Amedeo Resources plc

Annual Report and Financial Statements
For the year ended 31 December 2015

Registered Number 05216336

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CORPORATE INFORMATION

Directors	Ghanim Bin Saad Al-Saad Al-Kuwari (Non-Executive Chairman) Lau Lian Seng Glen (Chief Executive Officer) Zafarullah Karim (Executive Director) Philippe Petitpierre (Non-Executive Director)
Company Secretary	Laura Nuttall
Registered Office	201 Temple Chambers 3-7 Temple Avenue London EC4Y 0DT United Kingdom
Nominated Adviser	WH Ireland Limited 24 Martin Lane London EC4R 0DR United Kingdom
Solicitors to the Company	Druces LLP Suite 425 Salisbury House London Wall London EC2M 5PS United Kingdom
Independent Auditor	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB United Kingdom
Registrar	Capita Registrars Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom
Corporate Consultant	ONE Advisory Limited 201 Temple Chambers 3-7 Temple Avenue London EC4Y 0DT United Kingdom
Website	www.amedeoresources.com
Country of Incorporation	England and Wales

CHAIRMAN'S STATEMENT

Introduction

Progress at Jiangsu Yangzijiang Offshore Engineering Co. Ltd's ("YZJ Offshore") marine vessel yard on its first order, a Le Tourneau Super 116E Class design self-elevating mobile offshore jack up drilling rig ("Explorer 1"), continued and the physical build was completed at the end of the year. Following completion of the physical build, commissioning, a process of extensive testing and certification commenced.

With the fall in the oil price, the rig market remains difficult and while discussions with several potential purchasers are on-going, no new orders have been obtained. While this is disappointing, YZJ Offshore has the capability to build many different vessels and blocks, and with Explorer 1's construction now complete, YZJ Offshore has a completed vessel to showcase.

With the iron ore price depressed, MGR Resources PTE Ltd ("MGR") has had a difficult year and cut back on its activities. Nonetheless, it managed to post a profit of US$90,000 during the year under review.

Despite the ongoing difficult environment, Amedeo continues to pursue its long term strategy of building a vertically integrated business in the resource and energy and related infrastructure sectors, and on an operational level, it continues to run a tight ship: Administrative expenses for the year were down 20% on the prior period at US$651,000 compared with US$812,000 for the 11 months ended 31 December 2014. Cash at the year end was US$2,340,000 (2014: US$1,179,000), and increased further following the year end to US$4,152,000 due to the repayment of a loan by MGR in February 2016 of US$1,717,000 as well as receipt of interest of US$300,000 in March 2016, the only remaining loan balance with MGR is the US$400,000 loan made in 2015.

YZJ Offshore

YZJ Offshore's first order, Explorer 1, was physically completed in December at the end of the year. Following completion, commissioning commenced, a process of testing and certifying which takes several months, subsequent to which the rig is expected to be delivered. Currently, delivery is expected in the second half of 2016 at the original contract price.

While the rig market in general may be oversupplied, YZJ Offshore's first rig is a Le Tourneau Super 116 Enhanced Class design self-elevating mobile offshore jack. The Le Tourneau is the most established design in the offshore world. It has the a very popular footprint i.e. its legs space dimension is one that has been used for many years and for many wells, therefore as well as being used for new wells it is extensively used for existing wells. Other rig designs do not have this significant advantage.

Le Tourneau was recently purchased by Keppel FELs, which has built and delivered almost half of the world's jack up and semi-submersibles in the past decade, due to the importance and uniqueness of the Le Tourneau design. Moreover, in the current new build market, there are no Le Tourneaus that have been built on speculation. All have been ordered for clients and by clients.

With respect to new orders, YZJ Offshore continues discussions with potential customers for further orders with the benefit that it now has a rig that is physically complete to showcase. This is important from both a marketing perspective and also from a reputational perspective. No new orders, however, have been forthcoming as currently the offshore vessel market remains difficult due to the volatility in the oil price from its high around US$115 per barrel in July 2014, through below c.US$30 per barrel, with only a recent recovery. As at the time of writing, the oil price is around US$50 per barrel, an increase of over 70% from its lows.

While the recovery in commodity prices, including oil, might suffer a setback this year, with the likelihood of rising US interest rates, Amedeo believes that any setback is likely to be temporary, particularly in the oil and gas sector. Accordingly, while the current outlook in the offshore vessel sector may appear challenging, Amedeo believes that the medium to long term outlook is positive with activity set to increase.

YZJ Offshore, having completed its first rig and therefore taken the first step along establishing its reputation, together with being a large and well equipped yard (it has the capacity to build product carriers, specialised platforms, semi-submersibles, amongst other vessels, as well as rigs), it is well positioned to take advantage of the recovery in the offshore fabrication market.

YZJ Offshore is also able to fabricate blocks for container ships and gas carrier vessels, and as such it is absorbing container block overspill from Yangzijiang Shipbuilding (Holdings) Ltd's principal yards. These activities keep YZJ Offshore's yard busy.

Amedeo has an indirect 19.0% stake in YZJ Offshore which it holds through its 47.5% stake in the joint venture company, YZJ Offshore Engineering Pte Ltd ("YZJ JV").

MGR

With the reduced demand for iron ore and depressed iron ore prices (from around US$70 per tonne at the beginning of 2015 to around US$40 by the end of 2015), MGR scaled back its iron ore operations, and focused on monitoring that market and exploring opportunities for broking other commodities, along the East and South East Asia, South Asia, Middle East and Africa corridors. Actual broking activities during 2015 were minimal and, in anticipation of reduced activities, in January 2015, MGR repaid Amedeo US$1,950,100 of its convertible loan that was issued in April 2013.

As at the year end, MGR had a loan of US$2,177,000 outstanding to Amedeo. With activities remaining, and expected to remain, at low levels, in February 2016, MGR repaid a further US$1,717,000 of the loan balance to Amedeo. Amedeo has a 49.0% equity stake in MGR.

Financial Review

Revenue for the year ended 31 December 2015 was US$128,000 (11 months to 31 December 2014: US$91,000), an increase of US$37,000 or 41% on the prior period. Amedeo provides various business development and marketing services to MGR, which represents 100% of revenue in both periods.

Administrative expenses were US$651,000 (11 months to 31 December 2014: US$812,000), a decrease of US$164,000 or 20%. The decrease is primarily due to the fact there were a number of one-off items in the prior period (fees related to the investment in YZJ JV and items related to a now settled VAT dispute) amounting in total to US$149,000.

Amedeo's share of loss in associates was US$2,014,000 (11 months to 31 December 2014: US$922,000). This was made up of a loss of US$2,059,000 (11 months to 31 December 2014: US$942,000) at YZJ JV and a profit of US$45,000 (11 months to 31 December 2014: US$20,000 profit) at MGR. The losses/profits of the associates are non-cash items.

Foreign exchange losses amount to US$115,000 (11 months to 31 December 2014: US$197,000). These were predominately due to translating GBP denominated loans into US$. This is a non-cash item.

Finance income decreased to US$300,000 (11 months to 31 December 2014: US$444,000) due to the repayment of US$1,950,000 of loans from MGR during the year.

Overall loss on ordinary activities before taxation increased to US$2,610,000 (11 months to 31 December 2014: loss of US$1,411,000). Basic and fully diluted loss per share for the period was US7.99¢ (11 months to 31 December 2014: US4.40¢).

Excluding non-cash items, loss on ordinary activities before taxation for the year ended 31 December 2015 reduced by US$57,000 to US$220,000 (11 months to 31 December 2014: loss of US$277,000), a 21% reduction.

Foreign exchange translation differences of US$978,000 (2014: US$64,000) arose, which relate to Amedeo's indirect investment in YZJ Offshore. The translation of Amedeo's indirect investment in YZJ Offshore is also a non-cash item.

Taking the balance sheet foreign exchange translation differences into account, overall, total comprehensive loss for the period was US$3,588,000 (11 months to December 2014: loss of US$1,475,000).

At the period end, the carrying value on the balance sheet of investments in associates fell to US$16,213,000 (2014: US$19,205,000), primarily as a result of the share of loss from Amedeo's stake in YZJ JV. Current assets fell to US$5,044,000 (2014: US$5,576,000). Cash as at 31 December 2015 was US$2,340,000 (2014: US$1,179,000).

Subsequent to the year end, MGR paid back a further loan of US$1,717,000. Consequently, at the date of these financial statements, the Group had approximately US$4,152,000 of cash and cash equivalent balances.

Trade payables at the period end decreased to US$147,000 (2014: US$344,000) due to timing differences on when invoices were paid around the period end.

Overall, at the period end, net and total assets were US$21,110,000 (2014: US$24,437,000) and US$21,257,000 (2014: US$24,781,000), respectively.

Share Consolidation

During the year, and following passing of a resolution at the last Annual General Meeting, the shares of Amedeo Resources plc underwent a 1 for 100 consolidation. This had the effect of reducing the number of shares outstanding by a factor of 100 from 3,265,384,300 ordinary shares of 0.1p each to 32,653,843 ordinary shares of 10p each. The Company does not hold any shares in treasury. At the year end and the date of these financial statements, the total number of Ordinary Shares in the Company with voting rights was 32,653,843.

Share based payment awards

During the year under review, and in line with Amedeo's policy of aligning Directors' incentives with those of shareholders as well as keeping cash remuneration modest, Amedeo awarded Glen Lau, the Company's Chief Executive Officer, 2,607,211 warrants to subscribe for new ordinary shares of 10p in the Company. The warrants have share price performance and time vesting conditions. They have an exercise price of 100 pence compared with the share price of 35 pence at the time of the award.

Outlook

With the current difficulties with the rig market, winning new orders at YZJ Offshore has been difficult. Amedeo do not expect this situation to continue in the medium term, and when the recovery does come, YZJ Offshore, having proved itself with Explorer 1 and with its capability to produce advanced, specialised and localised rigs as well as a range of other vessels, is well placed to take advantage of it. Depressed iron ore prices have not helped MGR. It, however, remains profitable and is exploring other opportunities.

Amedeo remains focused on long term strategy of building a vertically integrated business in the resource and energy and related infrastructure sectors.

The Board looks forward confidently to the future.

Annual general meeting

You will find set out at the end of this document a notice convening an annual general meeting of the Company ("AGM") to be held at 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT at 2:00pm on 8 July 2016. Also enclosed is a proxy form for use by shareholders in respect of the AGM.

Ghanim Al Saad, Non-Executive Chairman

13 June 2016

STRATEGIC REPORT

Principal Activities and Review of the Business

The principal activity of the Company is that of an investment company. The Company also provides various services, including marketing and consultancy services to its investee companies. The Company’s investment policy is set out below. It remains unchanged from that approved by its shareholders at the Company’s Annual General Meeting held on 21 July 2013.

The Company’s investment policy is to invest primarily in the resources and energy and related infrastructure sectors worldwide. The investment policy does not preclude investment in other sectors. The Company may acquire controlling or non-controlling stakes and it may be an active or a passive investor. Investments may be either quoted or unquoted and may be in companies, partnerships, joint ventures or direct interests in projects. The investment policy does not preclude the Company making an investment which may be deemed to be a reverse takeover under the AIM Rules. Any transaction constituting a reverse takeover under the AIM Rules will be subject to shareholder approval.

The Company intends to deliver shareholder returns principally through capital appreciation rather than income distribution via dividends.

Given the nature of the Company’s business activities, its key performance indicators are its net and total assets. As at 31 December 2015, these were US$21,110,000 (2014: US$24,437,000) and US$21,257,000 (2014: US$24,781,000), respectively.

The key business highlights of the year were the developments at YZJ Offshore and at MGR:

- In December 2015, Amedeo announced that the physical build of YZJ Offshore’s first rig order, the Le Tourneau Super 116E Class design self-elevating mobile offshore jack up drilling rig, Explorer 1, had been completed. Testing, including to American Bureau of Shipping classifications, and commissioning, which constitute a key part of the delivery package, have commenced and are expected to be completed during 2016.

- Importantly, YZJ Offshore has the ability to build advanced and specialised (by locality) rigs for shallow and mid waters and to build various other vessels including semi submersibles and accommodation units. It is also able to fabricate blocks for container ships and gas carrier vessels and, as such, YZJ Offshore is absorbing container block overspill from Yangzijiang Shipbuilding (Holdings) Ltd’s principal yards. These activities keep the YZJ Offshore busy while new orders are obtained.

- Trading conditions have been difficult for MGR, whose principal activity is the amalgamation of iron ore from the Middle East and Africa and onward supply to China, with the fall in the iron ore price. Brokering margins have decreased substantially as a result. Nonetheless, MGR has remained marginally profitable during the year.

- With the immediate outlook for iron ore being poor, MGR is utilising its network to explore other opportunities for broking other commodities, including into China.

- In January 2015, MGR repaid a loan to Amedeo of US$1,950,000. In early August 2015, Amedeo made a further loan of US$400,000 to MGR and at the year end, MGR still has loans outstanding from Amedeo of US$2,177,000. Post year end in February 2016, MGR repaid US$1,717,000 of the loan to Amedeo. Following this, the only remaining loan balance with MGR is the US$400,000 loan made in 2015.

- During the year and in line with Amedeo’s policy of aligning Directors’ incentives with those of shareholders, Amedeo awarded to Glen Lau, the Chief Executive Officer of Amedeo 2,607,211 warrants to subscribe for new ordinary shares of 10p in the Company. The warrants have share price performance and time vesting conditions. They have an exercise price of 100 pence compared with the share price of 35 pence at the time of the award.

- During the year, Amedeo completed a share consolidation whereby every 100 Existing Ordinary Shares were consolidated into 1 ordinary share of 10p each.

A review of the business during the year is given in the Chairman's Statement on pages 4 to 7.

We look forward to continuing to assist the existing investee companies in their development and reviewing and making further investments.

Risk factors

The principal risks and uncertainties facing the Company during the year were those relating to the underlying performance of its investments.

YZJ Offshore designs and constructs offshore marine vessels for the oil and gas industries. As such, its performance is dependent on continuing demand for the types of vessels it constructs. The value of the vessels it designs and constructs are measured in the hundreds of millions of dollars and more. YZJ Offshore's ability to construct such vessels is dependent on its ability to obtain credit to fund the builds. YZJ Offshore also has the risk that following the completion of vessels, the purchaser is not able to make the payment (typically 90% of the total price of the vessel) to take delivery. In such cases, YZJ Offshore takes possession of the vessels, and then has to find a buyer or lessee for the vessels. Its ability to resell or lease the vessels is dependent on the nature of the vessels and the demand for the vessels at the time of completion, which may be very different from when the order to build the vessels was placed. YZJ Offshore is a new offshore yard and as such its ability to attract new orders is dependent on the success of its first few builds.

MGR amalgamates disparate supplies of ferrous and related ores and metals, and then sells them into East Asia and China, primarily on a spot or short term contract basis. As such, its performance depends on its ability to source such supplies and then find buyers for them. MGR is exposed to demurrage risk on the ores and metals it purchases and transports. There is the risk of shipments being delayed for any number of reasons, and the risk that between purchase and sale prices change (though this is minimised by the nature of contracts). In addition, there is the risk that purchasers fail to perform on their obligations, in which case MGR has to find other purchasers for its ferrous and related ores and metals. MGR relies on trade credit arrangements to fund purchases of ferrous and related ores and metals. There is the risk that such credit arrangements may not always be available.

As discussed above, the Company's strategy is to build shareholder value making and assisting investments in the resource and infrastructure and energy sectors. While the Company has already made investments, in order to make new investments, the Company needs to sell existing investments or to raise funding in the equity and debt markets. There is the risk that the Company may not be able to sell existing investments to raise funds and the risk that it may not be able to raise funds in equity and debt markets when required.

The Directors are responsible for the Group's system of internal financial control. Although no system of internal financial control can provide absolute assurance against material misstatement or loss, the Group's system is designed to provide reasonable assurance that problems are identified on a timely basis and dealt with appropriately. In carrying out their responsibilities the Directors have put in place a framework of controls to ensure as far as possible that ongoing financial performance is monitored in a timely manner, that corrective action is taken and that risk is identified as early as practically possible, and they have reviewed the effectiveness of internal financial control. Risk management related to financial instruments is set out in note 22 on pages 35 to 38.

Outlook

With the current difficulties with the rig market, winning new orders at YZJ Offshore has been difficult. Amedeo does not expect this situation to continue in the medium term, and when the recovery does come, YZJ Offshore, having proved itself with Explorer 1 and with its capability to produce advanced, specialised and localised rigs as well as a range of other vessels, is well placed to take advantage of it. Depressed iron ore prices have not helped MGR. It, however, remains profitable and is exploring other opportunities.

Amedeo remains focused on long term strategy of building a vertically integrated business in the resource and energy and related infrastructure sectors.

The Board looks forward confidently to the future.

On behalf of the Board

Glen Lau, Chief Executive Officer
13 June 2016

DIRECTORS' REPORT

The Directors present their report and the financial statements for the year ended 31 December 2015.

Results and Dividends

The results for the year are set out in the Group Statement of Comprehensive Income on page 20. For the year ended 31 December 2015, the Group made a net loss of US$2,610,000 (11 months to 31 December 2014: US$1,411,000).

The Directors do not recommend the payment of a dividend for the year.

Going Concern

The Group's business activities, together with the financial position of the Group and the factors likely to affect its future development, performance and position are set out in the Chairman's Statement on pages 4 to 7.

As at the year end, the Group had US$2,340,000 of cash. The Group's administrative expenses during the year were US$648,000 (11 months to 31 December 2014: US$812,000). The Directors do not expect these cash costs to rise substantially in the foreseeable future. As at the date of signature of these financial statements the Group had US$4,152,000 of cash and equivalent balances, following the repayment of a loan by MGR in February 2016.

On the basis of the above, the Directors believe that sufficient funds will be available to support the going concern status of the Group over the next 12 months following the approval of these financial statements. Consequently, the Directors believe that it is appropriate to prepare the Group's financial statements on a going concern basis.

Directors

The following were Directors of the Company for part or all of the financial year under review and up to the date of the signing of these financial statements:

Ghanim Bin Saad Al- Saad Al- Kuwari (Non-Executive Chairman)

Mr Ghanim Al Saad, 51, is the founder of Ghanim Bin Saad Al Saad & Sons Group Holdings ("GSSG") which is one of Qatar's most successful private sector business groups with investments in more than 40 companies around the world operating in the fields of aviation, maritime, automobiles, oil & gas, real estate, manufacturing, finance & asset management, engineering, education, fitness, hotels and hospitality, information technology and telecommunications. In addition, until 2012, Mr Al Saad was managing director of Qatari Diar Real Estate Investment Company, which was established in 2005 by the Qatar Investment Authority, the sovereign wealth fund of the State of Qatar.

Lau Lian Seng Glen (Chief Executive Officer)

Mr Glen Lau, 51, graduated from the National University of Singapore in 1989 with a BSC in Mathematics and Economics and achieved a MSC in Financial Engineering from the same university in 2001. He has over two decades of experience working in the financial sector, with a particular expertise in investment banking and fund management. He also has significant experience in the offshore infrastructure sector, having been the Deputy Chairman of PPL Shipyard Pte Ltd, one of Singapore's pre-eminent offshore rig builders, and he was instrumental in helping to secure the Company's joint-venture investment with Yangzijiang Shipbuilding (Holdings) Ltd. Mr Lau is a Director of Fulton Capital Management Limited.

Zafarullah Karim (Executive Director)

Mr Karim, 47, has over two decades of business and financial experience, including investment banking, investment and risk management, financial strategy and growing and restructuring companies. Mr Karim has been the impetus driving change and growth in several companies where he has served as a board member. He has also acted as a consultant to various businesses and entrepreneurs in relation to their financial and investment strategies. Mr Karim started his career in 1990 in investment banking with Salomon Brothers. He then worked for several years for NM Rothschild & Sons in a variety of developed and emerging markets. Mr Karim has an M.A. (Hons) in economics from the University of Cambridge.

Philippe Petitpierre (Non-Executive Director)

Mr Petitpierre, 67, is a Swiss national who holds two Masters Degrees in Environmental Sciences and Energy from the EPFL (Lausanne Institute of Technology). He represents Switzerland on the Board of IGU (International Gas Union) and is a member of the Board of Directors of EUROGAS in Brussels. Mr Petitpierre is vice-chairman of the SWISSGAS Company and of the Swiss Gas Industry Association. He is also active in the regional economy, chairing two Banks and the Economic Development Council of Canton de Vaud.

Directors' Indemnity Arrangements

The Company maintains Directors' and officers' liability insurance cover. In addition, throughout the financial year and at the date of this report, qualifying third party indemnity provisions within the meaning of sections 232-234 of the Companies Act 2006 were in place for all the Directors.

Substantial Shareholders

Shareholders on the register of shareholders as at 13 June 2016 with a 3% or more interest in the Company's share capital are detailed below:

	Percentage of issued ordinary share capital (%)
Qatar Investment Corporation (1)	61.09
Mena Global Investments 1 Limited	9.20
Global Tech Investments 1 Ltd	5.28
Dune Engineering PTE Limited	5.19

(1) Qatar Investment Corporation is a wholly owned investment vehicle of Mr Ghanim Al Saad, Non-Executive Chairman of the Company.

Subsequent Events

Save for the repayment by MGR of US$1,717,000 of the loan due to Amedeo in February 2016, there are no significant subsequent events to report.

Statement of Disclosure of Information to the Auditor

The Directors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Directors has confirmed that he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

A resolution to re-appoint Moore Stephens LLP as the Company's auditors will be proposed at the annual general meeting.

On behalf of the Board

Glen Lau, Chief Executive Officer
13 June 2016

REMUNERATION REPORT

Whilst the Board has prepared this report to provide information to shareholders, it is not required and is not intended to be in accordance with the requirements of the Companies Act 2006.

This Remuneration Report sets out the remuneration of the Directors and details of their warrants and/or options.

Policy on Directors' Fees

The Board's policy is that the level of director remuneration should be sufficient to attract and retain the Directors needed to oversee the Company and to reflect the specific circumstances of the Company, the duties and responsibilities of the Directors and the value and amount of time committed to the Company's affairs.

The Board aims to align Directors' interests with those of shareholders by remunerating primarily with equity related instruments while keeping the cash remuneration low. The Board considers the level of the Directors' fees annually.

Directors' Fees

The amounts paid to the Directors are set out below. In total, US$349,000 was charged to the statement of comprehensive income in respect of the Directors' remuneration during the year (11 months to 31 December 2014: US$140,000).

(US $'000)	Cash		Share-based payments (in capacity as director)		Total	
Director	**Year ended 31 Dec 2015**	**11 months ended 31 Dec 2014**	**Year ended 31 Dec 2015**	**11 months ended 31 Dec 2014**	**Year ended 31 Dec 2015**	**11 months ended 31 Dec 2014**
Ghanim Al Saad	-	-	-	-	-	-
Glen Lau	83	85	206	-	289	85
Philippe Petitpierre	-	-	-	-	-	-
Zafarullah Karim	60	55	-	-	60	55
Total	**143**	**140**	**206**	**-**	**349**	**140**

No pension scheme contributions or other retirement benefit contributions were paid to or on behalf on any Director.

There are currently no share option schemes in place for the Directors or employees. The Directors, or entities connected with them, hold warrants in the Company as set out below:

	31 December 2015		**31 December 2014**	
	Average Exercise Price Per Share	Number	Average Exercise Price Per Share	Number
Ghanim Al Saad	-	-	-	-
Philippe Petitpierre	-	-	-	-
Glen Lau (1) (2)	96p	2,857,211	50p	250,000
Zafarullah Karim (3) (4)	62p	1,428,603	50p	1,095,446

(1) Fulton Capital Management Limited is a company owned and controlled by Mr Lau, the Company's chief executive officer.
(2) During the year, Mr Lau was issued 2,607,211 warrants with an exercise price of 100p and an expiration date of 11 March 2025.
(3) During the year, Mr Karim acquired from a third party 333,157 warrants with an exercise price of 100p and an expiration date of 31 January 2025.

It is the Directors' intention to put in place an appropriate long term share incentive plan for the Directors and employees.

On behalf of the Board

Glen Lau, Chief Executive Officer
13 June 2016

CORPORATE GOVERNANCE

The Company was admitted to trading on AIM on 25 November 2004. As an AIM traded company it is not required to comply with the UK Corporate Governance Code and is not voluntarily applying the UK Corporate Governance Code. However, the Board is committed to complying with best corporate governance practice as set out in the Quoted Companies Alliance guidelines where appropriate, given the size and operations of the Company. This includes evaluating Directors' performance, the management of the Company, and ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues.

There is no separate Audit, Remuneration or Nomination Committee as the Board considers that, given its current size, all members of the Board should participate in those roles and responsibilities normally reserved for such committees. Therefore, the full Board of Directors provides a forum for reporting by the Company's external auditor.

Model Code for Dealing

The Company has adopted a model code for dealings in shares by Directors and senior employees which is appropriate for an AIM company. The Directors comply with Rule 21 of the AIM Rules relating to Directors' dealings and take all reasonable steps to ensure compliance.

Board and Directors

The Board comprises two Executive Directors, a Non-Executive Chairman and a Non-Executive Director. The Directors work together throughout the year.

The Board meets formally as required, but at least four times a year. At each scheduled meeting of the Board, the Directors report on the Company's operations. All Directors are subject to re-election by shareholders at the first opportunity after their appointment. All Directors are required to retire by rotation and up to one third of the Board is required to seek re-election each year. Recommendations on new appointments to the Board are made by individual Directors and are discussed at Board meetings.

Auditor

The Board undertakes an assessment of the auditor's independence each year which includes:

- A review of non-audit services provided to the Company and related fees;
- Discussion with the auditor of a written report detailing all relationships with the Company and any other parties that could affect independence or the perception of independence;
- A review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and
- Obtaining written confirmation from the auditor that, in their professional judgment, they are independent.

Accountability, Financial Reporting and Internal Control

The Board aims to present a balanced and understandable view of the Company's financial position and prospects.

The Board is responsible for ensuring that the Company maintains a system of internal financial controls, including suitable monitoring procedures. The objectives of the systems are to safeguard Company assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is reliable. Any such system can only provide reasonable, but not absolute, assurance against material misstatement or loss. Internal financial control monitoring procedures undertaken by the Board include the review of financial reports, the monitoring of performance and the prior approval of all significant expenditure.

During the year ended 31 December 2015 the Board discharged these responsibilities by:

- Reviewing the Company's draft annual financial statements and interim results statement prior to Board approval and reviewing the external auditor's detailed reports when applicable;
- Reviewing the appropriateness of the Company's accounting policies;
- Reviewing the audit fee;
- Reviewing the terms of engagement for the audit;
- Reviewing the internal controls operated in relation to the Company's business; and
- Reviewing the performance of the Company's advisers.

The Company does not have an independent internal audit function as it is not deemed appropriate given the size of the Company and the nature of the Company's business. However, the Board considers annually whether there is a need for such a function.

Relations with Shareholders

The Directors seek to build a mutual understanding of objectives between the Company and its shareholders. The Company reports formally to shareholders in its interim and annual reports setting out details of its activities. In addition, the Company keeps shareholders informed of events and progress during the year through the issue of press releases. The Company maintains an investor relations page on its website (www.amedeoresources.com).

Shareholders have the opportunity to meet members of the Board at the annual general meeting where the Board members are happy to respond to questions. The Board also responds to written queries made by shareholders during the course of the year and may also meet with major shareholders if so requested.

Directors are required to attend the Annual General Meeting of the Company unless unable to do so for personal reasons or due to pressing commercial commitments. Shareholders are given the opportunity to vote on each separate issue.

On behalf of the Board

Glen Lau, Chief Executive Officer
13 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the 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 the AIM Rules for Companies, the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU as applied by Companies Act 2006 and have elected to prepare the Company financial statements on the same basis.

The Group and Company financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position of the Group and the Company and the performance of the Group for each financial year. Under company law in the United Kingdom, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing each of the Group and Company financial statements the Directors are required to:

- Select suitable accounting policies in accordance with "IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors" and apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance;
- State that the Group has complied with the IFRS, as adopted by the EU, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business ; and
- Make judgements and estimates that are reasonable and prudent.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Glen Lau, Chief Executive Officer
13 June 2016

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AMEDEO RESOURCES PLC

We have audited the financial statements of Amedeo Resources Plc for the year ended 31 December 2015 on pages 20 to 38. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 17, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2015 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AMEDEO RESOURCES PLC

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michael Simms (Senior Statutory Auditor)
for and on behalf of **Moore Stephens LLP**
Chartered Accountants and Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

13 June 2016

COSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

	Note	Year ended 31 Dec 2015 $'000	11 months ended 31 Dec 2014 $'000
Revenue		128	91
Administrative expenses	4	(651)	(812)
Share based payments		(261)	(15)
Share of loss of associates	5	(2,014)	(922)
Foreign currency loss		(115)	(197)
Loss from operations		**(2,913)**	**(1,855)**
Profit on sale of quoted shares		3	-
Finance income	7	300	444
Loss on ordinary activities before taxation		**(2,610)**	**(1,411)**
Taxation	8	-	-
Loss for the year/period		**(2,610)**	**(1,411)**
Basic and diluted loss per share	9	(7.99)¢	(4.40)¢
Other Comprehensive Income			
Foreign exchange translation difference		(978)	(64)
Total Comprehensive Expense for the year/period		**(3,588)**	**(1,475)**

The accompanying notes are an integral part of these financial statements.

All activities are derived from continuing operations.

The Company has elected to take exemption under section 408 of the Companies Act 2006 from presenting the Company statement of comprehensive income. The loss for the Company for the year ended 31 December 2015 was US$450,000 (11 months to 31 December 2014: loss of US$408,000).

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2015

Group

	Share capital	Share premium account	Share-based payment reserve	Foreign currency translation reserve	Accumulated Losses	Total equity attributable to equity holders of parent
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 February 2014	4,923	21,643	289	1,523	(10,822)	17,556
Loss for the period	-	-	-	-	(1,411)	(1,411)
Share-based payments	-	-	15	-	-	15
Foreign exchange	-	-	-	(64)	-	(64)
Issue of share capital	881	7,902	-	-	-	8,783
Issue costs	-	(442)	-	-	-	(442)
At 31 December 2014	5,804	29,103	304	1,459	(12,233)	24,437
Loss for the year	-	-	-	-	(2,610)	(2,610)
Share-based payments	-	-	261	-	-	261
Foreign exchange	-	-	-	(978)	-	(978)
At 31 December 2015	5,804	29,103	565	481	(14,843)	(21,110)

Company

	Share capital	Share premium account	Share-based payment reserve	Foreign currency translation reserves	Accumulated Losses	Total equity attributable to equity holders of parent
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 February 2014	4,923	21,643	289	922	(9,597)	18,180
Loss for the period	-	-	-	-	(408)	(408)
Share-based payments	-	-	15	-	-	15
Issue of share capital	881	7,902	-	-	-	8,783
Issue costs	-	(442)	-	-	-	(442)
At 31 December 2014	5,804	29,103	304	922	(10,005)	26,128
Loss for the year	-	-	-	-	(450)	(450)
Share-based payments	-	-	261	-	-	261
At 31 December 2015	5,804	29,103	565	922	(10,455)	25,939

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2015

		Group		Company	
Assets	**Note**	**Dec 2015**	**Dec 2014**	**Dec 2015**	**Dec 2014**
Non-current assets		**$'000**	**$'000**	**$'000**	**$'000**
Investment in subsidiaries	10	-	-	8	8
Investment in associates	11	16,213	19,205	-	-
		16,213	19,205	8	8
Current assets					
Loans receivable	12	2,177	3,813	24,809	24,867
Investments in quoted shares	13	-	7	-	7
Investment in unquoted preference shares	14	-	33	-	33
Other receivables	15	527	544	468	250
Cash and cash equivalents		2,340	1,179	759	1,017
		5,044	5,576	26,036	26,174
Total assets		**21,257**	**24,781**	**26,044**	**26,182**
Liabilities					
Current liabilities					
Trade and other payables	16	(147)	(344)	(105)	(54)
Total liabilities		(147)	(344)	(105)	(54)
Net assets		**21,110**	**24,437**	**25,939**	**26,128**
Equity					
Called up share capital	17	5,804	5,804	5,804	5,804
Share premium account		29,103	29,103	29,103	29,103
Share-based payment reserve	18	565	304	565	304
Foreign currency translation reserve		481	1,459	922	922
Accumulated losses		(14,843)	(12,233)	(10,455)	(10,005)
Total equity		**21,110**	**24,437**	**25,939**	**26,128**

Approved by the Board and authorised for issue on 13 June 2016 and signed on behalf of the Board by

Glen Lau
Director
Registered Number 05216336
The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

	Group		Company	
	Year ended 31 Dec 2015	**11 months ended 31 Dec 2014**	**Year ended 31 Dec 2015**	**11 months ended 31 Dec 2014**
	$'000	$'000	$'000	$'000
Loss for the period before tax	(2,610)	(1,411)	(450)	(408)
Adjustments for:				
Share-based payments	261	15	261	-
Share of loss of associates	2,014	922	-	-
Change in receivables	17	(492)	(218)	(198)
Change in payables	(197)	144	51	(78)
Loss on sale of quoted shares	(3)	-	(3)	-
Provision for unquoted preference shares	33	-	33	-
Finance income	(300)	-	(300)	-
Unrealised FX losses	86	-	86	-
Cash used in operating activities	**(699)**	**(822)**	**(540)**	**(684)**
Investing activities				
Receipt on sale of quoted shares	10	-	10	-
Investment in associates	-	(5,059)	-	-
Loans made to associates	(400)	(1,863)	-	(1,863)
Loans made to subsidiaries	-	-	(28)	(5,059)
Loans repaid by associates	1,950	-	-	-
Net cash from (used in) investing activities	**1,560**	**(6,922)**	**(18)**	**(6,922)**
Financing activities				
Proceeds from share issue	-	8,783	-	8,783
Share issue costs	-	(442)	-	(442)
Finance income	300	-	300	-
Net cash from financing activities	**300**	**8,341**	**300**	**8,341**
Net increase/(decrease) in cash and cash equivalents	**1,161**	**597**	**(258)**	**735**
Cash and equivalents at beginning of year/period	1,179	582	1,017	271
Effects of currency translation on cash and cash equivalents	-	-	-	11
Cash and equivalents at end of year/period	**2,340**	**1,179**	**759**	**1,017**

The accompanying notes are an integral part of these financial statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year unless stated otherwise.

Basis of accounting
The financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations issued by the International Accounting Standards Board as adopted by European Union.

The financial statements have been prepared under the historical cost convention, with the exception of financial instruments, some of which are measured at fair value.

The accounting policies applied are the same as those applied in the financial statements for the year ended 31 December 2014. New standards introduced during the period had no material impact on the results or net assets of the company.

Standards and interpretations in issue but not yet effective

A number of new standards and amendments to existing standards have been published which are mandatory, but are not effective for the year ended 31 December 2015. The Directors do not anticipate that the adoption of these revised standards and interpretations will have a significant impact on the figures included in the Financial Statements in the period of initial application other than the following:

IFRS 9 Financial Instruments
The standard makes substantial changes to the measurement of financial assets and financial liabilities. There will only be three categories of financial assets whereby financial assets are recognised at either fair value through profit and loss, fair value through other comprehensive income or measured at amortised cost. On adoption of the standard, the Group will have to re-determine the classification of its financial assets based on the business model for each category of financial asset. This is not considered likely to give rise to any significant adjustments other than reclassifications.

The principal change to the measurement of financial assets measured at amortised cost or fair value through other comprehensive income is that impairments will be recognised on an expected loss basis compared to the current incurred loss approach. As such, where there are expected to be credit losses these are recognised in profit or loss. For financial assets measured at amortised cost the carrying amount of the asset is reduced for the loss allowance.

For financial assets measured at fair value through other comprehensive income the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset.

Most financial liabilities will continue to be carried at amortised cost, however, some financial liabilities will be required to be measured at fair value through profit or loss, for example derivative financial instruments, with changes in the liabilities’ credit risk recognised in other comprehensive income. The Group expects this to have some impact due to the value of financial instruments across its entities.

The standard is effective for periods beginning on or after 1 January 2018 but is yet to be endorsed by the EU.

IFRS 15- Revenue for contracts with customers
The standard has been developed to provide a comprehensive set of principles in presenting the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is based around five steps in recognising revenue:

1. Identify the contract with the customer;
2. Identify the performance obligations in the contract
3. Determine the transaction price;
4. Allocate the transaction price; and
5. Recognise revenue when a performance obligation is satisfied.

On application of the standard the disclosures are likely to increase. The standard includes principles on disclosing the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers, by providing qualitative and quantitative information.

The standard is effective for periods beginning on or after 1 January 2018 but is yet to be endorsed by the EU.

IFRS 16 - Leases

The standard is effective for periods beginning on or after 1 January 2019, but can be applied before that date if the Company also applies IFRS 15 revenue from Contracts with Customers. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead all leases are treated in a similar way to finance leases applying IAS 17. Leases are ‘capitalised’ by recognising the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognises a financial liability representing its obligation to make future lease payments. IFRS 16 replaces the typical straight-line operating lease expense for those leases applying IAS 17 with a depreciation charge for lease assets (included within operating costs) and an interest expense on lease liabilities (included within finance costs).

Going concern
The Group’s business activities, together with the financial position of the Group and the factors likely to affect its future development, performance and position are set out in the Chairman’s Statement on pages 4 to 7.

As at the year end, the Group had US$2,340,000 of cash. The Group’s administrative expenses were US$651,000 (11 months to 31 December 2014: US$812,000). The Directors do not expect these cash costs to rise substantially in the foreseeable future. As at the date of signature of these financial statements the Group had US$4,152,000 of cash and equivalent balances, following the repayment of a loan by MGR in February 2016.

On the basis of the above, the Directors believe that sufficient funds will be available to support the going concern status of the Group over the next 12 months following the approval of these financial statements. Consequently, the Directors believe that it is appropriate to prepare the Group’s financial statements on a going concern basis.

Basis of consolidation
Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the Company and its two subsidiary undertakings, Amedeo Resources (Asia) PTE Ltd (“Amedeo Asia”) and Creon Corporation Limited (“Corporation”), the latter of which is dormant, as if they formed a single entity. Inter-company transactions and balances between Group companies are therefore eliminated in full.

Revenue
The revenue received from the services provided for MGR is recognised in the accounting period in which the services are rendered.

Investments in subsidiaries
Investments in subsidiary undertaking is stated at cost less any provision for impairment.

Investments in unquoted and quoted shares
Investments in unquoted shares and quoted shares (should the Group invest in any in the future) are/will be initially measured at cost, excluding transaction costs. Subsequent measurement of all investments is at fair value. The fair values of listed investments will be based on bid prices at the financial year end date.

Assets held by the Group at the period end include unlisted ordinary equity shares and unlisted redeemable preference shares.

When managing its investments, the Group aims to profit from changes in the fair value of equity investments. Accordingly, all quoted equity investments, should they be held, will be designated as “at fair value through the profit and loss” and will be subsequently recorded in the statement of financial position as current assets at fair value.

Investment in associates
Where the Company, or its wholly owned subsidiary, has significant influence over an entity, normally having an interest being more than 20% and less than 50%, such as Amedeo Asia’s holdings in YZJ JV and MGR, then that investment is classified as an associate and is equity accounted, see notes 5 and 11.

Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Company’s share of the profit or loss of the investee after the date of acquisition. The Company’s share of the associate’s profit or loss is recognised in its statement of comprehensive income. Distributions received from an associate reduce the carrying amount of the investment.

After application of the equity method, an impairment review is carried out to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate.

Loans receivable
Loans receivable are valued at nominal amount less provisions against recoverability. The maximum exposure in respect of the loan portfolio at the period end is the amount receivable shown in note 12. No hedging transactions have been entered into with respect to the loan portfolio.

Impairment
At each financial period end date, the Group reviews the carrying amounts of its non-current assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the individual asset, the Group estimates that recoverable amount of the cash-generating unit to which the asset belongs.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank, in hand and demand deposit and other short term highly liquid investments of three months or less at inception that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Financial liabilities and equity
Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations rather than the financial instrument's legal form. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial assets
Apart from its unquoted investments and investments in associates, the Group has only financial assets classified as loans and receivables. The Group's loans and receivables comprise loans and other receivables and cash and cash equivalents in the statement of financial position.

Trade payables
Trade payables are not interest bearing and are stated at their nominal value.

Equity instruments
Equity instruments issued by the Company are recorded as the proceeds received, net of direct issue costs.

Current and deferred tax
Taxation is applied on a current basis in accordance with IAS 12 "Income taxes". Deferred taxation is provided in full on temporary differences that result in an obligation at the balance sheet date to pay more tax or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Temporary differences arise from differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which unused tax losses and credits can be utilised. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Foreign currencies
The financial information is presented in United States Dollars which is the functional currency of the Company. The presentational and functional currency changed from United Kingdom Pounds Sterling in the 11 months ended 31 December 2014.

Transactions in foreign currencies are translated at the rate prevailing at the date of transaction, with any differences recognised to the Income Statement. Monetary assets and liabilities denominated in foreign currencies in each company are translated at the rates of exchange prevailing at the accounting date.

On consolidation, revenues, costs and cash flows of undertakings abroad are included in the Group income statement at average rates of exchange for the year. The assets and liabilities denominated in foreign currencies are translated into United States Dollars using rates of exchange at the reporting date.

Exchange differences on the re-translation of opening net assets and results for the year of foreign subsidiary undertakings and associates are dealt with through other comprehensive income net of differences on loans denominated in foreign currency. Other gains and losses arising from foreign currency transactions, including trading, are included in the consolidated income statement.

Share-based payments
All share-based payments are accounted for in accordance with IFRS 2 – "Share-based payments". The Company issues equity-settled share-based payments in the form of share warrants to certain Directors and key advisers. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant

date of equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

Fair value is estimated using a Black Scholes probability valuation model. The expected life used in the model has been calculated by reducing the total contractual life to management's best estimate of the expected date of exercise.

Critical accounting estimates and judgements
The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions 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.

(a) Impairment of investment in associated company:
The investment in the associated company is stated on an equity accounting basis supported by the audited financial statements of the associate. The Group is also required to determine whether any impairment loss should be recognised in accordance with IAS 39. The recoverable amount is determined based on value in use calculations. In determining the value in use, the Company estimates:
(i) its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate or joint venture and the proceeds from the ultimate disposal of the investment; or
(ii) the present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.
It then compares the product of these estimates with the total carrying value of the associate.

(b) Recoverability of loans receivable:
Separately, the Company determines the recoverability of its loans to its associate, MGR. As the loans were used to make working capital available to MGR, consideration of the recoverability of the loans is related to consideration of the carrying value of the associate.

2. Segmental reporting

No segmental analysis is considered necessary as the Directors believe that the Group has only one segment in the period under review, being that of an investment company with a focus on investments in, but not exclusively, the resources and/or resources infrastructure sectors, with no specific national or regional focus.

3. Reference date and presentational currency

In the prior period, the Directors decided to change the accounting reference date from 31 January to 31 December. This is more typical in the resource and offshore sector and generally. As a result of this change not all amounts disclosed in the financial statements for the corresponding period may be directly comparable.

4. Administrative expenses

Expenses included in administrative expenses are analysed below

	Year ended on 31 Dec 2015	11 months ended 31 Dec 2014
	$'000	$'000
Administration, legal, professional and financial costs	508	664
Directors' fees	143	140
Unrecovered VAT	-	8
	651	812

The auditor's fees in the year ended 31 December 2015 for the audit of the parent company and the consolidated accounts were in respect of taxation services amounted to US$Nil (11 months to 31 December 2014: US$50,000) and auditor's fees payable to the associates of the company's auditors in respect of audit of the subsidiary's financial statements were US$35,000 (11 months to 31 December 2014: US$30,000). In addition, fees for non-audit services in respect of taxation services in the year ended 31 December 2015 were US$Nil (11 months to 31 December 2014: US$47,500).

5. Share of loss of associates

	Year ended 31 Dec 2015 $'000	11 months ended 31 Dec 2014 $'000
YZJ Offshore Engineering Pte Ltd	(2,059)	(942)
MGR Resources Pte Ltd	45	20
	(2,014)	(922)

The Company's wholly-owned Singapore-registered subsidiary, Amedeo Asia, holds a 47.51% investment in YZJ JV, a Singapore registered company. The loss of US$2,059,000 represents Amedeo Asia's share of YZJ JV's loss for the year ended 31 December 2015 (11 months to 31 December 2014: US$942,000) and Amedeo Asia's share of MGR's income for the year ended 31 December 2015 of US$45,000 (11 months to 31 December 2014: US$20,000).

6. Foreign exchange losses

	Year ended 31 Dec 2015 $'000	11 months ended 31 Dec 2014 $'000
Loss on conversion of loans made to associates	86	181

In June 2014, the Company made a foreign currency denominated, interest free, unsecured loan to its wholly-owned subsidiary, Amedeo Asia, totalling GBP1.2 million (translated to US$2.044 million in June 2014), to enable Amedeo Asia to make a convertible loan to MGR ("Convertible Loan"). At 31 December 2015, the loan of GBP1.2 million was retranslated to US$1.777 million at the reporting date, resulting in an unrealised loss on foreign exchange of US$0.086 million. See table below, which details this:

Loan from Amedeo Asia to MGR in 2014	
At 1 January 2015	$1.863m
Less: At 31 December 2015	($1.777)m
Unrealised loss on foreign exchange	**US $0.086m**

The Company does not hedge against movements in foreign exchange rates.

7. Loan interest

	Year ended 31 Dec 2015 $'000	11 months ended 31 Dec 2014 $'000
Interest on loans made to associates	300	444

Interest on loans made to associates is made up of interest receivable from MGR.

8. Taxation

	Year ended 31 Dec 2015 $'000	11 months ended 31 Dec 2014 $'000
UK Corporation tax		
Factors affecting tax charge in the year		
Loss on ordinary activities before tax	(2,010)	(1,411)
Loss on ordinary activities at the effective rate of corporation tax 20% (11months to 31 December 2014: 20%)	(402)	(282)
Unrelieved losses	402	282
	-	-

Deferred income tax assets are recognised for tax losses carried-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group does not recognise any deferred income tax assets relating to carried forward tax losses as there is insufficient evidence that any deferred tax asset recognised will be recovered.

9. Loss per share

The basic and diluted loss per share for the year to 31 December 2015 was US7.99¢ (11 months to 31 December 2014: US4.40¢). The calculation of loss per share is based on the loss of US$2,610, 000 for the year ended 31 December 2015 (11 months to 31 December 2014: US$1,411,000 loss) and the weighted average number of shares in issue during the year to 31 December 2015 of 32,653,843 (11 months to 31 December 2014:32,104,388). The prior period numbers have been restated to reflect a consolidation of the number of shares in issue to 10 pence each, which was approved at the AGM on 30 June 2015 and was effective from 5.30pm on that date.

No warrants were exercised in the year ended 31 December 2015. The outstanding warrants represent approximately 15% of the Company's current issued share capital and are considered by the Directors to be anti-dilutive, given that the various exercise prices of warrants are all in excess of the average share price for the year.

10. Investment in subsidiaries

	Company	
	31 Dec 2015	**31 Dec 2014**
Cost or valuation	$'000	$'000
At 31December 2014	8	8
At 31 December 2015	8	8

The investment in subsidiaries shown in above is the investment in Amedeo Asia.
The Company's subsidiaries were as follows:

Name	**Country of incorporation**	**Proportion of ownership interest**	
		Dec 2015	**Dec 2014**
Creon Corporation Limited	England	100%	100%
Amedeo Resources (Asia) Pte Limited ("Amedeo Asia")	Singapore	100%	100%

Creon Corporation Limited was incorporated on 24 November 2011 and acquired by the Company on 16 December 2011. It remains dormant. Amedeo Asia was incorporated on 10 July 2012 to hold the Company's Asian-based investments.

11. Investments in associates

Amedeo's wholly owned subsidiary, Amedeo Asia has a holding in YZJ JV, which is incorporated in Singapore, of 47.51%. YZJ JV has a 40% stake in Jiangsu Yangzijiang Offshore Engineering Co. Ltd ("YZJ Offshore"), which is incorporated in Singapore. YZJ JV equity accounts for its 40% interest in YZJ Offshore, and Amedeo Asia equity accounts for its 47.51% stake in YZJ JV. Amedeo provided an interest free unsecured loan to Amedeo Asia to make the 47.51% stake in YZJ JV.

Amedeo Asia also has a 49% stake in MGR, which is incorporated in Singapore. Amedeo Asia equity accounts for its 49% stake in MGR. In the year to 31 December 2015 the Group received a dividend from MGR amounting to US$: Nil (11 months to 31 December 2014: US$Nil).

	YZJ JV		**MGR**		**Total**	
	31 Dec 15	**31 Dec**	**31 Dec 15**	**31 Dec 14**	**31 Dec 15**	**31 Dec 14**
Amounts relating to associates	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Current assets	973	1,086	10,407	14,496	11,380	15,582
Non-current assets	32,282	38,524	-	-	32,282	38,524
Current liabilities	(9)	(16)	(7,568)	(11,656)	(7,577)	(11,672)
Non-current liabilities		-	(1,949)	(2,035)	(1,949)	(2,035)
Net assets	33,246	39,594	890	805	34,136	40,399
Group's share of net assets of	**15,777**	**18,811**	**436**	**394**	**16,213**	**19,205**
Total revenue	3	2	9,261	43,777	9,264	43,779
(Loss)/Profit	(4,334)	(2,165)	92	46	4,242	(2,119)
Group's share of loss of associates	**(2,059)**	**(942)**	**45**	**20**	**2,014**	**(922)**

Group's share of net assets of associates	**$'000**
Opening at 1 January 2015	19,205
Additional investment in associates	-
Group's share of loss of associates	(2,014)
Foreign exchange translation difference	(978)
Closing at 31 December 2015	**16,213**

12. Loans receivable

	Group		Company	
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
	$'000	**$'000**	**$'000**	**$'000**
Balance brought forward	3,813	1,950	24,867	18,090
Loans advanced	400	2,044	28	6,958
Loans repaid	(1,950)	-	-	-
Foreign exchange loss	(86)	(181)	(86)	(181)
Balance carried forward	2,177	3,813	24,809	24,867

During the year, the Group made a loan to an associate, MGR, of US$400,000 (11 months to 31 December 2014: US$2,044,000), and received repayment of a loan to MGR of US$1,950,000.

The Directors consider that the carrying amount of loans receivable approximates to their fair value.

13. Investments in quoted shares

	Group and Company	
	31 Dec 2015	**31 Dec 2014**
Cost or valuation	**$'000**	**$'000**
At 1 January	7	7
Sales Proceeds	(10)	-
Profit on disposal	3	-
	-	7
At 31 December 2015		

The investment represents 2,775 ordinary shares in the capital of Ashcourt Rowan PLC. This investment has been disposed of during the year for a sale value of US$10,000.

14. Investment in unquoted preference shares

	Group and Company	
	31 Dec 2015	**31 Dec 2014**
Cost or valuation	**$'000**	**$'000**
Cost	660	660
Provision brought forward	(627)	(627)
Impairment during the year	(33)	-
	-	33

15. Other receivables

	Group		Company	
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
	$'000	**$'000**	**$'000**	**$'000**
Prepayments and sundry debtors	527	544	468	250

The Directors consider that the carrying amount of other receivables approximates to their fair value.

16. Trade and other payables

Current liabilities	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	$'000	$'000	$'000	$'000
Trade payables and accruals	147	344	105	54
	147	344	105	54

17. Called up share capital

	31 Dec 2015	31 Dec 2014
Allotted, called up and fully paid		**Restated**
Ordinary shares		
In issue at beginning of the period	32,653,843	27,386,193
Issued for cash	-	5,267,650
Total Ordinary shares	32,653,843	32,653,843
	$'000	**$'000**
Ordinary Shares of 10p each	5,179	5,179
44,190,545 Deferred Shares of 0.9p each	625	625
Total Share Capital	5,804	5,804

During the year, the Company announced a share capital reorganisation so that every 100 Existing Ordinary Shares of 0.1p be consolidated into 1 ordinary share of 10p. This reduced number of ordinary shares in issue from 3,265,384,300 to 32,653,843.

The 44,190,545 deferred shares of 0.9p each ("Deferred Shares") do not entitle the holder thereof to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution or to participate in any return on capital on a winding up unless the assets of the Company are in excess of GBP1,000,000,000,000. The Company retains the right to purchase the Deferred Shares from any Shareholder for a consideration of one penny in aggregate for all that shareholder's Deferred Shares. As such, the Deferred Shares effectively have no value. Share certificates have not and will not be issued in respect of the Deferred Shares.

18. Warrants

The Company had 1,915,446 outstanding warrants at 31 December 2014. In the year ended 31 December 2015, 3,107,211 warrants were granted per the table below. This leaves 5,022,657 warrants outstanding at 31 December 2015. All the warrants can be exercised between the date of grant and the end of the exercise period shown below.

Date of grant	End of Exercise period	Number of Warrants granted	Exercise price	Number exercised	Number of Warrants at 31 Dec 2015
4 April 2012	4 April 2022	160,000	75 pence	-	160,000
31 August 2012	31 August 2017	710,000	50 pence	50,000	660,000
23 June 2013	23 June 2023	1,095,446	50 pence	-	1,095,446
1 February 2015	1 February 2025	500,000	100 pence	-	500,000
12 March 2015	12 March 2025	2,607,211	100 pence	-	2,607,211
		5,072,657		50,000	5,022,657

The weighted average exercise price for the warrants at the beginning of the period was 52 pence.

The weighted average exercise price for the warrants at the end of the period was 81 pence.

The weighted average remaining contractual life of outstanding warrants as at the end of the period was 6.78 years.

Two warrants were granted during the year, the first was granted on 1 February 2015 with 500,000 warrants whilst the second was granted on 12 March 2016 with 2,607,211 warrants.

The charge in the current year of US$261,000 relates to the 3,107,211warrants issued during the year.

The following table sets out the warrants held by Directors and former Directors, or entities connected with the Directors, who served during the year and up to the date of this report:

Warrant holder	Number of Warrants	Date of grant	End of exercise period	Exercise price	Number exercised
Fulton Capital Management Ltd(1)	250,000	31 August 2012	31 August 2017	50 pence	-
Lau Lian Seng Glen (2)	2,607,211	12 March 2015	12 March 2025	100 pence	-
Zafarullah Karim (3)	333,157	1 February 2015	1 February 2025	100 pence	-
Zafarullah Karim	1,095,446	23 June 2013	23 June 2023	50 pence	-

<u>Notes</u>

(1) Fulton Capital Management Limited is a company owned and controlled by Mr Lau, the Company's chief executive officer

(2) During the year, Mr Lau was issued 2,607,211 warrants with an exercise price of 100p and an expiration date of 12 March 2025.

(3) During the year, Mr Karim acquired from a third party 333,157 warrants with an exercise price of 100p and an expiration date of 1 February 2025.

The share based payment charge in the period under review of US$261,000 relates to the 3,107,211 warrants issued in 2015 (period ended 31 December 2014: US$15,000). The Black Scholes pricing model was used to calculate the share based payment charge.

19. Asset value per share

The net asset value per share at 31 December 2015 was US$0.65 (31 December 2014: US$0.75). Net asset value is based on the net assets as at 31 December 2015 of US$21.1 million (31 December 2014: US$24.44 million) and on the number of ordinary shares in issue at 31 December 2015 being 32,653,843 ordinary shares (31 December 2014: Restated 32,653,843).

20. Staff numbers and costs

The average monthly number of employees of the Group, including Directors, during the period was 4 (2014: 4). The Directors are considered the key management of the Group. The aggregate remuneration of the Directors is set out in the remuneration report. All employees are Directors of the Company, therefore no remuneration was paid to staff of the Company (11 months to 31 December 2014: US$: Nil).

21. Related party transactions

In April 2014, Amedeo signed a management services agreement with MGR to provide marketing assistance and services to MGR. During the year, MGR paid US$128,000 to Amedeo in respect of these services (11 months to 31 December 2014: US$91,000).

During the year, Amedeo made a loan of US$400,000 to MGR and MGR repaid a loan of US$1,950,000 to Amedeo.. The Group earned US$300,000 in interest on their loans to MGR for the year to 31 December 2015 (11 months to 31 December 2014: US$444,000). At the year end US$300,000 of interest was outstanding and is included in other receivables (at 31 December 2014: US$444,000) which has been paid in full subsequent to the year end in March 2016. Also, subsequent to year end, MGR repaid a loan of US$1,717,000 to Amedeo, in February 2016. Following this, the only remaining loan balance with MGR is the US$400,000 loan made in 2015.

22. Financial instruments and risk management

Investments

All of the Group's actual and intended investments present a risk of loss of capital. Such investments are subject to investment specific, industry specific, sector specific, market specific and macro-economic risks including, but not limited to, international economic conditions, international financial policies and performance, governmental events and changes in laws. Moreover, the Company may only have a limited ability to vary its investments in response to changing conditions.

The success of the Group is dependent upon the identification, making, management and realisation of suitable investments. There can be no guarantee that such investments can or will be made or that such investments will be successful. Poor performance by an investment could severely affect the net asset value per share of the Company.

The Group may have minority interests in companies, partnerships and ventures. As such it may be unable to exercise control over the operations of such investments or exercise control over any exit, or timing of any exit, by other investors in such investments. In addition, the managements of the investee companies targeted by the Directors may not always welcome proactive shareholder involvement.

The Group may dispose of investments in certain circumstances and may be required to give representations and warranties about those investments. In certain cases such representations and warranties may be challenged. This may lead to the Group having to pay damages to the extent that such representations and warranties turn out to be inaccurate or other terms of sale are breached.

There can be no certainty that the value of investments as reported from time to time will in fact be realised.

Investments in unquoted companies

It is intended that the Group's investment portfolio will comprise interests predominantly in unquoted, growth companies, which may be difficult to value and/or realise. Investments in unquoted growth companies may involve greater risks than is customarily associated with investments in larger, more established quoted companies. In particular, such companies may have limited product offerings, markets or resources and may be dependent on a small number of key individuals. As at 31 December 2015, the Group's holding of unquoted investments was valued at approximately US$16.2 million (31 December 2014: US$19.2 million).

Market risk

It is possible that certain investments will represent a significant proportion of the Company's total assets, such as Amedeo Asia's investment in YZJ JV. As a result, the impact on the Company's performance and the potential returns to investors will be adversely affected to a greater degree if any one of those investments were to perform badly than would be the case if the Company's portfolio of investments was more diversified. At 31 December 2015, the overall investment allocation was a portfolio of 2 investments all of which were in unquoted companies. As at 31 December 2015, the Company's investment in YZJ JV represented 98% of the value of the Company's investment portfolio and almost 76% of the Group's gross assets.

Interest rate risk

The majority of the Group's financial assets and liabilities are not interest bearing. As a result, the Group is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any cash and cash equivalents are held in short notice accounts. The table below summarises the Group's exposure to interest rate risks.

As at 31 December 2015	Non-interest bearing	Fixed interest	Total
Assets	$'000	$'000	$'000
Investments	16,213	-	16,213
Loans to MGR	-	2,177	2,177
Other receivables	527	-	527
Cash and cash equivalents	2,340	-	2,340
Total financial assets	19,080	2,177	21,257
Liabilities			
Trade and other payables	147	-	147
Total financial liabilities	147	-	147

As at 31 December 2014	Non-interest bearing	Fixed interest	Total
Assets	$'000	$'000	$'000
Investments	19,212	33	19,245
Loan to MGR	-	3,813	3,813
Other receivables	544	-	544
Cash and cash equivalents	1,179	-	1,179
Total financial assets	20,935	3,846	24,781
Liabilities			
Trade and other payables	344	-	344
Total financial liabilities	344	-	344

Hedging and currency risk

As the current focus of the Company's investment has been outside of the UK, the majority of the Company's investments are denominated in US$. The Company's accounting currency is also US$.

Liquidity risk

The Company's financial instruments include minority equity investments in unquoted Singapore-registered companies. As a result, the Company may not be able to quickly liquidate some of its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements.

The Company has a procedure to manage liquidity risk whereby the board meet regularly to review investment holdings and current and anticipated levels of financial liabilities. Where liquidity of the investments within the portfolio is believed to be at a level which may adversely affect the Company's ability to service its financial obligations, the board will consider taking action to improve cash flow, which may include utilising bank overdrafts or other credit arrangements.

The table below details the contractual, undiscounted cash flows of the Group's financial liabilities.

	Less than 1 month	1-3 months	3 months to 1 year	No stated maturity
31 December 2015	$'000	$'000	$'000	$'000
Trade and other payables	147	-	-	-
Total	147	-	-	-
31 December 2014				
Trade and other payables	344	-	-	-
Total	344	-	-	-

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group. The carrying amounts of financial assets best represent the maximum credit risk exposure at the balance sheet date.

Capital risk management

The Company is currently financed solely through equity and manages its capital to ensure that it has sufficient financial resources to implement its planned operations while maximising the return to stakeholders. Please see the Strategic Report on page 7 for details.

23. Subsequent events

Save for the repayment by MGR of US$1,717,000 of the loan due to Amedeo in February 2016, there are no significant subsequent events to report.

24. Ultimate controlling party

The ultimate controlling party is Qatar Investment Corporation, which holds 61.1% of the issued Ordinary Share capital of the Group. Qatar Investment Corporation is a wholly owned investment vehicle of Mr Ghanim Al Saad, Non-Executive Chairman of the Company.

AMEDEO RESOURCES PLC

(Registered in England and Wales under registered number 5216336)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting ("Meeting") of Amedeo Resources Plc will be held at 2.00 p.m. on 8 July 2016, at 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y ODT for the following purposes:

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 4 will be proposed as ordinary resolutions and resolutions 5 and 6 will be proposed as special resolutions.

Ordinary Resolutions

1. To receive the annual accounts for the Company for the year ended 31 December 2015 together with the directors' report for that year and the independent auditor's report thereon.
2. To re-elect Mr Philippe Petitpierre as a Director of the Company.
3. To re-appoint Moore Stephens LLP as auditor to the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting of the Company at which accounts are laid before the shareholders in accordance with the provisions of the Companies Act 2006 (the "Act") and to authorise the directors to fix their remuneration.
4. That in substitution for all existing authorities for the allotment of shares by the Directors, which are hereby revoked, but without prejudice to any allotment, offer or agreement already made pursuant thereto, the Directors be and they are hereby generally and unconditionally authorised, pursuant to section 551 of the Act to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of "relevant securities") up to an aggregate nominal amount of £3,000,000 generally, in each case for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company, whichever occurs first, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such relevant securities to be allotted after such expiry, variation or revocation and the Directors may allot relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

Special Resolutions

5. That, subject to the passing of Resolution 4 the directors be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) wholly for cash pursuant to the authority conferred by Resolution 4 above as if section 561(1) of the Act did not apply to any such allotment up to an aggregate nominal amount of £3,000,000 and such authority shall expire fifteen months from the date this resolution is passed or at the conclusion of the next annual general meeting of the Company (whichever date is earlier) (unless previously revoked, varied or extended by the Company in general meeting), save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
6. That, the Company be generally and unconditionally authorised to make market purchases (as defined in the Act) of ordinary shares of 10p each in the capital of the Company ("ordinary shares") on such terms and in such manner as the directors may from time to time determine, provided that:

    a) the maximum number of ordinary shares authorised to be purchased shall be 3,265,384;

    b) the minimum price which may be paid for an ordinary share is 10p;

    c) the maximum price which may be paid for an ordinary share is an amount equal to 105 per cent of the average of the middle market quotations for an ordinary share (as derived from the Daily Official List) for the five business days immediately preceding the date on which the ordinary share is contracted to be purchased;

d) the authority conferred by this resolution shall expire on the earlier of 30 September 2017 or the conclusion of the Company's Annual General Meeting in 2017 unless such authority is varied, revoked or renewed prior to such time by the Company in general meeting by special resolution; and

e) the Company may make a contract to purchase ordinary shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be completed wholly or partly after the expiration of such authority.

By order of the Board

LAURA NUTTALL

Company Secretary
13 June 2016

Notes to the Notice of Annual General Meeting

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
   - 6.00 p.m. on 6 July 2016; or,
   - if this Meeting is adjourned, at 6.00p.m. on the day two days prior to the adjourned meeting (not including non-working days), shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.
7. To appoint a proxy using the proxy form, the form must be:
   - completed and signed;
   - sent or delivered to the Company Secretary at 201 Temple Chambers, Temple Avenue, London EC4Y ODT or scanned and sent by email to lauranuttall@amedeoresources.com; and
   - received by the Company Secretary no later than 2.00 p.m. on 6 July 2016.
8. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
9. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

11. To change your proxy instructions simply submit a new proxy form. Note that the cut-off time for receipt of proxy forms (see above) also applies in relation to new proxy forms; any amended proxy appointment received after the relevant cut-off time will be disregarded.
12. If you submit more than one valid proxy form, the form received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

13. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company Secretary at 201 Temple Chambers, Temple Avenue, London EC4Y ODT or scan and email the signed notice to lauranuttall@amedeoresources.com. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly

certified copy of such power or authority) must be included with the revocation notice. In either case, the revocation notice must be received by Company Secretary no later than 2.00 p.m. on 6 July 2016.

14. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

15. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Communication

16. Except as provided above, members who have general queries about the Meeting should call +44 (0)20 7583 8304 (no other methods of communication will be accepted).

17. You may not use any electronic address provided either:
    - in this notice of annual general meeting; or
    - any related documents (including the chairman's letter and proxy form),

    to communicate with the Company for any purposes other than those expressly stated.