

26 September 2017

**Amedeo Resources PLC
("Amedeo" or the "Company")**

Interim Results for the six months ended 30 June 2017

Investments

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"), continues, and the yard is preparing to deliver the rig.

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.

With the recovering iron ore price, MGR Resources PTE Ltd ("MGR") stepped up its activities in this area utilising the working capital it borrowed from Amedeo. Also, with the improving environment, MGR is exploring further expanding its activities.

Amedeo has a 49.0% stake in MGR.

In January 2017, Amedeo acquired a 2.5% stake in Ganjin Kani Company ("GKC") for US\$500,000, a copper mining company. GKC is a producing miner which has, to date, extracted around 1m tonnes of ore. GKC has three mines. Plans are being made to assess to Western Standards the potential copper concentrate and cathode resource in GKC's mines.

MGR intends to work with GKC to supply copper to East Asia.

Financial Review

Revenue consists of various business services, invoiced in GBP, which Amedeo provides to MGR. During the six months, revenue was US\$54,000 (2016: US\$56,000), with the variance being entirely due to currency fluctuations.

Administrative costs were US\$315,000 (2016: US\$299,000). The increase was primarily due to fees associated with making the investment in GKC.

Amedeo's share of losses in associates was US\$502,000 (2016: US\$2,000). This was made up of a loss of US\$410,000 (2016: profit of US\$13,000 due to certain contract work completed in 2016 which was not repeated in 2017) at YZJ JV and a loss of US\$92,000 (2016: loss of US\$15,000) at MGR.

Foreign exchange gain amounts to US\$22,000 (2016: loss of US\$267,000). These were predominately due to translating GBP denominated loans into US\$ and translating GBP bank balances at the period end exchange rate. This is a non-cash item.

Finance income increased to US\$87,000 (2016: US\$10,000) due to interest on additional loans made to MGR of GBP1,800,000 from Amedeo.

Overall loss on ordinary activities before taxation increased to US\$717,000 (2016: US\$632,000). Basic and fully diluted loss per share for the period was US\$2.20 (2016: US\$1.94).

Foreign exchange translation differences due to Amedeo's indirect investment in YZJ Offshore were US\$14,000 (2016: nil). Overall total comprehensive loss for the period was US\$731,000 (2016: US\$632,000).

At the period end, the carrying value on the balance sheet of investments in associates fell to US\$13,869,000 (2016: US\$16,210,000), with the decrease being due to the share of loss of associates.

Current assets fell to US\$3,495,000 (2016: US\$4,586,000). Cash at 30 June 2017 was US\$1,033,000 (2016: US\$3,998,000) primarily because of the acquisition of GKC and the loan to MGR in January.

Trade and other payables decreased to US\$117,000 (2016: US\$189,000) mainly due to accrued expenses which were settled before the end in this period.

Overall, at the period end, net and total assets were US\$17,747,000 (2016: US\$20,607,000) and US\$17,864,000 (2016: US\$20,796,000), respectively.

Outlook

Despite the current difficulties in both the marine vessels market and the and commodity markets, Amedeo is well resourced and remains focused on long term strategy of building a vertically integrated business in the resource and energy and related infrastructure sectors.

****ENDS****

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Notes

Amedeo Resources PLC is an investment company whose policy is to invest principally, but not exclusively, in the resources and resources infrastructure and asset sectors. Amedeo has a deep and broad global network and wide contact base in these sectors, including in East and South East Asia and the Middle East which it leverages to source and make investments. These sectors are

strategically important. Amedeo is a proactive investor which assists its investee companies to grow by providing investment, expertise and contacts.

AMEDEO RESOURCES PLC

Consolidated unaudited statement of comprehensive income for the six months ended 30 June 2017

	Note	Unaudited 6 months ended 30.6.17 US\$'000	Unaudited 6 months ended 30.6.16 US\$'000	Audited 12 months ended 31.12.16 US\$'000
Revenue		54	56	108
Cost of sales		-	-	-
Gross profit		54	56	108
Administrative expenses		(315)	(299)	(630)
Share based payments		(63)	(130)	(138)
Share of loss of associates	2	(502)	(2)	(881)
Foreign exchange gain/(losses)		22	(267)	(390)
Loss from operations		(804)	(642)	(1,931)
Finance income		87	10	44
Loss on ordinary activities before taxation	3	(717)	(632)	(1,887)
Taxation		-	-	-
Loss for the period		(717)	(632)	(1,887)
Other comprehensive income				
Foreign exchange translation difference		(14)	-	(946)
Total comprehensive loss for the period		(731)	(632)	(2,833)
Basic and fully diluted loss per share (US\$ cents)	3	(2.20c)	(1.94c)	(5.78c)

AMEDEO RESOURCES PLC

Consolidated unaudited statement of financial position

As at 30 June 2017

	Unaudited As at 30.6.17 US\$'000	Unaudited As at 30.6.16 US\$'000	Audited As at 31.12.16 US\$'000
Assets:			
Non-current assets			
Investment in associates	13,869	16,210	14,386
Financial asset	500	-	-
	<u>14,369</u>	<u>16,210</u>	<u>14,386</u>
Current assets			
Loans receivable	2,200	400	1,400
Other receivables	262	188	223
Cash and cash equivalents	1,033	3,998	2,510
	<u>3,495</u>	<u>4,586</u>	<u>4,133</u>
Total assets	<u>17,864</u>	<u>20,796</u>	<u>18,519</u>
Liabilities:			
Current liabilities			
Trade and other payables	(117)	(189)	(104)
Total liabilities	<u>(117)</u>	<u>(189)</u>	<u>(104)</u>
Net assets	<u>17,747</u>	<u>20,607</u>	<u>18,415</u>
Capital and reserves			
Called up equity share capital	5,804	5,804	5,804
Share premium account	29,103	29,103	29,103
Share-based payment reserve	766	695	703
Foreign exchange reserve	(479)	481	(465)
Accumulated losses	(17,447)	(15,476)	(16,730)
Total equity	<u>17,747</u>	<u>20,607</u>	<u>18,415</u>

AMEDEO RESOURCES PLC

Consolidated unaudited cash flow statement for the six months ended 30 June 2017

	Unaudited 6 months ended 30.6.17 US\$'000	Unaudited 6 months ended 30.6.16 US\$'000	Audited 12 months ended 31.12.16 US\$'000
<i>Reconciliation of operating profit to net cash flow from operating activities</i>			
Loss for the period before tax	(717)	(632)	(1,887)
<i>Adjustments for:</i>			
Share based payments	63	130	138
Share of loss of associates	502	2	881
Finance income	(87)	(10)	(44)
Unrealised FX losses	-	-	113
	<u>(239)</u>	<u>(510)</u>	<u>(799)</u>
Changes in working capital:			
(Increase)/decrease in receivables	(38)	339	304
Increase/(decrease) in payables	13	42	(43)
	<u>(264)</u>	<u>(129)</u>	<u>(538)</u>
Net cash flows used from operating activities	<u>(264)</u>	<u>(129)</u>	<u>(538)</u>
<i>Investing activities</i>			
Investment in financial asset	(500)	-	-
Loans made to associate	(1,800)	-	(1,000)
Loans repaid by associate	1,000	1,777	1,664
	<u>(1,300)</u>	<u>1,777</u>	<u>664</u>
Net cash (used in)/from investing activities	<u>(1,300)</u>	<u>1,777</u>	<u>664</u>
<i>Financing activities</i>			
Finance income	87	10	44
	<u>87</u>	<u>10</u>	<u>44</u>
Net cash from financing activities	<u>87</u>	<u>10</u>	<u>44</u>
Net (decrease)/increase in cash and equivalents	(1,477)	1,658	170
Cash and equivalents at beginning of period	<u>2,510</u>	<u>2,340</u>	<u>2,340</u>
Cash and equivalents at end of period	<u>1,033</u>	<u>3,998</u>	<u>2,510</u>

NOTES TO THE INTERIM ACCOUNTS

1. Basis of preparation

The accounting policies adopted are consistent with those of the previous financial year ended 31 December 2016.

This interim consolidated financial information for the six months ended 30 June 2017 has been prepared in accordance with AIM rule 18, 'Half yearly reports and accounts'. This interim consolidated financial information is not the group's statutory financial statements within the meaning of section 434 of the Companies Act 2006 (and information as required by section 435 of the Companies Act 2006) and should be read in conjunction with the annual financial statements for the year ended 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis of matter without qualifying their report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The interim consolidated financial information for the six months ended 30 June 2017 is unaudited. In the opinion of the Directors, the interim consolidated financial information presents fairly the financial position, and results from operations and cash flows for the period. Comparative numbers for the six months ended 30 June 2016 are also unaudited.

This interim consolidated financial information is presented in US Dollars (\$), rounded to the nearest US\$'000 dollar.

2. Share of loss of associates

	6 months ended 30.6.17 US\$'000	6 months ended 30.6.16 US\$'000	12 months ended 31.12.16 US\$'000
Share of (loss)/profit of YZJ JV	(410)	13	(856)
Share of loss of MGR	(92)	(15)	(25)
	<u>(502)</u>	<u>(2)</u>	<u>(881)</u>

The Company holds a 47.5% stake in YZJ JV and a 49.0% stake in MGR. YZJ JV reported an unaudited loss for the 6 months to 30 June 2017 of US\$864,000 (2016: profit of US\$27,000) and US\$410,000 (2016: profit of US\$13,000) represents Amedeo's share of YZJ Offshore's loss.

MGR reported a loss of US\$187,000 for the period to 30 June 2017 (2016: loss of US\$31,000), of which US\$92,000 (2016: US\$15,000) represents Amedeo's share of MGR's loss.

3. Loss per share

The basic and diluted loss per share for the period ended 30 June 2017 was 2.20c (2016: 1.94c). The calculation of loss per share is based on the loss of US\$717,000 for the period ended 30 June 2017 (2016: US\$632,000) and the weighted average number of shares in issue during the period for calculating the basic profit per share of 32,653,843 shares (2016: 32,653,843).

4. Preparation of interim report

This report was approved by the Directors on 25 September 2017.