



aminexPLC

Interim Results for the six months to 30 June 2009

## Highlights

- Record gas production and 50% increase in oil production
- Increased production offset by weaker commodity prices
- Loss before tax reduced by 75% to \$1.15 million
- \$17 million equity funding underwrites cost of Tanzania drilling
- New seismic survey now complete over Kiliwani North and gas plant expansion likely to be given regulatory go-ahead in near future
- South Malak-1 well currently drilling in Egypt
- Drilling at Ruvuma will start in December following upgrading of prospects

# Chairman's Statement

*Dear Shareholder*

## Operations Summary

During the period under review Aminex has drilled a further development well in the South Weslaco Gas Field, carried out a seismic survey over Songo-Songo Island in Tanzania to define the extent of its 40 mmcf/day gas discovery at Kiliwani North and completed interpretation of new 3D seismic data over the Shoats Creek Field in Louisiana. Oil prices struck a low point in the first part of the period and then effectively doubled from that low towards the end of the period. Gas prices in the US have continued to weaken, offsetting the production benefit of the Company's very successful gas discovery at Alta Loma, Texas in 2008. Aminex has now successfully completed an institutional placing and an Open Offer to existing shareholders raising US\$17 million before costs for the primary purpose of underwriting its forthcoming drilling programme in the Ruvuma Basin of Tanzania where the Company is in a 50-50 partnership with Tullow Oil (operator). Drilling in the Ruvuma was due to start earlier in the year and was then postponed until the third quarter. However, following a detailed review of reprocessed seismic data, a different prospect known as Likonde has been high-graded for first drilling because evaluation has shown this to be more robust than the Mikindani prospect, the original candidate, and with higher potential for the discovery of oil rather than gas. In Egypt, a third exploration well, South Malak-1, is currently being drilled on the West esh el Mellahah PSA, onshore Gulf of Suez and this is likely to reach total depth in the first half of September.

## Financial Summary

Aminex has achieved record gas production, while oil production was 50% higher than in the 2008 comparative period. Offsetting these production increases, however, has been a fall in both oil and gas prices to approximately 45% of those achieved during the comparative period. Administrative costs have been substantially reduced, partly due to cost cutting measures and partly due to a changing Sterling/Dollar rate. The loss for the period of \$1.15 million compares to a loss of \$4.64 million over the first six months of 2008. Since the end of the reporting period Aminex has completed an equity funding of \$17 million (before costs).

## Outlook

The new seismic survey recently completed over Songo-Songo Island will help define and quantify the Kiliwani North discovery and enable development plans to be made. The destination for Kiliwani North gas is clearly the Songas pipeline to Dar es Salaam and Aminex has recently been informed by the government of Tanzania that obstacles to necessary expansion of a process plant, which will enable access for Kiliwani North gas, are likely to be overcome in the near future. The result of the South Malak-1 well in Egypt will determine the future of this project as the first licence period ends later this year and the group must make a decision either to continue into a second period or relinquish. The proposed Likonde-1 well in the Ruvuma basin will be a significant one for Aminex. Despite having raised sufficient equity to ensure participation in this well, Aminex is focused on achieving an industry farm-out to reduce its interest to a more manageable percentage. If successful, this will preserve equity with a lower percentage in the event that a discovery results in immediate follow-up drilling. At Alta Loma a development well, Sunny Ernst-3, is provisionally planned for the first half of 2010. Negotiations are in progress with potential partners for exploration and development of the Shoats Creek leases in Louisiana.

Yours sincerely

**B.A. Hall**  
*Chairman*

## Operations Report

Aminex's principal activities consist of oil and gas exploration and production on the African continent and in the southern USA. Aminex has a petroleum co-operation agreement with the government of the Democratic People's Republic of Korea and also owns AMOSSCO, an oilfield services company specialising in supply and logistics. The Company is involved in an active exploration and appraisal programme in Tanzania while seeking to add value to its portfolio of US proved reserves by further drilling, either using its own funds or through industry farm-outs.

### **Nyuni PSA Including the Kiliwani North Gas Discovery, Offshore Tanzania.**

A new seismic survey has recently been completed and data is currently being processed and interpreted to define the extent of the Kiliwani North discovery. Existing seismic data over the remaining leads and prospects on the Nyuni licence is also being reprocessed and interpreted, already establishing that robust, additional drillable prospects can most likely be defined without further seismic acquisition. The Kiliwani North discovery well is approximately 3 kilometres from the entry point of the Songas pipeline which currently carries gas to market 200 kms away in Dar es Salaam. However, the Songas plant requires upgrading to handle Kiliwani North gas and the pipeline operator has experienced delays in obtaining consent for the work required. Aminex has carefully reviewed all the alternatives for commercialising Kiliwani North gas and has concluded that the Songas pipeline is by far the most viable option. Recently the government of Tanzania has advised that approval of the plant should be forthcoming in the near future. An Aminex subsidiary has a 40% interest in this PSA and is the operator.

### **Ruvuma PSA, Onshore/Offshore Southern Tanzania.**

The Ruvuma PSA covers approximately 12,000 sq. kilometres in the extreme south-east of Tanzania of which roughly 80% is onshore and 20% offshore. Within the PSA are two specific, adjoining licence areas, known as Lindi and Mtwara. The Ruvuma River forms the boundary between Tanzania and Mozambique and this basin is considered to be one of the last, under-explored deltas in the world. Aminex is in 50-50 partnership with Tullow Oil, one of the most successful exploration companies on the African continent. On the Mozambique side, Anadarko, a leading American exploration company, and partners will commence drilling onshore and offshore in the near future. Aminex's first well to be drilled on the Ruvuma PSA will be on the Likonde prospect, an anticlinal structure associated with a strike slip fault. Likonde-1 is expected to be spudded in early December 2009 and will be drilled to a depth of approximately 3,200 metres to test multiple targets throughout the Tertiary, Cretaceous, Jurassic and Permo-Trias Karoo intervals. Although the basin is an under-explored frontier zone, the Lukuledi-1 well, drilled by Texaco some years ago in what is now the Aminex-Tullow acreage, identified potentially prolific oil-prone source rocks in the Karoo formation. To the immediate south-east of the PSA area the Mnazi Bay field produces gas and liquids from the Tertiary formation. The Likonde prospect is thought to have the potential for up to 500 million barrels of oil in place. Aminex has a 50% interest in this PSA which is operated by Tullow Oil.

### **West Esh El Mellahah-2 ("WEEM-2"), Onshore Gulf of Suez, Egypt.**

The WEEM-2 PSA covers approximately 1,300 sq kilometres onshore, between the Gulf of Suez and the Red Sea Hills. The area is geologically complex but also lends itself to the possibility of prolific discoveries. In the adjacent WEEM-1 licence area, daily production is roughly 9,000 barrels of oil per day.

The PSA calls for three wells to be drilled in an initial three year period which expires later this year, two of which have already been drilled without encountering commercial hydrocarbons. A third well, South Malak-1, was spudded earlier this month and is due to reach TD by mid-September. Aminex has a 10%

free-carried interest through commercial production in this PSA through its shareholding in Aminex Petroleum Egypt Ltd. (operator).

### **Alta Loma, Galveston County, Texas, USA**

Sunny Ernst-2 (“SE-2”), an exploration well, was drilled in 2008 to a depth of 14,700 feet (4,547 metres), encountering gas bearing sands in three separate zones in the Frio formation, the most significant of which logged 60 feet (18 metres) of net gas in the “S” sands. Current production is from the deeper Upper Andrau sands while the thicker “S” sand formation will be perforated only when production from the Upper Andrau shows marked decline. Dual completion of the formations carries a risk to the well which is considered unacceptable so long as current production is being successfully maintained. Preparations have been made for a rapid completion of the “S” sand in the event of an urgent need to replace production from the Upper Andrau. In the meantime a workover of the older Sunny Ernst-1 (“SE-1”) well, which has been on modest production for some years, is imminently planned to test the “S” sand in that well. The “S” sand is considerably thinner in SE-1 than in SE-2 but should nevertheless establish useful production. A follow-up well, Sunny Ernst-3, is planned for 2010. Aminex has a 37.5% interest in this property which is operated by El Paso Corporation.

### **Shoats Creek, Calcasieu Parish, Louisiana, USA**

Aminex’s Shoats Creek leases cover approximately 1,500 acres and lie in an area of forested swamp with difficult operating conditions. Production was established at Shoats Creek many decades ago but recent 3D seismic, which Aminex has now interpreted in detail, has revealed considerable remaining potential which the Company is seeking to exploit. In particular the presence of a deep regional formation known as the Wilcox, established by a well drilled in 1988 by another operator, has now been mapped and Aminex believes that this offers major potential. The shallower potential in the Frio and Cockfield sands is already well established over the property with numerous old well bores, only two of which currently produce. These sands have now been properly defined for the first time with the aid of the 3D seismic data. Aminex is planning to farm out the deep Wilcox formation at Shoats Creek, Louisiana and, either separately or as a single package with the Wilcox, to farm out the Cockfield and shallower Frio sands in the same lease area. Negotiations are ongoing with a large oil company operating Wilcox production in the vicinity to farm into the deep horizons on the Shoats Creek leases and with several smaller companies for development of the shallower formations. Aminex currently has a 100% interest in this property and is the operator.

### **Other Activities**

<b>Kenya</b>	25% in near-shore blocks L17 & L18.
<b>West Songo-Songo</b>	50% interest. Preliminary studies are in progress.
<b>Somerset Field, Texas</b>	100% interest. Oil production.
<b>South Weslaco, Texas</b>	25%. Gas production.
<b>North Korea</b>	100% interest in long-term co-operation agreement. Currently on hold due to political uncertainties.
<b>AMOSSCO</b>	in-house procurement and profitable provider of goods and services to international oil companies.

# Financial Review

## Revenue Producing Operations

Group revenues of US\$3.8 million for the first six months of 2009 comprise US\$2.2 million oil and gas revenues and US\$1.6 million oilfield services and supplies revenues. Gas production of 302,000 mcf was almost triple that of the comparative period, mainly due to the commencement of production in October 2008 from the Sunny Ernst-2 well at the Alta Loma field, and oil production at 24,000 barrels was approximately 50% ahead of 2008. Offsetting this improvement in production has been a fall in oil and gas prices, with an average gas price obtained of US\$4.01 per mcf (2008: US\$9.03 per mcf) a reduction of 56%, and an average oil price obtained of US\$45.62 per barrel (2008: US\$100.79 per barrel), a reduction of 55%. Oilfield services and supplies revenues are 15% below that of the comparative period mainly due to delays in confirmation of orders as a consequence of the economic slowdown. However, since 1 July we have seen the rate of order confirmation begin to pick up again.

Cost of sales of US\$2.5 million is marginally down on the comparative period mainly as a consequence of cost reductions in Aminex-operated fields and also lower activity from the oilfield services and supplies business. Depletion and depreciation at US\$0.52 million is higher than that of the comparative period due to increased oil and gas production during the current period. Administrative costs (which for the most part are incurred in sterling) at US\$1.87 million are US\$0.94 million lower than 2008 partly due to cost cutting measures and partly due to the deterioration in the average sterling/US dollar exchange rate since June 2008. The resulting loss on operations before other costs of US\$1.08 million is an advance of US\$248,000 over the first six months of 2008 and represents an improvement of 19%.

Finance costs of US\$69,000 mainly represent the non-cash write off of the discount arising on the decommissioning provision. The Group has negligible interest bearing debt.

## Balance Sheet

Total non-current assets have increased by US\$1.98 million since 31 December 2008 and mainly comprise exploration and appraisal work on the Group's East African acreage. Interest bearing debt (short and long-term) at 30 June 2009 stands at US\$154,000 a decrease from US\$174,000 at 30 June 2008. Total equity has decreased by US\$1.07 million since 31 December 2008 comprising the net loss for the period of US\$1.15 million offset by other net movements on reserves of US\$78,000.

## Cash Flows

During the current reporting period, US\$2.763 million was spent on exploration and evaluation assets, mainly on appraisal work in connection with the gas discovery on the Nyuni licence offshore Tanzania but also on site preparation work for the forthcoming well on the Ruvuma licence as well as pre-exploration expenditures on the West Songo Songo acreage in Tanzania and the Kenya acreage. Expenditures on exploration and evaluation assets during the comparative period of 2008 of US\$7.3 million mainly comprised the Group's share of drilling costs of the Kiliwani-1 and the Kiliwani North-1 wells on the Nyuni licence. Expenditures on property, plant and equipment during the current period of US\$847,000 mostly represent the Group's share of completion expenditures on the Sunny Ernst-2 well at Alta Loma, Texas whereas expenditures during the 2008 comparative period of US\$354,000 were mainly for drilling the South Weslaco GU-38 well. Interest bearing debt was reduced by US\$29,000 during the current period and by US\$66,000 during the first half of 2008.

Net cash generated by operations amounted to US\$1.7 million and comprised a positive working capital movement of \$2.16 million offset by the non-cash adjusted loss for the period of US\$461,000 whereas the 2008 comparative figures show net cash absorbed by operations of US\$871,000 comprising the non-cash adjusted loss for the period of \$1.16 million offset by a net positive working

capital movement of US\$291,000. Proceeds on disposals of assets during the current period amounted to US\$91,000, all relating to financial investments. Disposal proceeds during the first half of 2008 amounted to US\$413,000 and as well as certain US leases, included US\$250,000 on disposal of the Manja exploration licence in Madagascar.

The net decrease in cash and cash equivalents for the six-month period ended 30 June 2009 was US\$1.852 million which compares with a net decrease for the comparative period ended 30 June 2008 of US\$7.98 million, an improvement of \$6.13 million.

### **Related Party Transactions**

There were no related party transactions during the six-month period to 30 June 2009 that have materially affected the financial position or performance of the Group. In addition, there were no changes in the related party transactions set out in Note 26 to the Financial Statements contained in the 2008 Annual Report that could have had a material effect on the financial position or performance of the Group during the six-month period.

### **Going Concern**

Since 30 June 2009, the Group has raised approximately US\$15 million (net of costs) through equity share placings and an open offer to shareholders. The Directors have given careful consideration to the Group's ability to continue as a going concern and have concluded, after taking into account the recent equity fundraising, that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing this half-yearly financial report.

### **Principal Risks and Uncertainties**

Aminex's Group activities are carried out in many parts of the world, in particular East Africa, North Africa, North Korea and the USA. We carry out periodic reviews to identify risk factors which might affect our business and financial performance. Although the summary set out below is not exhaustive as it is not possible to identify every risk that could affect our business, we consider the following to be the principal risks and uncertainties facing the business over the next six months:

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

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

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

**Currency risk** – although our reporting currency is the US dollar which is the currency most commonly used in the pricing of petroleum commodities and for significant exploration and production costs, other expenditures (in particular for our central administrative costs) are made in local currencies (as is our equity funding), thus creating currency exposure.

**Political risks** – as a consequence of our activities in different parts of the world, Aminex may be subject to political, economic and other uncertainties, including but not limited to terrorism, military repression, war or other unrest, nationalisation or expropriation of property, changes in national laws and energy policies, exposure to less developed legal systems.

A more detailed listing of risks and uncertainties facing the Group's business is set out in some detail on pages 10 to 17 of an Aminex PLC Prospectus regarding the recent Share Placing and Open Offer to Shareholders (available on the Aminex website [www.aminex-plc.com](http://www.aminex-plc.com)).

### **Forward-Looking Statements**

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

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

We, the board of directors, as listed on page 14 of the most recent Annual Report confirm our responsibility for the half-yearly financial statements and that to the best of our knowledge:

- the condensed set of financial statements comprising the condensed income statement, the condensed statement of comprehensive income, the condensed balance sheet, the condensed statement of changes in equity, the condensed statement of cashflows and the related notes have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.
- the interim management report includes a fair review of the information required by:
  - (a) *Regulation 8(2) of the Transparency (Directive 2004/109/EC) Regulations 2007*, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) *Regulation 8(3) of the Transparency (Directive 2004/109/EC) Regulations 2007*, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board

**B.A. Hall**

*Chairman*

24 August 2009

**S.P. Butterfield**

*Finance Director*

# Independent Review Report to Aminex PLC

## **Introduction**

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated statement of cashflows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Transparency (Directive 2004/109/EC) Regulations 2007 (“the TD Regulations”). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

## **Directors’ responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the TD Regulations.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The directors are responsible for ensuring that the condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

## **Our responsibility**

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

## **Scope of review**

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

## **Going concern**

In forming our conclusion on the condensed financial statements, we have considered the adequacy of the disclosure made in the condensed financial statements concerning the Group’s ability to continue as a going concern, however our conclusion is not qualified in this respect.

## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the TD Regulations.

**KPMG** Chartered Accountants

1 Stokes Place, St. Stephen’s Green, Dublin 2.

24 August 2009

## Condensed Consolidated Interim Income Statement

for the six months ended 30 June 2009

		Unaudited 6 months ended 30 June 2009 US\$'000	Unaudited 6 months ended 30 June 2008 US\$'000	Audited Year ended 31 December 2008 US\$'000
	Notes			
<b>Revenue – continuing operations</b>	2	<b>3,840</b>	4,514	10,177
Cost of sales		<b>(2,510)</b>	(2,690)	(6,486)
Depletion, depreciation and decommissioning of oil and gas interests		<b>(521)</b>	(294)	(758)
<b>Total cost of sales</b>		<b>(3,031)</b>	(2,984)	(7,244)
<b>Gross profit</b>		<b>809</b>	1,530	2,933
Administrative expenses		<b>(1,872)</b>	(2,816)	(4,455)
Depreciation of other assets		<b>(19)</b>	(44)	(79)
<b>Total administrative expenses</b>		<b>(1,891)</b>	(2,860)	(4,534)
<b>Loss on operating activities before other costs</b>		<b>(1,082)</b>	(1,330)	(1,601)
Loss on disposal of interest in Manja licence	3	-	(3,379)	(3,379)
Impairment write down of exploration and evaluation assets		-	-	(4,728)
<b>Loss on operating activities</b>		<b>(1,082)</b>	(4,709)	(9,708)
Finance income	4	<b>1</b>	147	202
Finance costs	5	<b>(69)</b>	(74)	(156)
<b>Loss before income tax</b>		<b>(1,150)</b>	(4,636)	(9,662)
Income tax expense	6	-	-	-
<b>Net loss for the period attributable to equity holders of the Company</b>	2	<b>(1,150)</b>	(4,636)	(9,662)
Basic and diluted loss per share (cent)	7	<b>(0.48)</b>	(1.91)	(3.99)

## Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2009

	Unaudited 6 months ended 30 June 2009 US\$'000	Unaudited 6 months ended 30 June 2008 US\$'000	Audited Year ended 31 December 2008 US\$'000
Loss for the period	<b>(1,150)</b>	(4,636)	(9,662)
Comprehensive income:			
Currency translation differences	<b>(19)</b>	(504)	(982)
<b>Total comprehensive income for the period attributable to the equity holders of the Company</b>	<b>(1,169)</b>	(5,140)	(10,644)

# Condensed Consolidated Interim Group Balance Sheet

At 30 June 2009

	Notes	Unaudited 30 June 2009 US\$'000	Unaudited 30 June 2008 US\$'000	Audited 31 December 2008 US\$'000
<b>ASSETS</b>				
Exploration and evaluation assets	8	31,171	30,111	28,708
Property, plant and equipment	9	11,749	9,057	12,119
Other investments		374	813	485
<b>Total non-current assets</b>		<b>43,294</b>	<b>39,981</b>	<b>41,312</b>
Inventory		-	1,068	385
Trade and other receivables		2,482	3,402	3,910
Cash and cash equivalents	10	2,245	10,664	4,097
<b>Total current assets</b>		<b>4,727</b>	<b>15,134</b>	<b>8,392</b>
<b>Total assets</b>		<b>48,021</b>	<b>55,115</b>	<b>49,704</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Loans and borrowings		(62)	(51)	(60)
Trade and other payables		(4,623)	(4,980)	(5,267)
Decommissioning provision		(21)	(117)	(24)
<b>Total current liabilities</b>		<b>(4,706)</b>	<b>(5,148)</b>	<b>(5,351)</b>
<b>Non-current liabilities</b>				
Loans and borrowings		(92)	(123)	(123)
Decommissioning provision		(1,309)	(1,454)	(1,244)
<b>Total non-current liabilities</b>		<b>(1,401)</b>	<b>(1,577)</b>	<b>(1,367)</b>
<b>Total liabilities</b>		<b>(6,107)</b>	<b>(6,725)</b>	<b>(6,718)</b>
<b>NET ASSETS</b>		<b>41,914</b>	<b>48,390</b>	<b>42,986</b>
<b>EQUITY</b>				
Issued capital		17,844	17,842	17,844
Share premium		59,768	59,749	59,768
Capital conversion reserve fund		234	234	234
Share option reserve		2,635	2,442	2,538
Share warrant reserve		5,665	5,682	5,665
Foreign currency translation reserve		(873)	(376)	(854)
Retained earnings		(43,359)	(37,183)	(42,209)
<b>TOTAL EQUITY</b>		<b>41,914</b>	<b>48,390</b>	<b>42,986</b>

## Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2009

	Share capital	Share premium	Capital conversion reserve	Share option reserve	Share warrant reserve fund	Foreign currency	Retained earnings	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
As at 1 January 2008	17,835	59,719	234	2,065	5,682	128	(32,547)	53,116
Shares issued	7	30	-	-	-	-	-	37
Share-based payments	-	-	-	377	-	-	-	377
<b>Comprehensive income:</b>								
Unrealised currency translation differences	-	-	-	-	-	(504)	-	(504)
Loss for the period	-	-	-	-	-	-	(4,636)	(4,636)
<b>As at 1 July 2008</b>	<b>17,842</b>	<b>59,749</b>	<b>234</b>	<b>2,442</b>	<b>5,682</b>	<b>(376)</b>	<b>(37,183)</b>	<b>48,390</b>
Shares issued	2	5	-	-	-	-	-	7
Share issue expenses paid	-	(3)	-	-	-	-	-	(3)
Share-based payments	-	-	-	96	-	-	-	96
Exercise of warrants	-	17	-	-	(17)	-	-	-
<b>Comprehensive income:</b>								
Unrealised currency translation differences	-	-	-	-	-	(478)	-	(478)
Loss for the period	-	-	-	-	-	-	(5,026)	(5,026)
<b>As at 1 January 2009</b>	<b>17,844</b>	<b>59,768</b>	<b>234</b>	<b>2,538</b>	<b>5,665</b>	<b>(854)</b>	<b>(42,209)</b>	<b>42,986</b>
Share-based payments	-	-	-	97	-	-	-	97
<b>Comprehensive income:</b>								
Unrealised currency translation differences	-	-	-	-	-	(19)	-	(19)
Loss for the period	-	-	-	-	-	-	(1,150)	(1,150)
<b>At 30 June 2009</b>	<b>17,844</b>	<b>59,768</b>	<b>234</b>	<b>2,635</b>	<b>5,665</b>	<b>(873)</b>	<b>(43,359)</b>	<b>41,914</b>

# Condensed Consolidated Interim Statement Of Cashflows

for the six months ended 30 June 2009

	Unaudited 6 months ended 30 June 2009 US\$'000	Unaudited 6 months ended 30 June 2008 US\$'000	Audited Year ended 31 December 2008 US\$'000
<b>Operating activities</b>			
Loss for the financial period	(1,150)	(4,636)	(9,662)
Depletion, depreciation and decommissioning	540	338	837
Impairment write down of exploration and evaluation assets	-	-	4,728
Other provisions	-	-	11
Foreign exchange gains	(36)	(504)	(924)
Finance income	(1)	(147)	(202)
Finance costs	69	74	156
Loss on sale of exploration assets	-	3,379	3,379
Loss/(gain) on sale of financial investment	20	(43)	(26)
Impairment provision against financial investments	-	-	328
Equity-settled share-based payment charge	97	377	473
Decrease/(increase) in inventory	385	(970)	(287)
Decrease in trade and other receivables	1,428	1,787	1,268
Increase/(decrease) in trade and other payables	350	(526)	(204)
<b>Net cash generated/(absorbed) by operations</b>	<b>1,702</b>	<b>(871)</b>	<b>(125)</b>
Cost of decommissioning	-	(2)	-
Interest paid	(7)	(4)	(17)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>1,695</b>	<b>(877)</b>	<b>(142)</b>
<b>Investing activities</b>			
Acquisition of property, plant and equipment	(847)	(354)	(4,292)
Expenditure on exploration and evaluation assets	(2,763)	(7,302)	(10,748)
Proceeds from sale of Manja licence	-	250	250
Proceeds from sale of property, plant and equipment	-	136	152
Proceeds from sale of financial investments	91	27	26
Interest received	1	171	226
<b>Net cash outflows from investing activities</b>	<b>(3,518)</b>	<b>(7,072)</b>	<b>(14,386)</b>
<b>Financing activities</b>			
Proceeds from the issue of share capital	-	37	44
Payment of transaction costs	-	-	(3)
Loans repaid	(29)	(66)	(102)
Loans received	-	-	44
<b>Net cash outflows from financing activities</b>	<b>(29)</b>	<b>(29)</b>	<b>(17)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,852)</b>	<b>(7,978)</b>	<b>(14,545)</b>
Cash and cash equivalents at 1 January	4,097	18,642	18,642
<b>Cash and cash equivalents at end of the financial period</b>	<b>2,245</b>	<b>10,664</b>	<b>4,097</b>

## Notes To The Condensed Consolidated Interim Financial Statements (unaudited)

for the six months ended 30 June 2009

### 1. (a) Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2009 are unaudited but have been reviewed by the auditor. The financial information presented herein does not amount to statutory financial statements that are required by Section 7 of the Companies (Amendment) Act, 1986 to be annexed to the annual return of the Company. The statutory financial statements of the financial year ended 31 December 2008 were annexed to the annual return and filed with the Registrar of Companies. The audit report on those statutory financial statements was unqualified. The auditor drew attention to the Company's disclosures made in the Basis of Preparation paragraph in the Statement of Accounting Policies included in the 2008 Annual Report concerning the Group's ability to continue as a going concern but the auditor's opinion was not qualified in this respect.

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

The same accounting policies and methods of computation are followed in these condensed consolidated financial statements as were applied in the consolidated financial statements for the year ended 31 December 2008, which were prepared in accordance with International Financial Reporting Standards as adopted by the EU ("EU IFRS"). The International Accounting Standards Board and the International Financial Reporting Interpretations Committee ("IFRIC") have issued the following standards which are effective for the Group's financial statements for the year ending 31 December 2009:

IFRS 8 "*Operating Segments*" became applicable to the Group from 1 January 2009. This requires that operating segments are determined based on information that is provided internally to the Group's "Chief Operating Decision Maker". Previously, operating segments were determined in accordance with IAS 14 "*Segment Reporting*", which required an operational and geographic analysis of segments. Under IFRS 8, 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. An operating segment's operating results are those that are reviewed regularly by the Executive Chairman to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. On this basis, the Group considers that its operating segments consist of: (i) Producing Oil and Gas Properties, (ii) Exploration Activities and (iii) Oilfield Services and Supplies. However it further analyses these by region for information purposes. Segment results include items directly attributable to the segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses, cash balances and certain other items. Based on this analysis of the Group's segments, there has been no material change in the manner in which segment results have been reported and accordingly there has been no change to the segment disclosures prepared for the current and prior comparative periods. Since the change of accounting policy impacts on presentation only, there has also been no change to reported losses or loss per share of prior periods.

IAS 1 "*Presentation of Financial Statements (2007)*" became applicable to the Group in the period. As a result, the Group has chosen to present any non-owner related changes in equity as a separate Income Statement and Statement of Comprehensive Income, in addition to presenting all owner and non-owner related changes of equity in a further separate Statement of Changes in Equity, as required by IAS 1. This presentation has been adopted in these condensed consolidated financial statements and comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in the accounting policy only impacts on the presentation of the accounts, reported losses and loss per share from prior periods have not been restated.

## Notes To The Condensed Consolidated Interim Financial Statements (unaudited)

for the six months ended 30 June 2009

IAS 23 “*Borrowing Costs*” requires that borrowing costs relating to qualifying assets are capitalised and is applicable to the Group from 1 January 2009. This is not expected to have a material effect on the Group as this policy has already been applied and in any event, borrowing costs are not significant for the Group.

Revision to IFRS 2 “*Non-vesting Conditions for Share Based Payments*” sets out the required accounting for certain non-vesting conditions attaching to certain share based payments. The Group has no non-vesting conditions attaching to its share option arrangements. Accordingly, this revision has no material impact.

### **(b) New accounting pronouncements**

Certain other new accounting pronouncements have been issued which will be effective for the Group in the near term. However, none of these is expected to have a material effect on the Group’s activities, as follows:

- IFRS 3 “*Business Combinations*” requires significant changes to the manner in which business combinations are accounted for and will be applicable to the Group from July 2009. Aminex has had no significant business combinations in recent years, but will apply the revised standard on a prospective basis, as applicable.
- IAS 27 “*Consolidated and Separate Financial Statements*” changes how controlling and non-controlling interests in entities are accounted for and is applicable to the Group from July 2009. As there have been no significant business combinations in recent years, this standard has no immediate impact on the Group. However, this will be applied on a prospective basis, as applicable.

There are various other revised accounting standards that will be applicable. However none is expected to have any impact on the Group’s results in the near term.

## Notes To The Condensed Consolidated Interim Financial Statements (unaudited)

for the six months ended 30 June 2009

### 2. Segmental disclosure

	Unaudited 6 months ended 30 June 2009 US\$'000	Unaudited 6 months ended 30 June 2008 US\$'000	Audited Year ended 31 December 2008 US\$'000
<b>Segmental revenue</b>			
US production activities	2,220	2,616	5,539
Oilfield services and supplies	<u>1,620</u>	<u>1,898</u>	<u>4,638</u>
<b>Total revenue</b>	<u>3,840</u>	<u>4,514</u>	<u>10,177</u>
<b>Segmental net profit/(loss) for the period</b>			
US – producing assets	328	792	1,502
Africa and Asia – exploration assets	(145)	(3,688)	(8,786)
Europe – oilfield services and supplies assets	42	187	211
Europe – Group costs	<u>(1,375)</u>	<u>(1,927)</u>	<u>(2,589)</u>
<b>Group net loss for the period</b>	<u>(1,150)</u>	<u>(4,636)</u>	<u>(9,662)</u>
<b>Segmental assets</b>			
US – producing assets	12,730	10,020	13,552
Africa and Asia – exploration assets	33,135	33,833	31,496
Europe – oilfield services and supplies assets	1,660	872	1,067
Europe – Group assets	<u>496</u>	<u>10,390</u>	<u>3,589</u>
<b>Total assets</b>	<u>48,021</u>	<u>55,115</u>	<u>49,704</u>
<b>Segmental liabilities</b>			
US – producing assets	(1,769)	(1,828)	(2,407)
Africa and Asia – exploration assets	(3,727)	(3,845)	(3,414)
Europe – oilfield services and supplies assets	(487)	(312)	(425)
Europe – Group activities	<u>(124)</u>	<u>(740)</u>	<u>(472)</u>
<b>Total liabilities</b>	<u>(6,107)</u>	<u>(6,725)</u>	<u>(6,718)</u>

### 3. Other assets – loss on disposal of Manja licence

On 19 June 2008, the Group disposed of its 50% interest in Amicoh Resources Limited, which held the Manja licence in Madagascar. The interest was sold to the other 50% shareholder in Amicoh Resources Limited for a cash consideration of US\$250,000. The net loss on disposal was US\$3,379,000 comprising:

	Unaudited 6 months ended 30 June 2008 US\$'000
Amounts (written off)/written back:	
Exploration and evaluation assets	(3,359)
Trade and other receivables	(264)
Cash and cash equivalents	(45)
Trade and other payables	<u>39</u>
	(3,629)
Less: proceeds from disposal of Amicoh Resources Limited	<u>250</u>
	<u>(3,379)</u>

## Notes To The Condensed Consolidated Interim Financial Statements (unaudited)

for the six months ended 30 June 2009

### 4. Finance income

	<b>Unaudited 6 months ended 30 June 2009 US\$'000</b>	Unaudited 6 months ended 30 June 2008 US\$'000	Audited Year ended 31 December 2008 US\$'000
Deposit interest income	<u>1</u>	<u>147</u>	<u>202</u>

### 5. Finance costs

	<b>Unaudited 6 months ended 30 June 2009 US\$'000</b>	Unaudited 6 months ended 30 June 2008 US\$'000	Audited Year ended 31 December 2008 US\$'000
Bank loans and overdraft interest	-	-	4
Decommissioning provision interest charge	<b>62</b>	68	139
Other finance charges	<b>7</b>	6	13
	<u><b>69</b></u>	<u>74</u>	<u>156</u>

### 6. Tax

The Group has not provided any tax charge for the six-month periods ended 30 June 2009, 30 June 2008 or year ended 31 December 2008. As disclosed in the 2008 Annual Report, the Group's operating divisions have accumulated losses which are expected to exceed profits earned by operating entities.

### 7. Loss per share

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

The calculations for the net basic loss per share of the financial periods ended 30 June 2009, 30 June 2008 and the year ended 31 December 2008 are as follows:

	<b>Unaudited 6 months ended 30 June 2009</b>	Unaudited 6 months ended 30 June 2008	Audited Year ended 31 December 2008
<i>Numerator for basic and diluted loss per share:</i>			
Net loss for the financial period (US\$'000)	<u><b>(1,150)</b></u>	<u>(4,636)</u>	<u>(9,662)</u>
<i>Weighted average number of shares:</i>			
Weighted average number of Ordinary Shares ('000)	<u><b>242,135</b></u>	<u>242,108</u>	<u>242,118</u>
Basic and diluted loss per share (cents)	<u><b>(0.48)</b></u>	<u>(1.91)</u>	<u>(3.99)</u>

There is no difference between the net loss per Ordinary Share and the diluted net loss per Ordinary Share for the financial periods ended 30 June 2009 and 30 June 2008 and the year ended 31 December 2008 as all potentially dilutive Ordinary Shares outstanding are anti-dilutive. There were 15,625,000 anti-dilutive share options (2008: 16,221,000) and 36,423,689 anti-dilutive share warrants (2008: 36,439,439) in issue as at 30 June 2009.

## Notes To The Condensed Consolidated Interim Financial Statements (unaudited)

for the six months ended 30 June 2009

### 8. Exploration and evaluation assets

	Tanzania US\$'000	Kenya US\$'000	Other US\$'000	Total US\$'000
At 1 January 2009	27,676	644	388	28,708
Additions	2,276	49	-	2,325
Employee costs capitalised	130	8	-	138
<b>At 30 June 2009</b>	<b><u>30,082</u></b>	<b><u>701</u></b>	<b><u>388</u></b>	<b><u>31,171</u></b>

### 9. Property, plant and equipment

	Developed and producing oil and gas properties - USA US\$'000	Other assets US\$'000	Total US\$'000
<b>Cost</b>			
At 1 January 2009	16,574	354	16,928
Additions	152	1	153
Exchange rate adjustment	-	52	52
<b>At 30 June 2009</b>	<b><u>16,726</u></b>	<b><u>407</u></b>	<b><u>17,133</u></b>
<b>Depreciation</b>			
At 1 January 2009	4,582	227	4,809
Charge for the period	521	19	540
Exchange rate adjustment	-	35	35
<b>At 30 June 2009</b>	<b><u>5,103</u></b>	<b><u>281</u></b>	<b><u>5,384</u></b>
<b>Net book value</b>			
<b>At 30 June 2009</b>	<b><u>11,623</u></b>	<b><u>126</u></b>	<b><u>11,749</u></b>
At 1 January 2009	11,992	127	12,119

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

	<b>Unaudited 6 months ended 30 June 2009 US\$'000</b>	Unaudited 6 months ended 30 June 2008 US\$'000	Audited year ended 31 December 2008 US\$'000
Net carrying value	<u>115</u>	<u>205</u>	<u>141</u>
Depreciation charge	<u>26</u>	<u>33</u>	<u>37</u>

At 30 June 2009 the Group had capital commitments of approximately US\$11.1 million.

## **Notes To The Condensed Consolidated Interim Financial Statements (unaudited)**

*for the six months ended 30 June 2009*

### **10. Cash and cash equivalents**

Included in cash and cash equivalents is an amount of US\$612,000 held on behalf of the non-operating joint venture partners where the Aminex Group acts as operator of the joint venture.

### **11. Statutory Information**

The interim financial information to 30 June 2009 and 30 June 2008 is unaudited and does not constitute statutory financial information. The information given for the year ended 31 December 2008 does not constitute statutory accounts within the meaning of Section 19 of the Companies (Amendment) Act 1986. The statutory accounts for the year ended 31 December 2008 have been filed with the Registrar. This announcement is being sent to shareholders and will be made available at the Company's registered office at 6 Northbrook Road, Dublin 6 and at the Company's UK representative office at 7 Gower Street, London WC1E 6HA.

### **12. Going concern**

Since 30 June 2009, the Group has raised approximately US\$15 million (net of costs) through equity share placings and an open offer to shareholders. The Directors have given careful consideration to the Group's ability to continue as a going concern and have concluded, after taking into account the recent equity fundraising, that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing this half-yearly financial report.

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