Songo Songo Field, were to conduct an extensive field-wide 3D seismic survey over Songo Songo in 2023 with the seismic contractor, African Geophysical Services (AGS). The survey would have resulted in approximately 12.5 km^2 full fold coverage over KNDL at no cost to the KNDL parties. Whilst coverage of KNDL would have been limited in extent, the new seismic was expected to improve both reservoir and fault resolution in the vicinity of both Kiliwani North and Kiliwani South structures, allowing the Company to determine more effectively new drill and infill drill opportunities.

On 30 October 2023, it was announced that PAET had a dispute with the seismic contractor and consequently, PAET terminated the seismic contract. Our enquiries have since determined that whilst some seismic was acquired over KNDL, it is insufficient to produce a coherent 3D seismic data volume.

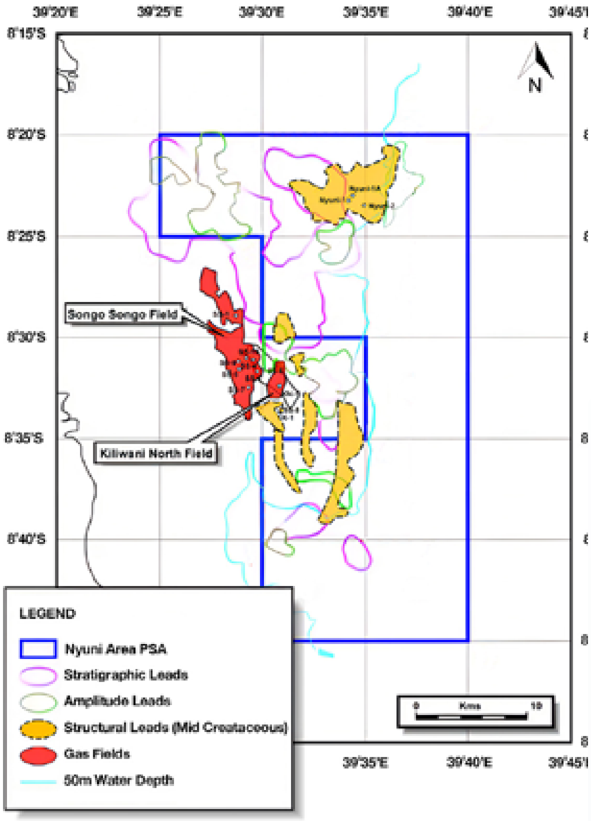
Nyuni Area PSA

Participating interest

Aminex PLC (Operator)	100%

Whilst Aminex continues to believe that the Nyuni Area acreage offers upside exploration potential to complement our development projects at both Ntorya and Kiliwani North, due to the significant exploration risk, the high costs associated with offshore operations and the absence of a farm-in partner to dilute Aminex's exposure, the Company entered discussions in 2022 with the Tanzanian authorities to return the licence to the Ministry.

Discussions have resulted in Aminex being granted a further year in which to find a third-party partner willing to pursue and fund a mutually agreed re-negotiated work programme.



Nyuni Area PSA

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.

Task Force on Climate-related Financial Disclosures

Aminex is aware of the aims of the Task Force on Climate-related Financial Disclosures ("TCFD") in communicating the risks and opportunities arising from climate change. The TCFD sets out eleven recommendations under four pillars. The Company has complied with the disclosures relating to Governance and Risk Management but has not complied with those relating to Strategy and Metrics and targets.

Governance

- Describe the Board's oversight of climate-related risks and opportunities.
- Describe management's role in assessing and managing climate-related risks and opportunities.

As regards Governance, the Board of Aminex has ensured that climate change is incorporated into Group strategy and is identified as a principal risk of the Group. The analysis of climate-related risks has been integrated into the Group's existing risk management framework, as set out on page 24. As such, the Management Risk Committee (consisting of the executive management team) (MRC) has primary responsibility for monitoring and managing climate-related risks and opportunities. The MRC considers all ESG issues when reviewing and guiding strategy, major plans of action and risk management policies, as well as when overseeing expenditures, acquisitions and divestments.

Strategy

- Describe the climate-related risks and opportunities identified over the short, medium and long term.
- Describe the impact of climate-related risks and opportunities on business, strategy and financial planning.
- Describe the resilience of the strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Our strategy is to build a better future through responsible sustainable gas development, to be a producer of energy that replaces more carbon-intensive fossil fuels during the energy transition, thereby lowering GHG emissions in a pragmatic and achievable manner. Given the size and resources of the Company, together with its current non-operating status, the Board has not complied with the Strategy pillar. The Board intends to comply with the TCFD disclosures next year by commissioning external consultants to advise on this area.

Risk management

- Describe the processes for identifying and assessing climate-related risks.
- Describe the processes for managing climate-related risks.
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management.

The climate-related risks that could impact our business are identified by the MRC, which includes the Executive Chairman, the chief financial officer and general counsel. As and when required the MRC will take advice from technical advisors. The MRC meets formally at least three times a year and reports to the Audit and Risk Committee, which will review and approve (or recommend any changes to) the risks. The MRC will also report directly to the Board at least twice a year.

As part of this process, our climate-related risks, and their potential impact, were assessed and the risks detailed on page 24 were reconfirmed. Our process for identifying and assessing climate-related risks considers information provided by various industry bodies including the IEA, the World Bank and other industry and professional bodies. We also consider the ongoing work of key stakeholders in Tanzania to inform our assessment and understanding of risk in our areas of operation.

Metrics and targets

- Disclose the metrics used to assess climate-related risks and opportunities in line with the strategy and risk management process.
- Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and related risks.
- Describe the targets used to manage climate-related risks and opportunities and performance against targets.

Since the beginning of the COVID-19 pandemic in March 2020, our management and staff all operate our business from home-based locations, thereby reducing the high level of energy consumed by a fixed office location and eliminating the emissions footprint left by commuting to work by many forms of transport. The Group also hold the majority of its Board and Committee meetings by videoconference, thus reducing its emissions footprint further by the elimination of travel. Given the size and resources of the Company, together with its current non-operating status, the Board has not complied with the Metrics and targets pillar. The Board intends to comply with the TCFD disclosures next year by commissioning external consultants to advise on this area.

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 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. During 2023, as part of the Ruvuma joint venture, the Company contributed cement towards the construction of various projects in the Mtwara district.

Governance

Effective corporate governance is critical to achieving our strategic objectives and delivering value to our shareholders. 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, through its effective management systems and maintaining and adhering to all of the policies and procedures that the Company has in place.

Board of Directors

Charles Santos, (62) (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 35 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 2022.

Tom Mackay, (67) (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 financial advisory capacities to the Gemini Oil & Gas Funds, investing in global appraisal and development projects.

Sultan Al-Ghaithi, (48) (Oman)

Non-Executive Director

Sultan Al-Ghaithi has over 20 years of industry experience and is currently Chief Executive Officer of Eclipse Investments LLC and 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 2022.

Robert Ambrose, (64) (UK)

Non-Executive Director (A,N,R)

Robert Ambrose is the Chief Compliance Officer for ARA Petroleum. He was the Chief Operating Officer of The Zubair Corporation's Energy & Logistics Division. He has a Master's in Petroleum Engineering from Imperial College, London, and a Mechanical Engineering Honours Degree from Brunel University in the UK. He has over 40 years of experience in the oil and gas industry, from downstream to upstream, covering many aspects of the supply chain. He has experience in and has held senior management roles involving the reservoir, well construction, and production both onshore & offshore. He joined The Zubair Group in 2001 and previously served on the Aminex board between September 2019 until January 2021 as a non-executive director and then as interim CEO.

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

Director's 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 2023.

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 14 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 35, the Group loss after tax amounted to US$1.12 million which compares with a loss after tax of US$4.06 million for 2022. No dividends were paid during the year (2022: US$nil).

Share capital

At 31 December 2023, 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 4,211,167,024 and 818,658,421 respectively (2022: 4,211,167,024 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 (2022: €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 (2022: 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, Charles Santos retires from the Board and being eligible offers himself for re-election. Robert Ambrose was appointed to the Board on 1 September 2023, since the last Annual General Meeting, and is therefore required to seek election at the forthcoming Annual General Meeting. James Lansdell stepped down from the Board on 1 September 2023.

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 2023 had no beneficial interests in any of the shares of the Company and Group companies other than Ordinary Shares in Aminex PLC as follows:

Directors' Report

continued

Director	Number of Ordinary Shares 26 April 2024	31 December 2023	31 December 2022
Tom Mackay	1,528,947	1,528,947	1,528,947
Robert Ambrose	7,533,526	7,533,526	n/a

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	1,153,536,807	27.39

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 2023 and outlook for 2024 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 financial 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 financial 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

In April 2024, the Company signed a US$3.00 million funding facility with Eclipse Investments LLC, a significant shareholder of Aminex PLC.

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
26 April 2024

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 2022, 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.

Additional Information for Shareholders

continued

Variation of rights

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

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

Appointment and replacement of Directors

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

The Company may, by ordinary resolution of which extended notice has been given in accordance with the Companies 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.

The Company notes that the QCA introduced an updated corporate governance code in November 2023 which will apply to companies with accounting periods commencing on or after 1 April 2024. It further notes that the Financial Conduct Authority has proposed that the existing Premium and Standard listing segments are combined into a single segment for equity shares in commercial companies. Under the proposals, that are due to come into force towards the end of 2024, a new transition category for existing Standard listed companies would be created. This will impact the relevant listing rules applicable to the Company, including the requirement for the Company to report against the UK Corporate Governance Code, in place of the QCA Code.

Corporate Governance

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 2023.

	Board (Main)	Audit and Risk Committee	Remuneration Committee
Number of meetings	3	3	2
	Meetings attended	Meetings attended	Meetings attended
Sultan Al-Ghaithi	2	n/a	n/a
Robert Ambrose[1]	1	2	1
James Lansdell[2]	2	1	1
Tom Mackay	3	3	2
Charles Santos	3	n/a	n/a

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

1 Appointed 1 September 2023

2 Retired 1 September 2023

During 2023, certain Directors who were not committee members attended meetings of the Committees by invitation. These details have not been included in the table above.

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 2023, 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. Share options were granted to Tom Mackay under the Plan as part of his remuneration package in 2022. Further share options under the Plan were granted to him in June 2023. 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 2022, 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, Sultan Al-Ghaithi and Robert Ambrose, 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. Charles Santos is required to seek re-election at the forthcoming Annual General Meeting. 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 maintains 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. 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 operation 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 financial 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 financial 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 2022 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 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.

Corporate Governance

continued

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 sufficient financial 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 specifically 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 2023, 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 16.

Tom Mackay, the Senior Independent Director, has a beneficial interest in the Company and participates in the Aminex PLC Executive 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. Further share options under the Plan were granted to him in June 2023. The Board considers Tom Mackay is free from any business relationships or circumstances that could materially interfere with the exercise of his independent judgement.

Sultan Al-Ghaithi, a Non-Executive Director, was granted options under the Plan in June 2023. Sultan Al-Ghaithi is the Chief Executive Officer of Eclipse, a major shareholder in the Company, and was nominated by Eclipse to be a Non-Executive Director.

Sultan Al-Ghaithi is also the Chief Executive Officer of ARA Petroleum LLC which is an associate company of Eclipse. 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.

Robert Ambrose, a Non-Executive Director, has a beneficial interest in the Company. Robert Ambrose is the Chief Compliance Officer for ARA Petroleum LLC which is an associate company of Eclipse Investments LLC ("Eclipse"), a major shareholder in the Company, and was nominated by Eclipse 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 sufficiently 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, transactional and financial experience. The average tenure of service by a Director (including previous service by Tom Mackay, Sultan Al-Ghaithi and Robert Ambrose) is five 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.

Corporate Governance

continued

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 2023.

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 2023.

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 efficient 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 identification, 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 financial statements, is overseen by the Audit and Risk Committee. The Group's financial 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.

Corporate Governance

continued

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 cashflow 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 significant developments. The Annual General Meeting is normally attended by all Directors. Shareholders, including private investors, are invited to ask questions on matters including the Group's operations and performance and to meet with the Directors after the formal proceedings have ended.

The Group maintains a website www.aminex-plc.com on which all announcements, financial statements and other corporate information are published. The Directors are available to meet institutional shareholders for ad hoc discussions. The Senior Independent Director is available to meet with shareholders if they have concerns which contact through the normal channels of the 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 financial experience. During the year, the Audit and Risk Committee comprised Tom Mackay (Chair), James Lansdell (until 1 September 2023) and Robert Ambrose (from 1 September 2023). 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 three 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 three 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 financial statements, review key financial 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 findings). 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 intra-group loans, the carrying value of exploration and evaluation assets, the carrying value of production assets held under property, plant and equipment, 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 2023 and the financial statements for the year ended 31 December 2023 in April 2024. 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 2023 is US$38.0 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 exploration licence extension in August 2021 (which expired on 15 August 2023) and the application in January 2023 for a development licence, which is expected to be issued shortly (and supercedes the application in October 2022 for a second exploration licence) as significant steps 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 processing and interpretation of the 3D seismic data and the proposed work programme and budget for 2024, approved by all Ruvuma JV partners, that included the drilling of the Chikumbi-1 exploration and appraisal well later this year, as well as the workover of the Ntorya-1 well.

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, the Group commenced discussions with the Tanzanian authorities during 2022 to return the licence to the Ministry of Energy. Such discussions are ongoing and have resulted in the Group being requested to continue to market the licence into 2024 in an attempt to find a third-party partner willing to pursue and fund a mutually agreed re-negotiated work programme. The Committee confirmed management's conclusion that the Nyuni Area PSA assets should continue to be fully impaired at 31 December 2023 and any expenditure related to the Nyuni Area PSA in 2023 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 2023.

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 continued to exist 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 generally be higher than the assets fair value less cost of disposal.

The Committee noted the key assumption for the 2023 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, as the fair value less costs of disposal was also considered to be nil, the asset should remain fully impaired.

The total impairment charge recognised in 2023 was US$0.10 million (2022: US$0.10 million).

Carrying value of intra-group loans

During the year, as a result of a small increase in forecast expenditures on the Ruvuma PSA CGU and further amounts advanced to subsidiaries during the year, the partial provision for the Company's intercompany loan due from its subsidiary Ndovu Resources Limited was increased by US$2.18 million.

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 downward revision in cost estimates as at 31 December 2023 due to a lower assumed inflation rate. The Committee agreed with management's assumption to continue to adopt the mid-to-upper range cost estimates provided by a third party in 2022 due to significant uncertainty that remains over the condition of the Kiliwani North-1 well and abandonment requirements until the programme is agreed with the Tanzanian authorities. The decrease in cost estimates contributed US$0.22 million to the overall decrease in the decommissioning liability as at 31 December 2023.

Recognition of commitments, guarantees and contingent liabilities

The Audit and Risk Committee considered the ongoing tax assessments covering the periods from 2013 to 2015, 2016 to 2018 and 2019 to 2020 from the Tanzania Revenue Authority ("TRA"). The Committee took into account relevant tax legislation and advice from the Company's local tax consultant. The Committee further considered and assessed the status of management's discussions with the TPDC concerning historical 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 and Risk Committee considered the Group and the Company's ability to continue as going concerns. The Audit and Risk 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 going concern period i.e. 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 current cash balances and the US$3.0 million funding facility arranged with Eclipse Investments LLC, 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 assessments received by the Group's Tanzanian wholly owned subsidiary in relation to 2013 to 2015, 2016 to 2018 and 2019 to 2020 as set out in Note 24 and that development or decommissioning of the Group's 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, as the Group has been successful in raising equity funds at various times and in similar circumstances in the recent past on acceptable terms to the Group, 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 2020 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 four 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 6 of the financial statements. In addition to processes and safeguards put in place to ensure segregation of audit and non-audit roles, as part of the assurance process in relation to the audit, the external auditor is required to confirm to the Audit 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 fifth 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 and Risk Committee has closely monitored the maintenance of internal controls and risk management during the year. Key financial risks are reported during each Audit and Risk 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 the Management Risk Committee 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 Tom Mackay (Chair), James Lansdell (until 1 September 2023) and Robert Ambrose (from 1 September 2023). The Remuneration Committee met twice during the year in June 2023 and December 2023 to consider the granting of options under the Aminex PLC Restricted Share Plan ("the Plan") and to review the remuneration of the Group's Directors and staff. Options were granted in June 2023 to Charles Santos, Tom Mackay,James Lansdell and Sultan Al-Ghaithi under the Plan. Details of Directors' remuneration and options held is set out in the Directors' Remuneration Report on pages 27 to 28.

Nomination Committee

During the year, the Nominations Committee comprised Charles Santos (Chair), Tom Mackay, James Lansdell (until 1 September 2023) and Robert Ambrose (from 1 September 2023). The Nominations Committee did not formally meet during the year however various discussions between and among Directors took place.

Diversity

As at 31 December 2023, the Board had no women members and none of the two senior positions on the Board was held by a women. 25% of the Board identified as being ethnic minority. The Board recognises that it does not currently meet the UK Listing Rules targets, however the Board will

Board and leadership team diversity as at 31 December 2023

As required under Listing Rule 14.3.33R, the breakdown of the gender identity and ethnic background of the Board and Executive management, as at 31 December 2023 is set out in the tables below. This information is based on self-reported data from the Board and Executive Team. Between 31 December 2023 and 26 April 2024, being the date at which this report is approved, there have been no changes in composition of the Board or Executive Team.

Gender Identity	Number of Board members	Percentage of the Board	Number of Senior positions on the Board[1]	Number in Executive management[2]	Percentage of Executive management
Men	4	100%	2	3	100%
Women	0	0%	0	0	0%
Ethnic background					
White British or other white	3	75%	2	3	100%
Mixed/multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group, including Arab	1	25%	0	0	0%

1. Includes Executive Chairman and Senior Independent Director.
2. Includes the Executive Team (which includes the Executive Chairman) and aligns with the FCA's definition of executive management.

be seeking to address this in the coming years. The Board recognises the role of diversity in promoting balanced and considered decision making which aligns with the Group's purpose, values and strategy, however it also recognises the requirement to maintain a size of Board commensurate to the scope of its operations at this stage. All Board appointments are made on an objective and shared understanding of merit, in line with required competencies relevant to the Company as identified by the Nomination Committee with the prime objective to maintain and enhance the Board's overall effectiveness.

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 identification, 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 financial statements, is overseen by the Audit and Risk Committee. The Group's financial 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 cashflow 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 and, given its business objectives, affects the Company directly, and potentially acutely. These risks fall into two main categories – transitional and physical.

Transitional – These include the potential pricing of GHG emissions and enhanced emissions-reporting obligations, leading to increased reporting costs; increased volatility and downside risk in oil prices could affect the commerciality of the Company's portfolio, leading to loss of licence to operate and resulting in limited access to and increased cost of capital; with growing global awareness of climate change, there is a risk of increased climate-related litigation, leading to increased operating costs; risk of reduced demand for carbon-intensive products in the medium- to long-term given the general global transition to a low-carbon economy.

Physical – Acute events include heat waves, drought, flash flooding, coastal flooding and increased storm frequency, that could threaten surface facilities and infrastructure, leading to disruption, increased costs and insurance costs; impacts on worker health and safety, leading to increased costs; effect on business continuity in general. The chronic effect of rising temperatures and rising sea levels could also impact worker health and safety.

Mitigation – 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 and transition to a low carbon economy may have a minimal effect on the Group's business in the short to medium term. Some of the gas produced by the Group in Tanzania will be replacing less clean fossil fuels, such as charcoal and coal. The Group will continue to monitor shifts in investor sentiment towards the oil and gas sector related to climate change, closely monitor the promulgation of new climate legislation and policies as well as receiving updates relating to Tanzania's energy transition and climate resilience plans. The Group has enhanced its understanding of climate related financial risks. Together with the Operator of the Ruvuma asset, the Group will develop and implement a GHG and flaring management plan, as well as incorporating the risks associated with the general transition to a low-carbon economy into decision making processes.

Delay to production of gas from Ruvuma – Development and production of gas from the Ruvuma asset may be delayed beyond the current targeted timescale of mid-2025 due to any or a combination of the following factors causing a delay in receipt of revenue and a requirement to raise capital: adverse weather; operator and contractor-related delays; delay in transportation/clearance of drilling rig and other equipment; government bureaucracy; failure by the TPDC to build the necessary pipeline.

Mitigation – Aminex cooperates with the Ruvuma operator and other relevant stakeholders to assist with the timely development of the Ruvuma asset and continually reviews its funding and fundraising options should further funding be required prior to the receipt of gas revenues from Ruvuma. In April 2024, the Company signed a US$3.00 million funding facility with Eclipse Investments LLC, a significant shareholder of Aminex PLC.

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 fully carried on its Ruvuma interest which allowed it to access the financial and technical resources of APT and therefore to enable the 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 five years to reduce ongoing G&A expenses. In April 2024, the Company signed a US$3.00 million funding facility with Eclipse Investments LLC, a significant shareholder of Aminex PLC.

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 financial penalties. The Group commenced the process to hand back the Nyuni Area licence to the Tanzanian authorities in 2022 however it is continuing to seek to attract a new partner for the licence during 2024. 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 is looking to secure a new partner to undertake a work programme on the licence and in the event of failing to secure such partner it will seek, through negotiation, to minimise any liability related to unfulfilled work commitments.

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, including unwarranted tax assessments. The Tanzanian government passed three laws in July 2017, affecting 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 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 2022 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 risk in order to diversify its portfolio and to reduce exposure to one business via farm-outs. The Company will continue to robustly object to any tax assessments that it deems are unwarranted using the processes available to it in Tanzania.

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.

Corporate Governance

continued

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 suffer penalties or damage to reputation through failure to comply with legislation or other regulations, in particular those over bribery and corruption, and these risks may 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 2024.

Financial Risks

Currency risk – Although the reporting currency is the US dollar, which is the currency most commonly used in the pricing of petroleum commodities and for significant exploration and production costs, a significant proportion of the Group's other expenditure (in particular central administrative costs) is made in local currencies (as are the Company's equity fundings), and fluctuations in exchange rates may significantly impact the results of the Group and the results between periods, thus creating currency exposure. It was reported by an oil and gas producer in Tanzania that, due to the apparent scarcity of US dollars in Tanzania, the TPDC has been required to settle gas purchase invoices in Tanzanian shillings. If this was to apply to the Group for revenues from its assets, it could be exposed to currency fluctuations and currency conversion costs.

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. The Group will continue to monitor all messaging around the settlement of gas deliveries in Tanzania and seek assurance from the relevant authorities.

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 US$3.0 million funding facility with Eclipse Investments LLC 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 management and expected timing of outcomes of ongoing objections to tax assessments in Tanzania (see Note 24).

Current liabilities exceeded current assets at the end of 2023, mainly as a result of provisions made for some contested tax assessments. As disclosed in Note 24, the Group received (a) 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, (b) tax assessments in June 2022 from the TRA of US$4.85 million in relation to audits covering the period from 2016 to 2018 and (c) tax assessments in June 2023 from the TRA of US$3.3 million in relation to an audit covering the period from 2019 to 2020, all of which, except for some amounts agreed with the TRA to be paid, are excluded from the cash forecast as any cash outflow during the going concern period is considered unlikely based on either legal advice or the timeframes for tax cases in Tanzania. Additionally, development and decommissioning of the Group's assets in Tanzania is excluded from the cash forecast. The Group commenced discussions with the Tanzanian authorities in 2022 to return the Nyuni Area licence to the Ministry of Energy and such discussions have resulted in the Group continuing to market the licence in 2024 in an attempt to find a third-party partner willing to pursue and fund a mutually agreed re-negotiated work programme. Even if the farm-out process is successful no capital expenditure in the period is expected to arise. However, a risk exists that the Group loses its objection to the tax assessments 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 financial statements.

On behalf of the Board

Tom Mackay

Director

26 April 2024

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.

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	
	2023 US$'000	2022 US$'000
Sultan Al-Ghaithi	**44**	24
Robert Ambrose[1]	**15**	-
James Lansdell[2]	**29**	24
Tom Mackay	**44**	24
Total	**132**	72

1 Appointed 1 September 2023
2 Retired 1 September 2023

The remuneration of the Executive Director was as follows:

	Basic Salary		Bonus		Benefits in kind		Sub total		Pension		Total	
	2023 US$'000	2022 US$'000	**2023 US$'000**	2022 US$'000	**2023 US$'000**	2022 US$'000	**2023 US$'000**	2022 US$'000	**2023 US$'000**	2022 US$'000	**2023 US$'000**	2022 US$'000
Charles Santos	**101**	73	**-**	18	**-**	-	**101**	91	**-**	-	**101**	91
Total	**101**	73	**-**	18	**-**	-	**101**	91	**-**	-	**101**	91

The exchange rate used for the conversion of base remuneration in Pound sterling into US dollars is 1.2568.

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 2023. 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 2023, there was one Executive Director (2022: one) and three Non-Executive Directors (2022: three). 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 Executive 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, 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 2023 had the following beneficial interests in options over the Company's Ordinary Shares:

Name	Options held at 1 January 2023 Number	Options granted/ (lapsed) during the year Number	Options held at 31 December 2023 Number	Exercise price Sterling	Period of exercise From	To
Sultan Al-Ghaithi	-	10,000,000	10,000,000	Stg1.00p	Jun-23	Jun-28
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
	6,000,000	-	6,000,000	Stg0.60p	Jan-22	Jan-27
	-	10,000,000	10,000,000	Stg1.00p	Jun-23	Jun-28
Charles Santos	30,000,000	-	30,000,000	Stg0.60p	Jan-22	Jan-27
	-	12,000,000	12,000,000	Stg1.00p	Jun-23	Jun-28
	61,000,000	**32,000,000**	**93,000,000**			

During the year, the Company granted a total of 48 million share options to Directors and staff. Charles Santos was awarded 12 million options over Ordinary Shares and 10 million options over Ordinary Shares were awarded to each of Tom Mackay, James Lansdell and Sultan Al-Ghaithi. The exercise price is Stg1.00p, and the options do not vest until the average closing share price of the Company is no lower than Stg2.00p for five consecutive trading days. The exercise period shall not exceed five years from date of grant. Brian Cassidy, the Company Secretary, has an interest in 30,000,000 options with an exercise price ranging from Stg0.60p to Stg1.40p.

No options were exercised 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 differ 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 2023 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

Independent Auditor's Report to the Members of Aminex PLC

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 2023, which comprise the Group income statement, the Group statement of other comprehensive income, the Group and the Company balance sheets, the Group and Company statements of changes in equity, the Group and Company statements of cash flows and notes to the financial statements, including material accounting policy information 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 2023 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 2023;
- 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 financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 described below 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 for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to listed entities, 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 indicates that the Group and the Company may need to raise additional funding which is not guaranteed. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as going concerns. 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. Our evaluation of the directors' assessment of the Group and the Company's ability to continue as going concerns included the following:

- 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 Directors' assessment of financial exposure to claims and disputes against the information we obtained during the audit with respect to these matters. We formed our own assessment of the risks and uncertainties based on our understanding of the business and oil and gas sector.
- We inspected the Directors' sensitivity analysis performed, assessed the appropriateness of the assumptions made to determine whether the Group and the Company requires further funding by considering if the contingent liabilities might become payable during the going concern period and considered whether such scenarios were reasonably possible.
- We assessed the base case cash flow forecasts and challenged the key assumptions by comparing the inputs to empirical data and external information where possible. In doing so, we considered the consistency of the forecast against factors such as historical operating expenditure and the Group's operating strategy. We evaluated commitments under the Production Sharing Agreements ("PSAs") and licences, inspected board minutes, market announcements and correspondence with the Tanzania Petroleum Development Corporation ("TPDC") and the Petroleum Upstream Regulatory Authority ("PURA") for indications of additional cash requirements.
- We inspected and considered the adequacy of the disclosures within the financial statements relating to the Directors' assessment of the going concern basis of preparation checking that the disclosures reflect the key judgements and estimates made.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Aminex PLC

continued

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the legal and regulatory framework applicable to the Group and Company and the industry in which it operates;
- Discussion with management and the audit committee to consider any known or suspected instances of non-compliance with laws and regulations identified by them; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations of Tanzania, Ireland and the UK to be those relating to the industry, financial reporting framework, tax legislation and the listing rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of Tanzanian tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and the audit committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
- Detecting and responding to the risks of fraud; and
- Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the risk of management override of controls.

Our procedures in respect of the above included:

- Testing the appropriateness of a sample of journal entries throughout the year, which met a defined risk criteria to be a higher risk of potential fraud and other adjustments, by agreeing to supporting documentation;
- Performing a detailed review of the Group's and Company's year-end adjusting entries and investigating any that appear unusual as to nature or amount and agreeing to supporting documentation; and
- Assessing whether the judgements made in making accounting estimates specifically those in the Key Audit Matters section of the report are indicative of a potential bias, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

<table>
<tr><th>Key audit matter</th><th>How the scope of our audit addressed the matter</th></tr>
<tr><td colspan="2">Carrying value of Gas Assets</td></tr>
<tr><td>
The Group's gas assets consist of exploration and evaluation (E&E) assets as well as gas producing assets.
As detailed in the note 11, the Group's E&E assets consist of the Nyuni Area, Lindi and Mtwara (Ruvuma PSA), and Kiliwani South exploration areas, of which the Nyuni Area and Kiliwani South have a nil carrying value following the impairment recognised during prior years and Ruvuma PSA has a carrying value of USD $38m as at 31 December 2023. The gas producing well, Kiliwani North-1 has a nil carrying value following the impairment recognised during 2021, as detailed in note 12.
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 ("IFRS 6") 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, 11, and 12 the impairment review of the group's 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 together with the related disclosures to be a key audit matter.
</td><td>
Our procedures in relation to management's assessment of the Carrying value of Ruvuma PSA E&E assets included:

We inspected 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 inspected 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 management's judgement.
We gained an understanding of the strategy the directors are pursuing in each licence area. In doing so, we inspected the licence documentation, the development Licence application, the respective PSAs and the related legislation, made inquiries of management and reviewed correspondence in respect of the licences.
We inspected 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 inspected the legislation relevant to the impairment and the terms of the Ruvuma PSA.
We evaluated the adequacy of the Group's disclosures in respect of the impairment assessments against the requirements of IFRS 6.

Our procedures in relation to management's assessment of the Carrying value of other gas assets included:

We reviewed Management's assessment of other licences, which remain impaired and unchanged from the prior year and evaluated whether the conditions that triggered the original impairment of those assets had reversed.
We assessed the adequacy of the disclosures contained within the financial statements against the requirements of the applicable accounting standard.

</td></tr>
<tr><td colspan="2">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.</td></tr>
</table>

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.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

Group materiality FY 2023	Group materiality FY 2022	Basis for materiality
US$420,000	US$450,000	1% of total assets (2022: 1% of total assets)

We chose total assets as the benchmark because, in our view, we consider it to be one of the principal considerations for stakeholders of the Group in assessing the financial performance of the Group.

We selected 1% based on our professional judgment and the perceived level of risk, noting that it is also within the range of commonly accepted asset benchmarks.

Independent Auditor's Report to the Members of Aminex PLC

continued

Whilst materiality for the financial statements as a whole was US$420,000 (2022: US$450,000), the significant components of the group were audited to a lower materiality of US$294,000 to US$51,000 (2022: US$317,000 to US$32,300).

Materiality for the Company was set at US$294,000 (2022: US$317,000) 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$315,000 (2022: US$330,000) for the financial statements as a whole and US$220,500 (2022: US$237,000) for the Company which represents 75% (2022: 75%) 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 (2022: US$9,000), 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.

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

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.

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 course of 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.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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

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 any material misstatements in the directors' report.

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 out 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at:: https://iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_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
Block 3, Miesian Plaza
50-58 Baggot Street Lower
Dublin 2, D02 Y754
AI223876
26 April 2024

Group Income Statement

for the year ended 31 December 2023

	Notes	2023 US$'000	2022 US$'000
Continuing operations			
Revenue	2	**112**	64
Cost of sales	3	**(82)**	(284)
Gross profit / (loss)		**30**	(220)
Administrative expenses	3	**(695)**	(2,964)
Impairment against property, plant and equipment assets	12	**(103)**	(101)
Impairment against exploration and evaluation assets	11	**(346)**	(413)
Loss from operating activities		**(1,114)**	(3,698)
Finance income	7	**154**	-
Finance costs	8	**(159)**	(361)
Loss before tax	6	**(1,119)**	(4,059)
Taxation	9	**-**	-
Loss for the financial year attributable to equity holders of the Company		**(1,119)**	(4,059)
Basic and diluted loss per Ordinary Share (in US cents)	10	**(0.03)**	(0.10)

Group Statement of Other Comprehensive Income

for the year ended 31 December 2023

	2023 US$'000	2022 US$'000
Loss for the financial year	**(1,119)**	(4,059)
Other comprehensive income:		
Items that are or may be reclassified to profit or loss:		
Currency translation differences	**37**	(113)
Total comprehensive expense for the financial year attributable to the equity holders of the Company	**(1,082)**	(4,172)

On behalf of the Board

Charles Santos
Director

Tom Mackay
Director

26 April 2024

Group and Company Balance Sheets

at 31 December 2023

	Notes	Group 2023 US$'000	Group 2022 US$'000	Company 2023 US$'000	Company 2022 US$'000
Assets					
Non-current assets					
Exploration and evaluation assets	11	**37,978**	38,048	**-**	-
Property, plant and equipment	12	**4**	7	**-**	-
Investments in subsidiary undertakings	14	**-**	-	**6,112**	6,040
Amounts due from subsidiary undertakings	15	**-**	-	**95,614**	97,050
Total non-current assets		**37,982**	38,055	**101,726**	103,090
Current assets					
Trade and other receivables	16	**1,592**	1,322	**13**	12
Amounts due from subsidiary undertakings	15	**-**	-	**532**	259
Cash and cash equivalents	17	**3,041**	5,805	**1,694**	2,894
Total current assets		**4,633**	7,127	**2,239**	3,165
Total assets		**42,615**	45,182	**103,965**	106,255
Equity					
Issued capital	21	**69,695**	69,695	**69,695**	69,695
Share premium		**128,340**	128,340	**128,340**	128,340
Other undenominated capital		**234**	234	**234**	234
Share option reserve		**1,541**	1,231	**1,541**	1,231
Foreign currency translation reserve		**(2,267)**	(2,304)	**-**	-
Retained deficit		**(164,934)**	(163,815)	**(95,883)**	(93,300)
Total equity		**32,609**	33,381	**103,927**	106,200
Liabilities					
Non-current liabilities					
Decommissioning provision	19	**1,821**	1,884	**-**	-
Total non-current liabilities		**1,821**	1,884	**-**	-
Current liabilities					
Trade and other payables	18	**8,185**	9,917	**38**	55
Total current liabilities		**8,185**	9,917	**38**	55
Total liabilities		**10,006**	11,801	**38**	55
Total equity and liabilities		**42,615**	45,182	**103,965**	106,255

On behalf of the Board

Charles Santos
Director

Tom Mackay
Director

26 April 2024

Group Statement of Changes in Equity

for the year ended 31 December 2023

	Share capital US$'000	Share premium US$'000	Other undenominated capital US$'000	Share option reserve US$'000	Foreign currency translation reserve US$'000	Retained deficit US$'000	Total US$'000
	Attributable to equity shareholders of the Company						
At 1 January 2022	69,206	124,481	234	769	(2,191)	(159,748)	32,751
Transactions with shareholders of the Company recognised directly in equity							
Shares issued	489	3,859	-	-	-	(153)	4,195
Share-based payment charge	-	-	-	607	-	-	607
Share option reserve transfer	-	-	-	(145)	-	145	-
Total comprehensive income / (expense):							
Loss for the financial year	-	-	-	-	-	(4,059)	(4,059)
Currency translation differences	-	-	-	-	(113)	-	(113)
At 31 December 2022	69,695	128,340	234	1,231	(2,304)	(163,815)	33,381
Transactions with shareholders of the Company recognised directly in equity							
Shares issued	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Share-based payment charge	**-**	**-**	**-**	**310**	**-**	**-**	**310**
Share option reserve transfer				**-**		**-**	**-**
Total comprehensive income:							
Loss for the financial year	**-**	**-**	**-**	**-**	**-**	**(1,119)**	**(1,119)**
Currency translation differences	**-**	**-**	**-**	**-**	**37**	**-**	**37**
At 31 December 2023	**69,695**	**128,340**	**234**	**1,541**	**(2,267)**	**(164,934)**	**32,609**

Company Statement of Changes in Equity

for the year ended 31 December 2023

	Share capital US$'000	Share premium US$'000	Other undenominated capital US$'000	Share option reserve US$'000	Retained deficit US$'000	Total US$'000
	Attributable to equity shareholders of the Company					
At 1 January 2022	69,206	124,481	234	769	(100,248)	94,442
Transactions with shareholders of the Company recognised directly in equity						
Shares issued	489	3,859	-	-	(153)	4,195
Share-based payment charge	-	-	-	607	-	607
Share option reserve transfer	-	-	-	(145)	145	-
Total comprehensive income:						
Profit for the financial year	-	-	-	-	6,956	6,956
At 31 December 2022	69,695	128,340	234	1,231	(93,300)	106,200
Transactions with shareholders of the Company recognised directly in equity						
Shares issued	**-**	**-**	**-**	**-**	**-**	**-**
Share-based payment charge	**-**	**-**	**-**	**310**	**-**	**310**
Share option reserve transfer	**-**	**-**	**-**	**-**	**-**	**-**
Total Comprehensive income:						
Loss for the financial year	**-**	**-**	**-**	**-**	**(2,583)**	**(2,583)**
At 31 December 2023	**69,695**	**128,340**	**234**	**1,541**	**(95,883)**	**103,927**

Group and Company Statements of Cashflows

for the year ended 31 December 2023

	Notes	Group 2023 US$'000	Group 2022 US$'000	Company 2023 US$'000	Company 2022 US$'000
(Loss) / profit for the financial year		**(1,119)**	(4,059)	**(2,583)**	6,956
Depreciation	12	**3**	32	**-**	-
Equity-settled share-based payments	5	**310**	607	**238**	411
Finance income	7	**(154)**	-	**(131)**	-
Finance costs	8	**159**	361	**-**	154
Impairment of exploration and evaluation assets	11	**346**	413	**-**	-
Impairment of property, plant and equipment	12	**103**	101	**-**	-
Trade receivables write-off		**-**	128	**-**	-
Change in impairment provision against amounts due from subsidiary undertakings	15	**-**	-	**2,177**	(8,019)
(Increase) / decrease in trade and other receivables		**(254)**	43	**(1)**	2
(Decrease) / increase in trade and other payables		**(2,048)**	485	**(17)**	(107)
Net cash (used in) / generated by operations		**(2,654)**	(1,889)	**(317)**	(603)
Tax paid		**-**	-	**-**	-
Net cash (outflows) / inflows from operating activities		**(2,654)**	(1,889)	**(317)**	(603)
Investing activities					
Acquisition of property, plant and equipment		**(202)**	(5)	**-**	-
Expenditure on exploration and evaluation assets		**(62)**	(477)	**-**	-
(Increase) / decrease in amounts due from subsidiary undertakings		**-**	-	**(1,014)**	(301)
Net cash (outflows) from investing activities		**(264)**	(482)	**(1,014)**	(301)
Financing activities					
Borrowings	26	**-**	-	**-**	-
Repayment of borrowings	26	**-**	(450)	**-**	(450)
Interest paid	26	**-**	(19)	**-**	(19)
Proceeds from the issue of share capital		**-**	4,348	**-**	4,348
Payment of transaction expenses		**-**	(153)	**-**	(153)
Net cash inflows from financing activities		**-**	3,726	**-**	3,726
Net (decrease) / increase in cash and cash equivalents		**(2,918)**	1,355	**(1,331)**	2,822
Cash and cash equivalents at 1 January	17	**5,805**	4,685	**2,894**	207
Foreign exchange gain / (loss)		**154**	(235)	**131**	(135)
Cash and cash equivalents at 31 December	17	**3,041**	5,805	**1,694**	2,894

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

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 14 to the financial statements. The Group's principal area of activity is in Tanzania. The Group financial statements for the year ended 31 December 2023 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 the Company are prepared on a going concern basis.

The Directors have given careful consideration to the Group and the Company's ability to continue as going concerns through review of cash flow forecasts prepared by management for the going concern period at least 12 months from approval of the financial statements, 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 during the going concern period. The forecasts are regularly updated to enable continuous monitoring and management of the Group and the Company's cash flow and liquidity risk. The forecasts indicate that, subject to the principal assumptions noted below, the Group and the Company would have adequate resources to continue as going concerns for the foreseeable future, that is a period of not less than 12 months from the date of approval of the 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 the Company. The principal assumptions made in relation to the Group and the Company's going concern assessments relate to the capital commitments on its operated assets in Tanzania, the reservation of rights made by the Tanzania Petroleum Development Corporation ("TPDC") in respect of certain claims that the Director's consider are without merit, and the ongoing objections to tax assessments in Tanzania (see Note 24).

Current liabilities of the Group exceeded its current assets as at 31 December 2023, mainly as a result of provisions made for some contested tax assessments. As disclosed in Note 24, the Group received a tax assessment in February 2020 from the Tanzania Revenue Authority ("TRA") of US$2.2 million in relation to an audit of the Group's Tanzanian wholly owned subsidiary covering the period from 2013 to 2015 and tax assessments in June 2022 for US$4.8 million in relation to audits covering the period from 2016 to 2018. These tax assessments are excluded from the cash forecast as any cash outflow during the going concern period is not considered probable based on either legal advice or the timeframes for tax cases in Tanzania. Tax assessments received in June 2023 from the TRA of US$3.3 million in relation to an audit covering the period from 2019 to 2020 are included insofar as they are covered by a payment plan agreed with the TRA in March 2024. Additionally, development and decommissioning of the Group's assets in Tanzania is excluded from the cash forecast. The Group commenced discussions with the Tanzanian authorities during 2022 to return the Nyuni Area licence to the Ministry of Energy and such discussions have resulted in the Group being requested to market the licence in 2023 and 2024, in an attempt to find a third-party partner willing to pursue and fund a mutually agreed re-negotiated work programme. Regardless of whether the farm-out process is successful or not, it is not considered probable that any capital expenditure would arise in the period. However, a risk exists that the Group and the Company lose the objections to the tax assessments or may be unable to renegotiate or defer commitments relating to the development or decommissioning of the operated Licence interests during the period, or that the TPDC may take action to enforce their claims to certain rights during the period and, therefore, the Group and the Company may need to raise additional funding to meet these potential liabilities, in addition to the US$3 million funding facility agreement between Aminex and Eclipse Investments LLC, a major shareholder in the Company, signed in April 2024. There is material uncertainty as to its ability to raise such additional funding. This may result in the Group and the Company having to raise funds at whatever terms are available at the time, which is not guaranteed.

These circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group and the Company's ability to continue as going concerns and, therefore, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. As the Group has been successful in raising equity funds at various times and in similar circumstances in the recent past on acceptable terms to the Group, the Directors have a reasonable expectation that additional funding can be raised. Despite the aforementioned material uncertainty, the Directors have confidence in the Group's forecasts and have a reasonable expectation that the Group and the Company will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing these financial

1 Statement of Accounting Policies (continued)

statements. The financial statements do not include the adjustments that would result if the Group and the Company were unable to continue as going concerns.

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.

Change in accounting policies

i) New accounting standards, interpretations and amendments effective from 1 January 2023

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 2023 and have been applied by the Group in these financial statements. Except as stated below, 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.

Disclosure of Accounting Policies (Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements) - In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose "significant accounting policies" with "material accounting policy information". The amendments also provide guidance in deciding which accounting policies should be disclosed. These amendments have no effect on the measurement or presentation of any items in the consolidated financial statements of the Group but affect the disclosure of accounting policies of the Group.

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

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

All 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

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).

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

1 Statement of Accounting Policies (continued)

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)).

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 Share Scheme adopted in July 2020 gives the Board the discretion to award a cash alternative. For cash settled awards, a liability is recognised for the goods or service acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in the income statement.

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 financial reporting purposes and the amounts used for taxation purposes, except those arising from non-deductible goodwill or on initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

1 Statement of Accounting Policies (continued)

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

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

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

Earnings per ordinary share

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

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

Foreign currency translation

The presentation currency of the Group and the functional currency of Aminex PLC is the US dollar ("US$"), 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	
	2023	2022	**2023**	2022
US$1 equals				
Pound sterling	**0.7903**	0.8207	**0.7845**	0.8306
Euro	**0.9172**	1.0583	**0.9052**	1.0676
Australian dollar	**1.4957**	1,4819	**1.4655**	1.4710
Tanzanian shilling	**2,506.03**	2,303.49	**2,506.03**	2,308.89

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 11).

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.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

1 Statement of Accounting Policies (continued)

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.

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 unless the cash consideration exceeds the carrying amount. If consideration received exceeds the carrying amount of the exploration and 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 and 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 currently single development areas or fields.

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

Decommissioning costs

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

1 Statement of Accounting Policies (continued)

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:

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 operation 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 16, 17, 18 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.

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.

(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.

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.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

1 Statement of Accounting Policies (continued)

Carrying value of intangible exploration and evaluation assets (Note 11):

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 2023 was the assessment and identification of impairment indicators, in accordance with IFRS 6, related to the Ruvuma PSA and Kiliwani South CGUs.

In August 2021, APT, the operator of the Ruvuma PSA, received a 2-year extension to the exploration licence, which expired on 15 August 2023. A second licence extension was requested in October 2022, but this has been superseded by a development licence application submitted in January 2023. The development licence is expected to be issued shortly and therefore no impairment has been recognised against the Ruvuma PSA.

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. The August 2021 licence renewal terms included commitments to acquire a minimum 200 km^2 of 3D seismic data, drill the Chikumbi-1 ("CH-1") well and conclude negotiations of gas terms. The seismic work has been completed, an addendum to the Ruvuma PSA containing fiscal terms for the production of gas was signed in November 2022 and the CH-1 well is expected to be drilled in 2024. The Company's expenditures from 2021 to 2023 on the Ruvuma PSA CGU were fully covered by the Carry. Furthermore, the Company is fully funded under the Carry for 2024 for both the approved work programme and other anticipated activities. Upon receipt of the development licence, drilling of the CH-1 well, workover of the Ntorya-1 well, testing of the Ntorya-2 well, together with installation of all the necessary ancillary production facilities is planned to take place in accordance with the approved 2024 work programme. 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.

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 2023 as commercial discussions continued 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 were indicators of impairment which resulted in a full impairment of the carrying value of the Kiliwani South CGU in 2021. Although a budget has been approved for 2024, this is for licence maintenance and support only, and the Directors conclude that full impairment should continue in 2023 (see Note 11). As a result, any expenditure on the Kiliwani South prospect E&E asset during 2023 would have been 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, however there was no expenditure in 2023.

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 2023 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 with the Ministry of Energy to agree terms with the licence holder for the second exploration phase were unsuccessful and, in April 2022, we initiated the process to return the licence, in the belief that the level of risk associated with the licence was inappropriate for the Group. Subsequently, it was agreed with the Tanzanian authorities that we will continue our attempts to attract industry partners to participate in the licence. The likely outcome of these attempts however remains uncertain and consequently the Directors maintained their position of a full impairment over the Nyuni Area PSA CGU.

Carrying value of property plant and equipment assets (Note 12):

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 2023, 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.

1 Statement of Accounting Policies (continued)

Carrying value of property plant and equipment assets (Note 12): (continued)

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 had pivoted toward a non-operator strategy, despite actively pursuing farm in partners to conduct works over the licence, there was no certainty that a partner would be identified and the remediation programme commence. Consequently, any development would not commence until the above matters are resolved. These conditions and assessments continued in 2023.

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 in 2021, which reflected the carrying value of the KN-1 well. Expenditures incurred in 2023 have also been impaired in full. 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 12. 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.

Disclosure of contingent liabilities (Note 24):

The TRA finalised an audit of taxation years 2019 to 2020 with an assessment issued to the Group in June 2023, covering non income taxes, predominately WHT, VAT and Excise Duty accrued but not paid. The TRA also finalised a corporate income tax audit of taxation years 2019 to 2020 with an assessment issued to the Group in June 2023, covering disallowed costs. Objections were submitted to some of these findings. Details of these tax assessments are contained in Note 24.

The TRA finalised an audit of taxation years 2016 to 2018 with an assessment issued to the Group in June 2022, covering non income taxes, predominately VAT on the Ruvuma farm-out and pay as you earn tax on Directors' fees. The TRA also finalised a corporate income tax audit of taxation years 2016 to 2018 with an assessment issued to the Group in June 2022, covering under declared revenue. Objections were submitted to all these findings. Details of these tax assessments, along with progress during 2023, are contained in 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 findings. Details of the tax assessment, along with progress during 2023, 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 classification judgement of significance 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 39.

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 15):

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.

The Group notes no material credit loss in its remaining trade receivables balances as at 31 December 2023.

During the year, 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 Company recognised an increase in the impairment provision against the loans due from subsidiaries as a result of a small increase in forecast expenditures on the Ruvuma PSA CGU (see Note 11) and further amounts advanced to subsidiaries during 2023.

1 Statement of Accounting Policies (continued)

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, in February 2022, which 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$2.5 million to US$6.0 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 United States and Tanzanian government departments, and for discount rate estimates references the United States Department of the Treasury and the Tanzanian central bank 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, June 2022 and June 2023, the TRA issued the Group with several tax assessments. The Company objected to the majority of these assessments. 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 assessments 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) Oilfield 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 financial information is available. However, the Group further analyses these by region for information purposes. Segment results include items directly attributable to the segment as well as those that can be allocated on a reasonable basis. Unallocated Aminex Group items comprise mainly head office 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 satisfies 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 (2022: 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) Oilfield Services, are the disaggregation of revenue from customers as required by IFRS 15.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

2 Segmental Information (continued)

Operating segment results - 2023

	Tanzania Producing oil and gas properties 2023 US$'000	Tanzania Exploration activities 2023 US$'000	UK Oilfield services 2023 US$'000	Unallocated Corporate Aminex Group 2023 US$'000	Total 2023 US$'000
Revenue	-	-	112	-	112
Cost of sales	-	(12)	(70)	-	(82)
Depletion	-	-	-	-	-
Gross profit / (loss)	-	(12)	42	-	30
Depreciation	-	-	-	(3)	(3)
Administrative expenses	688	-	(97)	(1,283)	(692)
Impairment against property, plant and equipment assets	-	(103)	-	-	(103)
Impairment against exploration and evaluation assets	-	(346)	-	-	(346)
Operating profit / (loss)	688	(461)	(55)	(1,286)	(1,114)
Finance costs	(33)	(126)	-	-	(159)
Finance income	-	-	-	-	-
Foreign exchange gain	-	-	-	154	154
Profit / (loss) before tax	655	(587)	(55)	(1,132)	(1,119)
Taxation	-	-	-	-	-
Profit / (loss) after tax	655	(587)	(55)	(1,132)	(1,119)
Segment assets	1,931	38,100	-	2,584	42,615
Segment liabilities	(2,794)	(3,456)	-	(3,756)	(10,006)
Capital expenditure additions	103	276	-	-	379
Other material non-cash items					
Share based payments (Note 5)	-	-	-	(310)	(310)
Unwinding of discount on decommissioning provision (Note 19)	(33)	(126)	-	-	(159)

Total non-current assets and liabilities by geographical region are set out in Notes 11, 12 and 19 to the financial statements.

Operating segment results - 2022

	Tanzania Producing oil and gas properties 2022 US$'000	Tanzania Exploration activities 2022 US$'000	UK Oilfield services 2022 US$'000	Unallocated Corporate Aminex Group 2022 US$'000	Total 2022 US$'000
Revenue	-	-	64	-	64
Cost of sales	(203)	(17)	(64)	-	(284)
Depletion	-	-	-	-	-
Gross loss	(203)	(17)	-	-	(220)
Depreciation	-	-	-	(32)	(32)
Administrative expenses	(1,154)	-	(97)	(1,681)	(2,932)
Impairment against property, plant and equipment assets	-	(101)	-	-	(101)
Impairment against exploration and evaluation assets	-	(413)	-	-	(413)
Operating loss	(1,357)	(531)	(97)	(1,713)	(3,698)
Finance costs	(26)	(80)	-	(20)	(126)
Finance income	-	-	-	-	-
Foreign exchange loss	-	-	-	(235)	(235)
Loss before tax	(1,383)	(611)	(97)	(1,968)	(4,059)
Taxation	-	-	-	-	-
Loss after tax	(1,383)	(611)	(97)	(1,968)	(4,059)
Segment assets	2,083	38,150	-	4,949	45,182
Segment liabilities	(3,771)	(3,339)	-	(4,691)	(11,801)
Capital expenditure additions	101	337	-	5	443
Other material non-cash items					
Share based payments (Note 5)	-	-	-	(607)	(607)
Unwinding of discount on decommissioning provision (Note 19)	(27)	(80)	-	-	(107)

Total non-current assets and liabilities by geographical region are set out in Notes 11, 12 and 19 to the financial statements.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

3 Cost of sales and administrative expenses

	2023 US$'000	2022 US$'000
Cost of sales		
Operating costs	**82**	284
Employee benefits included in cost of sales	**-**	-
Depreciation included in cost of sales	**-**	-
Total cost of sales	**82**	284
Administrative expenses		
Employee benefits	**377**	450
Share based payments	**310**	607
Depreciation	**3**	32
Tax provision (reversal) / accrual	**(986)**	1,001
Other administrative costs	**991**	874
Total administrative expenses	**695**	2,964

4 Employment

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

	2023 US$'000	2022 US$'000
Salaries and wages	**365**	416
Social security costs	**41**	63
Other pension costs	**3**	25
Redundancy	**5**	-
Share based payment charge	**310**	607
	724	1,111
Employment costs capitalised (Note 11)	**(37)**	(54)
Employment costs charged against the Group operating loss	**687**	1,057

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 classified under administrative expenses.

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

	2023	2022
Europe	**3**	4
Tanzania	**2**	2
	5	6

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

	2023 US$'000	2022 US$'000
Share based payment charge	**238**	411

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.

5 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. 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. The ESOS expired on 10 May 2020 and therefore no further share options will be granted pursuant to the ESOS.
- 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.

5 Share based payments (continued)

On 1 June 2023, the Company granted a total of 42 million share options to Directors. Charles Santos was awarded 12 million options over Ordinary Shares and 10 million options over Ordinary Shares were awarded to each of Tom Mackay, James Lansdell and Sultan Al-Ghaithi. The exercise price is Stg1.00p, with vesting occurring when the average closing share price of the Company is no lower than Stg2.00p for five consecutive trading days. The exercise period shall not exceed five years from date of grant.

On 21 August 2023, the Company granted a total of 6 million share options to employees. The exercise price is Stg1.00p, with vesting occurring when the average closing share price of the Company is no lower than Stg2.00p for five consecutive trading days. The exercise period shall not exceed five years from date of grant.

The fair value at 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:

	2023 US$'000	2022 US$'000
Share based payment charge	**310**	607

	Number of options	Average exercise price
Outstanding at 1 January 2022	119,611,000	Stg1.32p
Granted	67,000,000	Stg0.64p
Cancelled	(16,000,000)	Stg1.40p
Expired	(3,000,000)	Stg0.60p
Outstanding at 31 December 2022	167,611,000	Stg1.05p
Granted	**48,000,000**	**Stg 1.00p**
Cancelled	**-**	**-**
Expired	**-**	**-**
Outstanding at 31 December 2023	**215,611,000**	**Stg1.04p**
Exercisable at 31 December 2022	127,611,000	Stg1.05p
Exercisable at 31 December 2023	**145,361,000**	**Stg1.00p**

The fair value of options granted under the New RSP for Directors and staff in the period were calculated using the following inputs into the Black-Scholes method.

Date of grant	1 June 2023	21 August 2023
Contractual life	5 years	5 years
Exercise price	Stg 1.00 pence	Stg 1.00 pence
Number of options granted	42,000,000	6,000,000
Expected volatility	87%	87%
Vesting conditions	Market	Market
Fair value per option	Stg 0.78 pence	Stg 0.98 pence
Expected dividend	-	-
Risk-free rate	2.4%	3.9%

On 31 December 2023, there were options over 145,361,000 (2022: 127,611,000) Ordinary Shares outstanding which are exercisable at prices ranging from Stg0.60 pence to Stg1.56 pence per share and which expire at various dates up to 2029. The weighted average remaining contractual life of the options outstanding is 3.66 years (2022: 2.29 years). The average share price for the year ended 31 December 2023 was Stg1.15pence/€0.01220 (2022: Stg0.92pence/€0.01085).

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

6 Loss before tax

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

	2023 US$'000	2022 US$'000
Depreciation of other property, plant and equipment	**3**	32
Auditor's remuneration – Group audit (i)	**185**	134
Auditor's remuneration – overseas (ii)	**58**	71

(i) Audit comprises audit work performed by BDO Ireland and member firms on the consolidated financial statements. In 2023, US$25,000 (2022: US$15,000) of audit fees related to the audit of the Company.
(ii) Audit comprises audit work performed by BDO Ireland and member firms on the subsidiaries financial statements. In 2023, US$58,000 (2022: US$71,000).

7 Finance income

	2023 US$'000	2022 US$'000
Foreign exchange gain	**154**	-
	154	-

8 Finance costs

	2023 US$'000	2022 US$'000
Interest expense	**-**	19
Unwinding of discount on decommissioning provision (Note 19)	**159**	107
Foreign exchange loss	**-**	235
	159	361

Included in finance costs in the comparative period was an interest expense in respect of the US$0.45 million carry advance loan facility from ARA, a related party of the Group. This was repaid in full by offset against the cash received for the placing shares in April 2022.

9 Income tax expense

The components of the income tax expense for the years ended 31 December 2023 and 2022 were as follows:

	2023 US$'000	2022 US$'000
Current tax expense:		
Current year	**-**	-
Deferred tax expense:		
Origination and reversal of temporary differences	**-**	-
Total income tax expense for the Group	**-**	-

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

	2023 US$'000	2022 US$'000
Loss before tax	**(1,119)**	(4,059)
Irish standard tax rate	**12.5%**	12.5%
Taxes at the Irish standard rate	**(140)**	(507)
Effect of different tax rates in foreign jurisdiction	**(73)**	(725)
Expenses not deductible for tax purposes	**(99)**	(258)
Losses carried forward	**312**	1,490
	-	-

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

9 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$346,301 (2022: US$412,989) and the impairment against property, plant and equipment assets of US$102,929 (2022: US$101,062).

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.

	2023 US$'000	2022 US$'000
Net operating losses	**28,510**	28,982

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

	Ireland 2023 US$'000	**UK 2023 US$'000**	**Rest of World 2023 US$'000**	**Total 2023 US$'000**
One year	**-**	**-**	**-**	**-**
Two years	**-**	**-**	**-**	**-**
Three years	**-**	**-**	**-**	**-**
Four years	**-**	**-**	**-**	**-**
Five years	**-**	**-**	**-**	**-**
More than five years	**14,302**	**28,373**	**72,993**	**115,668**
Total	**14,302**	**28,373**	**72,993**	**115,668**

	Ireland 2022 US$'000	UK 2022 US$'000	Rest of World 2022 US$'000	Total 2022 US$'000
One year	-	-	-	-
Two years	-	-	-	-
Three years	-	-	-	-
Four years	-	-	-	-
Five years	-	-	-	-
More than five years	14,157	26,004	75,973	116,134
Total	14,157	26,004	75,973	116,134

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.

10 Loss per Ordinary Share

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

The calculations for the basic loss per share for the years ended 31 December 2023 and 2022 are as follows:

	2023	2022
Loss for the financial year (US$'000)	**(1,119)**	(4,059)
Weighted average number of Ordinary Shares ('000)	**4,211,167**	4,080,833
Basic and diluted loss per Ordinary Share (US cents)	**(0.03)**	(0.10)

There is no difference between the basic loss per Ordinary Share and the diluted loss per Ordinary Share for the years ended 31 December 2023 and 2022 as all potential Ordinary Shares outstanding are anti-dilutive. There were 215,611,000 (2022: 167,611,000) share options issued which are anti-dilutive as at 31 December 2023.

11 Exploration and evaluation assets

Group

	Tanzania and Total US$'000
Cost	
At 1 January 2022	104,264
Additions	282
Disposals	-
Employment costs capitalised	54
At 31 December 2022	104,600
Additions	**239**
Disposals	**-**
Employment costs capitalised	**37**
At 31 December 2023	**104,876**
Provisions for impairment	
At 1 January 2022	66,139
Increase in impairment provision	413
At 31 December 2022	66,552
Increase in impairment provision	**346**
At 31 December 2023	**66,898**
Net book value At 31 December 2023	**37,978**
At 31 December 2022	38,048

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 the Group's 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 ARA Petroleum Tanzania Limited ("APT"), a related party of the Group. The Group now holds a 25% interest in the Ruvuma PSA with a US$35.0 million carry through to potentially significant volumes of production.

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. A second licence extension was requested in October 2022, but this has been superseded by a development licence application submitted in January 2023. The development licence is expected to be issued shortly and therefore no impairment has been recognised against the Ruvuma PSA. During 2022, a 338 km^2 3D seismic survey was completed and data processing and interpretation was completed in 2023. In June 2023 a Field Development Plan ("FDP") was approved.

The Farm-Out 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 2023 was US$29.6 million. There is a clear development plan for the asset outlined by the operator, APT, with the support of the JV partners.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

11 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. In April 2022 the Group commenced the process to hand back the licence to the Ministry. Subsequently, it was agreed with the Tanzanian authorities that we will continue our attempts to attract industry partners to participate in the licence. The likely outcome of these attempts however remains uncertain and consequently the Directors maintained their position of a full impairment over the Nyuni Area PSA CGU. 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 was reviewed by RPS in their February 2018 CPR.

During 2021, 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 in 2021 that the carrying value of the Kiliwani South asset should be fully impaired. Although a budget has been approved for 2024, this is for licence maintenance and support only, and the Directors conclude that full impairment should continue in 2023. Therefore any expenditure during the year would have been capitalised and then immediately impaired to the income statement as impairment against exploration and evaluation assets, however there was no expenditure in 2023. 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.

12 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 2022	8,249	741	113	9,103
Additions in the year	101	-	5	106
Disposed of during the year	-	(663)	(23)	(686)
Exchange rate adjustment	-	(78)	(12)	(90)
At 31 December 2022	8,350	-	83	8,433
Additions in the year	**103**	**-**	**-**	**103**
Disposed of during the year	**-**	**-**	**-**	**-**
Exchange rate adjustment	**-**	**-**	**5**	**5**
At 31 December 2023	**8,453**	**-**	**88**	**8,541**
Depreciation				
At 1 January 2022	8,249	729	88	9,066
Charge for the year	-	11	21	32
Disposed of during the year	-	(663)	(23)	(686)
Impairment	101	-	-	101
Exchange rate adjustment	-	(77)	(10)	(87)
At 31 December 2022	8,350	-	76	8,426
Charge for the year	**-**	**-**	**3**	**3**
Disposed of during the year	**-**	**-**	**-**	**-**
Impairment	**103**	**-**	**-**	**103**
Exchange rate adjustment	**-**	**-**	**5**	**5**
At 31 December 2023	**8,453**	**-**	**84**	**8,537**
Net book value				
At 31 December 2023	**-**	**-**	**4**	**4**
At 31 December 2022	-	-	7	7

12 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 ("KN-1") well commenced on 4 April 2016 and depletion was 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. However, production from the KN-1 well in 2018 was intermittent and there has been no commercial production from the well since March 2018.

During 2021, 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). Any development of the Kiliwani North Development Licence requires prior agreement 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, and the Group proposed no work programme and allocated no budget over the KNDL for 2022. The Directors concluded in 2021 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 KN-1 well. The Company uses 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 US$nil. Consequently, the Directors concluded that the Kiliwani North CGU was fully impaired and an impairment of US$872,000 was recognised. These conditions and assessments continued in 2023 and therefore expenditures incurred during the year were capitalised and immediately impaired.

Right of use assets

All right of use assets related to leases the Group had entered into in respect of various office properties. As at 31 December 2022, all these leases had expired and the properties vacated. 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.

13 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. Significant 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:

			Group interest	
Significant joint operations	**Country of operation**	**Principal activity**	**2023**	2022
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.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

14 Investments in subsidiary undertakings

Company	US$'000
At 1 January 2022	6,930
Additions / (Disposals)	196
At 31 December 2022	7,126
Additions / (Disposals)	**72**
At 31 December 2023	**7,198**
Provisions for impairment	
At 1 January 2022	1,086
Increase in provision	-
At 31 December 2022	1,086
Increase in provision	**-**
At 31 December 2023	**1,086**
Net book value	
At 31 December 2023	**6,112**
At 31 December 2022	6,040

The Company's investment in subsidiaries increased from 2022 due to share options granted in the period of US$72,000 (2022: US$196,000 increase). The Company reviewed the recoverability scenarios for its investment in subsidiaries and recognised no additional provision in the year (2022: US$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 2023 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 Offshore 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.

Notes Forming Part of the Financial Statements

15 Amounts due from subsidiary undertakings

Company	US$'000
Cost	
At 1 January 2022	142,275
Advances to subsidiary undertakings	301
Repayments from subsidiary undertakings	-
At 1 January 2023	142,576
Advances to subsidiary undertakings	**1,014**
Repayments from subsidiary undertakings	**-**
At 31 December 2023	**143,590**
Provisions for impairment	
At 1 January 2022	53,286
Decrease in provision	(8,019)
At 1 January 2023	45,267
Increase in provision	**2,177**
At 31 December 2023	**47,444**
Net book value	
At 31 December 2023	**96,146**
At 31 December 2022	97,309

	2023 US$'000	2022 US$'000
Included in non-current assets	**95,614**	97,050
Included in current assets	**532**	259
At 31 December	**96,146**	97,309

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$95.61 million (2022: US$97.05 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, as a result of a small increase in forecast expenditures on the Ruvuma PSA CGU (see Note 11), and further amounts advanced to subsidiaries during the year, there was considered to be an increase in the 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. The probability of a successful development scenario was unchanged at 75% this year, due to commencement of development work waiting on issuance of the Development Licence. This resulted in an increase in the provision of US$2.2 million (2022: US$8.0 million impairment decrease) against these loans. The longer-term development of Ntorya will depend on the results of the acceleration of the development plan. A 10% reduction in the cashflows from the successful development scenarios would cause an increase in the impairment charge of US$5.2 million. A 1% decrease (from 75% to 74%) in the probability of the successful development scenarios would cause an increase in the impairment charge of US$1.4 million. 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 effective interest rate is considered to be 0% because 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.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

16 Trade and other receivables

	Group		Company	
	2023 US$'000	2022 US$'000	**2023 US$'000**	2022 US$'000
Current				
Trade receivables	**60**	-	**-**	-
Amounts due from partners in Joint operations	**1,139**	1,123	**-**	-
VAT recoverable	**49**	10	**-**	-
Other receivables	**224**	157	**6**	6
Prepayments	**120**	32	**7**	6
	1,592	1,322	**13**	12
Expected credit loss	**-**	-	**-**	-
	1,592	1,322	**13**	12

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

No impairment charge or credit was recognised in 2023 or 2022. In accordance with IFRS 9 the Company notes no material expected credit losses as at 31 December 2023.

17 Cash and cash equivalents

	Group		Company	
	2023 US$'000	2022 US$'000	**2023 US$'000**	2022 US$'000
Cash and cash equivalents	**3,041**	5,805	**1,694**	2,894

All cash and cash equivalents represents cash held in current accounts with banks. Included in cash and cash equivalents is an amount of US$1,023,000 (2022: US$1,157,000) held on behalf of partners in Joint operations.

18 Trade and other payables

	Group		Company	
	2023 US$'000	2022 US$'000	**2023 US$'000**	2022 US$'000
Current				
Trade payables	**200**	145	**3**	6
Amounts due to partners in Joint operations	**1,706**	1,841	**-**	-
Withholding tax payable	**1,166**	1,313	**-**	-
VAT payable and excise duty	**555**	1,423	**-**	-
Capital gains tax payable	**327**	327	**-**	-
Other payables	**1,399**	2,378	**-**	-
Accruals	**2,832**	2,490	**35**	49
	8,185	9,917	**38**	55

The reduction in payables during the year is mainly due to payments in 2023 relating to VAT and excise duty of US$0.86 million and US$0.18 million of withholding tax in Tanzania and a decrease in tax provisions, included in Other payables, of US$0.98 million. Amounts due to partners in Joint operations, VAT payable and Other payables include amounts arising on gas sales.

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

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

19 Provisions – decommissioning

Group	**US$'000**
At 1 January 2022	1,615
Increase in decommissioning provision	162
Discount unwound in the year (Note 8)	107
At 1 January 2023	1,884
Decrease in decommissioning provision	**(222)**
Discount unwound in the year (Note 8)	**159**
At 31 December 2023	**1,821**

	2023 US$'000	2022 US$'000
Non-current	**1,821**	1,884
Total decommissioning provision	**1,821**	1,884

Decommissioning costs are expected to be incurred over the remaining lives of the wells, which are estimated to end between 2026 and 2049 with any associated decommissioning arising greater than one year from December 2023. The provision for decommissioning is reviewed annually and at 31 December 2023 and 2022 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. Management have reviewed these costs and determined that they remain appropriate for use in the calculation of the 31 December 2023 decommissioning provision. The Group adopts the mid-to-upper range provided by the third party expert. Significant uncertainty remains over the condition of the wells and abandonment requirements until the programme is both agreed with the Tanzanian authorities and imminent.

Prices are inflated to future costs at a rate of 3.2% per annum (2022: 5.6%) and discounted at 8.4% per annum (2022: 8.4%), reflecting the associated risk profile. If the discount rate were changed by 1% the value of the provisions could change by US$122,000.

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 2023 or 31 December 2022.

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

20 Financial instruments and risk management (continued)

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 finances 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.

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 2023 US$'000	**Liabilities at amortised cost 2023 US$'000**	**Total carrying amount 2023 US$'000**	**Fair value 2023 US$'000**
Other financial assets and financial liabilities				
Current trade and other receivables	**1,423**	**-**	**1,423**	**1,423**
Cash and cash equivalents	**3,041**	**-**	**3,041**	**-**
Trade payables	**-**	**(200)**	**(200)**	**-**
Amounts due to partners in Joint operations	**-**	**(1,706)**	**(1,706)**	**-**
Other payables and accruals	**-**	**(4,231)**	**(4,231)**	**-**

	Loans and receivables at amortised cost 2022 US$'000	Liabilities at amortised cost 2022 US$'000	Total carrying amount 2022 US$'000	Fair value 2022 US$'000
Other financial assets and financial liabilities				
Current trade and other receivables	1,280	-	1,280	1,280
Cash and cash equivalents	5,805	-	5,805	-
Trade payables	-	(145)	(145)	-
Amounts due to partners in Joint operations	-	(1,841)	(1,841)	-
Other payables and accruals	-	(3,866)	(3,866)	-

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

20 Financial instruments and risk management (continued)

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.

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:

	2023	2022
	US$'000	US$'000
Rest of World	**63**	-
Tanzania	**-**	-
Total	**63**	-

In 2023, trade receivables were US$0.06 million (2022: US$nil).

Amounts due from partners in joint operations

The Group assesses the creditworthiness of potential parties before entering into agreements with them and continues to monitor their creditworthiness. The aggregate of the amount due from partners in 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. The majority of the Group's funds are held with Bank of Ireland which has a Long Term credit rating of BBB- with Standard and Poor's.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

20 Financial instruments and risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group 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 2023 US$'000	**Contractual cashflows 2023 US$'000**	**6 months 2023 US$'000**	**6-12 months 2023 US$'000**	**1-2 years 2023 US$'000**	**2-5 years 2023 US$'000**	**More than 5 years 2023 US$'000**
Trade payables	**200**	**200**	**200**	**-**	**-**	**-**	**-**
Amounts due to partners in Joint operations	**1,706**	**1,706**	**1,706**	**-**	**-**	**-**	**-**
Other payables	**1,398**	**1,398**	**1,398**	**-**	**-**	**-**	**-**
Accruals	**2,832**	**2,832**	**2,832**	**-**	**-**	**-**	**-**
	6,136	**6,136**	**6,136**	**-**	**-**	**-**	**-**

	Carrying amount 2022 US$'000	Contractual cashflows 2022 US$'000	6 months 2022 US$'000	6-12 months 2022 US$'000	1-2 years 2022 US$'000	2-5 years 2022 US$'000	More than 5 years 2022 US$'000
Trade payables	145	145	145	-	-	-	-
Amounts due to partners in joint operations	1,841	1,841	1,841	-	-	-	-
Other payables	2,378	2,378	2,378	-	-	-	-
Accruals	2,490	2,490	2,490	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
	6,854	6,854	6,854	-	-	-	-

Amounts due to partners in Joint operations are only payable on receipt of amounts for trade receivables (see Note 16).

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 financial 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 2023 US$'000	**Euro 2023 US$'000**	**US dollars 2023 US$'000**	Sterling 2022 US$'000	Euro 2022 US$'000	US dollars 2022 US$'000
Cash and cash equivalents	**1,693**	**1**	**143**	2,892	1	220
Trade payables	**26**	**3**	**2**	-	6	2
	1,719	**4**	**145**	2,892	7	222

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 2023 (2022: 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 2023 US$'000	**15% decrease 2023 US$'000**	15% increase 2022 US$'000	15% decrease 2022 US$'000
Cash and cash equivalents	**276**	**(276)**	467	(467)
Trade payables	**(5)**	**5**	(1)	1
	271	**(271)**	466	(466)
Tax impact	**-**	**-**	-	-
After tax	**271**	**(271)**	466	(466)

Notes Forming Part of the Financial Statements

20 Financial instruments and risk management (continued)

The Group finances its operations through a mixture of shareholders' funds, loans and borrowings and working capital. Board approval is required for all new borrowing facilities. There are no loans, 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 2023 was as follows:

	Fixed rate 2023 US$'000	**Floating rate 2023 US$'000**	**Total 2023 US$'000**	Fixed rate 2022 US$'000	Floating rate 2022 US$'000	Total 2022 US$'000
Cash and cash equivalents	**-**	**3,041**	**3,041**	-	5,805	5,805
Loan facility	**-**	**-**	**-**	-	-	-
	-	**3,041**	**3,041**	-	5,805	5,805

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 2023 US$'000	**25 bps decrease profit 2023 US$'000**	100 bps increase profit 2022 US$'000	25 bps decrease profit 2022 US$'000
Cash and cash equivalents	**30**	**(8)**	58	(15)
Tax impact	**-**	**-**	-	-
After tax	**30**	**(8)**	58	(15)

The Group had no loans outstanding at 31 December 2023 (2022: US$nil). As there are no variable rate loans, there is no potential impact to profit and loss from a change in interest rates.

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:

Other financial assets and financial liabilities	**Cash, Loans and receivables 2023 US$'000**	**Liabilities at amortised cost 2023 US$'000**	**Total carrying amount 2023 US$'000**	**Fair value 2023 US$'000**
Amounts due from subsidiary undertakings	**96,146**	**-**	**96,146**	**-**
Cash and cash equivalents	**1,700**	**-**	**1,700**	**-**
Trade and other payables	**-**	**(3)**	**(3)**	**-**
Accruals	**-**	**(35)**	**(35)**	**-**

Other financial assets and financial liabilities	Cash, Loans and receivables 2022 US$'000	Liabilities at amortised cost 2022 US$'000	Total carrying amount 2022 US$'000	Fair value 2022 US$'000
Amounts due from subsidiary undertakings	97,308	-	97,308	-
Cash and cash equivalents	2,899	-	2,899	-
Trade and other payables	-	(6)	(6)	-
Accruals	-	(49)	(49)	-

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 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, and 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.

20 Financial instruments and risk management (continued)

At the balance sheet date, there was deemed to be an increase in credit risk related to the loans due from subsidiary undertakings as a result of a small increase in forecast expenditures on the Ruvuma PSA CGU and further amounts advanced to subsidiaries during the year . 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 an increase in the provision of US$2.18 million was recognised against the carrying value of the loans due from subsidiary undertakings (2022: US$8.02 million impairment decrease) (see Note 15). 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 11.

The Directors are satisfied that no further change to 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$3,000 (2022: US$6,000), 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).

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:

	2023 Sterling US$'000	**2023 Euro US$'000**	2022 Sterling US$'000	2022 Euro US$'000
Trade and other payables	**20**	**4**	-	6

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 2023 (2022: 15%), would have the following impact on the Company's income statement. This analysis assumes that all other variables, in particular interest rates, remain constant.

	15% increase 2023 US$'000	**15% decrease 2023 US$'000**	15% increase 2022 US$'000	15% decrease 2022 US$'000
Cash and cash equivalents	**254**	**(254)**	434	(434)
Trade payables	**(4)**	**4**	(1)	1
	250	**(250)**	433	(433)
Tax impact	**-**	**-**	-	-
After tax	**250**	**(250)**	433	(433)

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 2023 was as follows:

	Fixed rate 2023 US$'000	**Floating rate 2023 US$'000**	**Total 2023 US$'000**	Fixed rate 2022 US$'000	Floating rate 2022 US$'000	Total 2022 US$'000
Cash and cash equivalents	**-**	**1,700**	**1,700**	-	2,899	2,899
Loan facility	**-**	**-**	**-**	-	-	-
	-	**1,700**	**1,700**	-	2,899	2,899

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 2023 US$'000	**25 bps decrease profit 2023 US$'000**	100 bps increase profit 2022 US$'000	25 bps decrease profit 2022 US$'000
Cash and cash equivalents	**17**	**(4)**	29	(7)
Tax impact	**-**	**-**	-	-
After tax	**17**	**(4)**	29	(7)

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

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 2023	**6,000,000,000**	**64,000,000**	
Allotted, called up and fully paid	Number	€	US$
Ordinary Shares of €0.001 each:	4,211,167,024	4,211,167	5,159,121
Deferred shares of €0.059 each:	818,658,421	48,300,847	64,535,665
At 31 December 2022	5,029,825,445	52,512,014	69,694,786
Allotted, called up and fully paid	Number	€	US$
Ordinary Shares of €0.001 each:	4,211,167,024	4,211,167	5,159,121
Deferred shares of €0.059 each:	818,658,421	48,300,847	64,535,665
At 31 December 2023	**5,029,825,445**	**52,512,014**	**69,694,786**
Comprised of:			
Ordinary Shares of €0.001	4,211,167,024		
Deferred shares of €0.059	818,658,421		
	5,029,825,445		

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 2023, the Company awarded 48 million options to Directors and staff (2022: 67 million awarded to Directors and staff). The fair value of options granted in the period was US$530,000 (2022: US$607,000) of which US$310,000 was expensed in 2023 (2022: US$607,000). During the year, there was no transfer between the share option reserve and retained deficit (2022: US$145,000) relating to options which expired (2022: 19 million) with a fair value of US$nil (2022: US$145,000). Further details regarding the issuance and expiry of share options are set out in Note 5.

23 Profit 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$2.58 million (2022: US$6.96 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. The Group commenced discussions in 2022 with the Tanzanian authorities to hand back the Nyuni Area licence which resulted in Aminex being requested to market the licence in 2023 in an attempt to find a third-party partner willing to pursue and fund a mutually agreed re-negotiated work programme. 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. Two wells are required to be drilled on the Mtwara licence, one of which is expected to be the Chikumbi-1 well. The Mtwara Licence in respect of the Ntorya Location was extended in August 2021 for two years (see Note 11). Pursuant to that extension, the Joint operations parties are required to acquire 200km^2 of 3D seismic over the location area, drill the Chikumbi-1 well and conclude negotiations of the Gas Terms for the Ruvuma PSA. The 3D seismic acquisition programme was completed on 9 October 2022 and the Addendum to the Ruvuma PSA, setting out the fiscal terms for the production of gas, was signed by all parties on 25 November 2022. An application was made in January 2023 for a development licence, and this is expected to be issued shortly.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

24 Commitments, guarantees and contingent liabilities (continued)

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. Management has assessed the possible outcomes of these liabilities and commitments in accordance with IFRS 9 and no material losses are expected to arise.

(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.

(d) During 2022, as part of the share placement agreement with its broker, Shard Capital Partners LLP ("Shard"), the Company agreed to grant 5,320,666 warrants over new Ordinary Shares to Shard at an exercise price of 1.125p per Ordinary Share ("Warrants"). It was agreed between the Company and Shard that the Warrants would not be issued until requested by Shard. No such request has been received by the Company to date and so the Warrants have not yet been granted to Shard.

Tanzanian Tax Assessments

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 tax assessments in respect of these taxation years. The following matters were raised in the assessments:

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**

On 3 June 2022, following the conclusion of the TRA audit of NRL for taxation years 2016 to 2018, the TRA issued tax assessments in respect of these taxation years. The following material matters were raised in the assessments:

Area		Principal US$'000	Interest US$'000	Total US$'000
VAT	VAT on Ruvuma Farm-Out	**1,221**	**233**	**1,454**
Pay As You Earn (PAYE)	PAYE on Director's Fees	**92**	**45**	**137**
		1,313	**278**	**1,591**

On 28 June 2022, following the conclusion of the TRA corporate income tax audit of NRL for taxation years 2016 to 2018, the TRA issued tax assessments in respect of these taxation years. The following matters were raised in the assessments:

Area		Principal US$'000	Interest US$'000	Total US$'000
Corporate tax	Under declaration of revenue for 2016	**365**	**145**	**510**
Corporate tax	Under declaration of revenue for 2017	**1,438**	**394**	**1,832**
Corporate tax	Under declaration of revenue for 2018	**772**	**143**	**915**
		2,575	**682**	**3,257**

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

24 Commitments, guarantees and contingent liabilities (continued)

NRL considers all of the above claims to be without technical merit in tax law and with the assistance of an in-country tax advisor, has submitted objections to the TRA assessments. 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. 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. There have been no developments on the above claims in 2023.

On 20 June 2023, following the conclusion of the TRA corporate income and other taxes audits of NRL for taxation years 2019 and 2020, the TRA issued tax assessments in respect of these taxation years. The corporate income tax assessments covered disallowance of costs, totaling US$760,000 for the two years, with no amounts due. The following material matters were raised in the assessments of other taxes:

Area		Principal US$'000	Interest US$'000	Total US$'000
Withholding tax	WHT accrued but not paid	**1,062**	**181**	**1,243**
Withholding tax	WHT on foreign services	**357**	**57**	**414**
VAT	VAT accrued but not paid	**358**	**-**	**358**
VAT	VAT accrued but not paid (Gas Sales Agreement)	**920**	**-**	**920**
Excise Duty	ED accrued but not paid (Gas Sales Agreement)	**297**	**-**	**297**
		2,994	**238**	**3,232**

The majority of these amounts were already accrued in the accounts of NRL. Objections were filed in July 2023 to some of the amounts but delays in receiving replies from the TRA led to the TRA rejecting these and eventually imposing an Instalment Plan ("IP") for monthly payments from October 2023 to October 2024 for 100% of the assessment amounts. Four payments were made up to January 2024 (US$ 1.10 million had been paid by 31 December 2023). In March 2024 a meeting was held with the TRA to discuss and renegotiate the IP. A letter was sent by NRL to the TRA on 15 March 2024 with our revised payment proposal but a response has not yet been received. In addition, NRL is currently formulating its response to the rejection of its filed objections. 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. Provision has been made for interest on non-objected amounts, but no further provisions are considered necessary. The largest single claim that the TRA has made against NRL for 2019-2020 is for payment of US$1.06 million of WHT applicable to invoices that had been accrued but not paid (NRL believes this WHT is payable only when the relevant invoices are paid). This matter has been heard in both the Tax Revenue Appeals Board and the Tax Revenue Appeals Tribunal (concerning another company), where the TRA has lost, although it is appealing to a higher court.

The claims detailed above total US$10.31 million, of which US$1.10 million has been paid and US$2.72 million has been accrued or provided for. Amounts accrued or provided for are included in Trade and other payables within WHT payable, VAT payable and excise duty and Other payables.

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 assessments.

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$3,000 for 2023 (2022: US$27,000).

26 Note supporting statement of cash flows

Movement in loans and borrowings:

	Group		Company	
	2023 US$'000	2022 US$'000	**2023 US$'000**	2022 US$'000
At 1 January	**-**	450	**-**	450
Advance funding converted to debt	**-**	-	**-**	-
Drawdowns	**-**	-	**-**	-
Interest accruing in period	**-**	19	**-**	19
Loan repayments	**-**	(450)	**-**	(450)
Interest paid	**-**	(19)	**-**	(19)
At 31 December	**-**	-	**-**	-

On 29 December 2021, US$450,000 was drawn down against the loan facility with ARA Petroleum LLC, which, through its associated company, Eclipse Investments LLC, is a significant shareholder in Aminex PLC (see Note 27). This was repaid In April 2022.

Notes Forming Part of the Financial Statements

for the year ended 31 December 2023

27 Related party transactions

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

	2023 US$'000	2022 US$'000
Balances at 31 December		
Amounts owed by subsidiary undertakings	**96,146**	97,309

Details of loans advanced to subsidiary undertakings during the year are set out in Note 15.

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.

	2023 US$'000	2022 US$'000
Short-term benefits	**233**	163
Pension contributions	**-**	-
Share-based payments	**238**	411
	471	574

Directors' remuneration of US$nil for prior years was paid in 2023 (2022: US$54,000 for prior years) to Eclipse Investments LLC, a significant shareholder in Aminex PLC. The amount outstanding in respect of the Directors fees as at 31 December 2023 was US$nil (2022: US$nil).

Aminex Directors' remuneration fees for 2023 were paid to James Lansdell of Zubair Corporation, Sultan Al-Ghaithi, of Eclipse Investments LLC and ARA Petroleum LLC and Robert Ambrose of ARA Petroleum LLC, of US$29,000 (2022: US$24,000), US$44,000 (2022: US$24,000) and US$15,000 (2022: US$nil) respectively. The Zubair Corporation and ARA Petroleum LLC, through their associated company Eclipse Investments LLC, are significant shareholders in Aminex PLC. There was a US$nil balance outstanding as at 31 December 2023 (2022: US$nil).

During 2023, the Group entered into a related party transaction in respect of Directors remuneration fees of US$44,000 which were paid to Upstream Solutions Limited, a company connected with Tom Mackay. There was a US$nil balance outstanding as at 31 December 2023 (2022: US$nil).

During 2023, the Group entered into a related party transaction in respect of Directors' remuneration fees of US$101,000 (2022: US$43,000) which were paid to MB CES Services, a company connected with Charles Santos. There was a US$nil balance outstanding as at 31 December 2023 (2022: US$nil).

During 2023, the Group entered into a related party transaction in respect of consulting fees of US$167,000 which were due to Cassidy Advisory Limited, a company connected with Brian Cassidy, General Counsel and Company Secretary. There was a US$nil balance outstanding as at 31 December 2023 (2022: US$nil).

The Group issued an invoice during the year for £46,790 to ARA Petroleum Tanzania Limited, the operator of the Ruvuma PSA and a subsidiary of ARA Petroleum LLC, which is an associate company of Eclipse Investments LLC, a significant shareholder in Aminex PLC. The invoice is for reimbursement of costs related to the handover of the operatorship of the Ruvuma PSA and is shown in trade receivables as at 31 December 2023.

On 1 June 2023, the Company granted a total of 42 million share options to Directors. Charles Santos was awarded 12 million options over Ordinary Shares while Tom Mackay, James Lansdell and Sultan Al-Ghaithi were each awarded 10 million options over Ordinary Shares. James Lansdell is Deputy General Counsel at The Zubair Corporation and was, until 1 September 2023, a representative of Eclipse Investments LLC, a related party. The exercise price is Stg1.00p, with vesting occurring when the average closing share price of the Company is no lower than Stg2.00p for five consecutive trading days. The exercise period shall not exceed five years from date of grant. Further information on Directors' share options are set out in the Directors' Remuneration Report on pages 27 to 28.

On 21 August 2023, the Company granted a total of 6 million share options over Ordinary Shares to Brian Cassidy. The exercise price is Stg1.00p, with vesting occurring when the average closing share price of the Company is no lower than Stg2.00p for five consecutive trading days. The exercise period shall not exceed five years from the date of grant.

28 Post balance sheet events

In April 2024, the Company signed a US$3.00 million funding facility with Eclipse Investments LLC, a significant shareholder of Aminex PLC.

29 Approval of financial statements

These financial statements were approved by the Board of Directors on 26 April 2024.

Senior Personnel

Brian Cassidy General Counsel and Company Secretary (Consultant)
Brian Cassidy is a Solicitor qualified in England and Scotland. He has over 25 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 Clifford Chance LLP. Prior to joining Aminex PLC, he was Head of Legal and Company Secretary at Bowleven plc.

Nigel Penney Chief Financial Officer
Nigel Penney joined Aminex in December 2022. He is a Chartered Accountant and has worked in the oil and gas and oilfield services industries for more than 25 years, initially with Mobil. His experience ranges from start-ups to major international companies and has covered finance and accounting activities in many locations, including the UK, US, Nigeria and Gabon. Prior to Aminex, he was a consultant, before which he was Chief Financial Officer of Silverwell Technology Limited, an oilfield services company.

Registrars and Advisers

Registrars	Computershare Investor Services (Ireland) Limited	
	3100 Lake Drive	
	City West Business Campus, Dublin 24	
	Telephone number for Irish shareholders:	01 247 5697
	Telephone number for UK shareholders:	00353 1 247 5697
	Telephone number for other shareholders:	00353 1 216 3100
	Fax:	00353 1 216 3150
	e-mail:	web.queries@computershare.ie
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
	Shard Capital Partners LLP	London

Glossary of terms used

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
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
Pmean:	The average (mean) probability of occurrence
Prospective Resource:	Undiscovered resources mapped with seismic
PSA:	Production Sharing Agreement
TCF:	Trillions of cubic feet of natural gas

Principal operating companies

Registered Office:
Aminex PLC
Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18
D18 R9C7
Ireland

Group Support and Services
Aminex Petroleum Services Limited
20-22 Wenlock Road
London
N1 7GU
UK

Tanzanian Operations:
Ndovu Resources Limited
PO Box 105589,
368 Msasani Road,
Oysterbay 14111,
2nd Floor Mikumi House,
Dar es Salaam
Tanzania