Amedeo Resources plc

Annual Report and Financial Statements
For the year ended 31 December 2017

Registered Number 05216336

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CORPORATE INFORMATION

Directors	Ghanim Bin Saad Al-Saad Al-Kuwari (Non-Executive Chairman until 4 April 2018) Zafarullah Karim (Executive Director and from 4 April 2018, Interim Chairman) Lau Lian Seng Glen (Chief Executive Officer) Philippe Petitpierre (Non-Executive Director)
Company Secretary	Temple Company Secretarial Ltd (Appointed 29 June 2017) Liam O'Donoghue (Resigned 29 June 2017)
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

CHIEF EXECUTIVE OFFICER'S STATEMENT

Introduction

During the year under review, Jiangsu Yangzijiang Offshore Engineering Co. Ltd ("YZJ Offshore") continued to market its first completed rig, a Le Tourneau Super 116E Class design self-elevating mobile offshore jack up drilling rig ("Explorer 1"). In addition, it continued to seek new orders. The market, however remained soft and the rig was not sold, nor were new orders obtained. YZJ Offshore, however, was profitable to the tune of US$276,000 for the year, due to work done on other components and a cost cutting programme.

MGR Resources Pte ("MGR") increased its activities but due to the volatility of the iron ore price, made a small loss of US$90,000. In addition to ore trading, it put in place steps to increase profits while reducing risk going forward.

In January 2017, Amedeo acquired a 2.5% stake in Ganjine Kani Company ("GKC") for US$500,000, a copper mining company. GKC is a producing miner which has extracted around 1 million tonnes of ore. GKC has three mines. MGR intends to work with GKC to supply copper to East Asia. Amedeo has an option to increase this stake by 5.0%

Despite the ongoing difficult environment, Amedeo continues to pursue its long-term strategy of building a vertically integrated investment business in the resource and energy and related infrastructure sectors, while on an operational level, cash resources are used conservatively.

YZJ Offshore

YZJ Offshore, having built and readied Explorer 1 for delivery, pending customary final checks, is marketing the rig to third parties.

Explorer 1 is a Le Tourneau Super 116 Enhanced Class design self-elevating mobile offshore jack up drilling rig. The Le Tourneau is the most established design in the offshore world and has a very popular footprint. Other rig designs do not have this significant advantage.

While the offshore rig market has been soft, these factors along with the increasing age of currently utilised offshore rigs and, over the course of the last several years, the oil price rising from a low of less than US$30 per barrel in 2015 to over US$70 per barrel, are expected to result in a strengthening of the market for offshore rigs. YZJ Offshore remains confident that Explorer 1 will be sold.

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 from a reputational perspective. No new orders, however, have been received.

Amedeo believes that the medium to long term outlook for the offshore marine vessel market is positive with activity set to increase. YZJ Offshore, having completed its first rig, has taken the first step to establishing a strong reputation. This reputation together with the resources of a large and well-equipped yard and the expertise to build product carriers, specialised platforms, semi-submersibles, amongst other vessels, as well as rigs, positions it well to take advantage of the recovery in the offshore fabrication market.

In the meantime, YZJ Offshore has been constructing components including cutting plates for blocks and constructing hatches for specialised gas carriers. Further, a pipe facility has been added which is constructing coring pipes. Work is also being done related to liquid natural gas carriers.

This, along with a cost cutting programme has resulted in it generating a profit of US US$276,000.

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 Resources

MGR's increased activities related to iron ore trading during 2017. The iron ore price fluctuated between a high of above US$90 to a low of below US$55 a barrel during the year. As a result of the fluctuations, despite the increased activity, MGR made a loss of US$90,000 for the year.

Also, during the year, MGR introduced better technologies to the mine owner suppliers that have allowed them to produce richer substrate. In return the mine owners have offered better terms to MGR that reduce MGR's holding risk and improve its price margins. MGR has also expanded its distribution network in China which should allow it to increase its activities going forward.

These developments put MGR in a position to do more business and with a lower risk in the future.

Amedeo has a 49.0% stake in MGR.

Ganjine Kani Company

In January 2017, Amedeo acquired a 2.5% stake for US$500,000 in GKC, a copper mining company close to the city of Mashhad in Iran. As part of the transaction, Amedeo has a 5-year option to acquire a further 5.0% of GKC for US$2 million. GKC is a producing miner and has the required infrastructure to produce copper concentrate from ore.

Iranian studies estimate that the producing mine alone may have at least 6.5 million tonnes of copper ore with a 0.9% average copper content. The extent of the ore and its copper content has yet to be confirmed to international standards. In addition, it is suspected that the copper mineralisation has good potential for associated gold mineralisation. There are plans to increase the volumes of ore which are being extracted. With respect to the recent actions of the current US Administration regarding Iran, Amedeo is taking no immediate action with respect to GKC but is monitoring the situation.

Financial Review

Revenue for the year ended 31 December 2017 was US$110,000 (2016: US$108,000), an increase of US$2,000 or 1.9% on the prior year. Revenue is invoiced in GBP and total revenue in GBP in 2017 remains the same as 2016. The increase in revenue in US$ relates entirely to the appreciation in the GBP versus the US$. Amedeo provides various business development and marketing services to MGR.

Amedeo's share of profit in associates was US$41,000 (2016: loss of US$881,000). This was made up of a profit of US$131,000 (2016: loss of US$856,000) at YZJ JV and a loss of US$90,000 (2016: US$25,000 profit) at MGR. The profits increase the carrying value of the investments whilst the losses reduce the carrying value of the investments. In both instances, this is not a cash item.

Finance income increased to US$188,000 (2016: US$44,000) due to the loan of US$800,000 to MGR.

Overall loss on ordinary activities before taxation decreased significantly to US$233,000 (2016: loss of US$1,887,000) or by 87.7%. Basic and fully diluted loss per share for the year was US¢0.71 (2016: US¢5.78).

Excluding non-cash items, (share-based payment charge, share of profit/(loss) of associates and foreign exchange gain/(loss)) loss on ordinary activities before taxation for the year ended 31 December 2017 was US$327,000 (2016: loss of US$478,000). The decrease in loss excluding non-cash items was due to an increase in finance income of US$144,000 to US$188,000 (2016: US$44,000).

Foreign exchange translation gain of US$841,000 (2016: loss of US$946,000) arose, which relate to Amedeo's indirect investment in YZJ Offshore, as YZJ Offshore's presentational currency is RMB. This translation has no impact on cash.

Overall, total comprehensive income for the year increased significantly to US$608,000 (2016: loss of US$2,833,000), a 121% increase on prior year.

As at the year end, the carrying amount on the statement of financial position of investments in associates rose to US$15,268,000 (2016: US$14,386,000), primarily due to the foreign exchange retranslation movement. Current assets fell to US$3,411,000 (2016: US$4,133,000). Cash as at 31 December 2017 was US$915,000 (2016: US$2,510,000).

At the date of these financial statements, the Group had approximately US$2,500,000 of cash and cash equivalent balances.

Trade payables at the year-end increased to US$155,000 (2016: US$104,000) due to timing differences on when invoices were paid around the year end.

Overall, at the year end, net and total assets were US$19,024,000 (2016: US$18,415,000) and US$19,179,000 (2016: US$18,519,000), respectively.

Subsequent Events

Mr Ghanim Al Saad, a supportive substantial shareholder of the Company, resigned as Chairman and Non-Executive Director of the Company. Zafarullah Karim, Executive Director, is currently acting as Interim Chairman.

On 5 April 2018, MGR repaid a loan of $800,000 to Amedeo, which Amedeo had provided to MGR in January 2017.

On 18 May 2018, MGR repaid a loan of $1,400,000 to Amedeo and following this, there are no outstanding loans with MGR.

Outlook

Amedeo is well resourced and remains focused on its long-term strategy of building a vertically integrated investment 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 29 June 2018. Also enclosed is a proxy form for use by shareholders in respect of the AGM.

Glen Lau, Chief Executive Officer
6 June 2018

STRATEGIC REPORT

Principal Activities and Review of the Business

The principal activity of the Group is that of an investment company. The Group also provides various services, including marketing and consultancy services to its investee companies. The Group's investment policy is set out below. It remains unchanged from that approved by its shareholders at the Group'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 2017, these were US$19,024,000 (2016: US$18,415,000) and US$19,179,000 (2016: US$18,519,000), respectively.

The key business highlights of the year were:

- In January 2017, Amedeo acquired a 2.5% stake for US$500,000 in GKC, a copper mining company close to the city of Mashhad in Iran. As part of the transaction, Amedeo has a 5-year option to acquire a further 5.0% of GKC for US$2 million. GKC is a producing miner and has the required infrastructure to produce copper concentrate from ore.

- Jiangsu Yangzijiang Offshore Engineering Co. Ltd ("YZJ Offshore") continued to market its first completed rig, a Le Tourneau Super 116E Class design self-elevating mobile offshore jack up drilling rig ("Explorer 1"). In addition, it continued to seek new orders.

- Post year end on 5 April 2018, MGR repaid a loan of $800,000 to Amedeo, which Amedeo had provided to MGR in January 2017.

- On 18 May 2018, MGR repaid a loan of $1,400,000 to Amedeo and following this, there are no outstanding loans with MGR.

- Also post year end, Mr Ghanim Al Saad, a supportive substantial shareholder of the Company, resigned as Chairman and Non-Executive Director of the Company. Zafarullah Karim, Executive Director, is currently acting as Interim Chairman.

The above are discussed in more detail in the review of the business during the year which is given in the Chief Executive Officer's Statement on pages 3 to 5.

Risk factors

The principal risks and uncertainties facing the Group 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 the ability to obtain credit to fund the builds. YZJ Offshore also has the risk that following the completion of vessels, any purchaser is not able to make the payment (typically 90% of the total price of the vessel) to take delivery. In such cases, possession of the vessels is taken, and a buyer or lessee for the vessels has to be found. The 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.

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.

GKC mines copper ore, and as such its fortunes are dependent on the price of copper ore, the extent of its ore reserves and its ability to extract and sell those reserves. In addition, with only a 2.5% stake, Amedeo has no control and limited influence over GKC.

The Company reports in US$ and has holdings and operations in a number of currencies including RMB and GBP. As such, the Company is exposed to currency risk. The substantial part of this impact is non-cash and consequently the Company does not actively hedge its currency exposure.

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 are 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 19 on pages 34 to 36.

Outlook

With the soft rig market, winning new orders at YZJ Offshore has been difficult. Amedeo does not expect this situation to continue in the medium term, and with the oil price rising there are already signs of recovery. When 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. Iron ore prices are now rising, and MGR expects to increase and broaden its activities, particularly with Amedeo's investment in to GKC.

Amedeo remains focused on long term strategy of building a vertically integrated investment 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

6 June 2018

DIRECTORS' REPORT

The Directors present their report and the financial statements for the year ended 31 December 2017.

Results and Dividends

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 17. For the year ended 31 December 2017, the Group made a net loss of US$233,000 (2016: US$1,887,000).

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 Chief Executive Officer's Statement on pages 3 to 5.

As at the year end, the Group had US$915,000 of cash. The Group's administrative expenses during the year were US$625,000 (2016: US$630,000). 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$2,500,000 of cash and equivalent balances, following the repayment of a loan facility given to MGR in January 2017.

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 - until 4 April 2018)

Mr Al Saad, 53, 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.

Zafarullah Karim (Executive Director and from 4 April 2018, Interim Chairman)

Mr Karim, 49, 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.

Lau Lian Seng Glen (Chief Executive Officer)

Mr Lau, 53, 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 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.

Philippe Petitpierre (Non-Executive Director)

Mr Petitpierre, 69, 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 5 June 2018 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)	61.1
Mena Global Investments 1 Limited	9.2
Global Tech Investments 1 Ltd	5.3
Dune Engineering PTE Limited	5.2
Hargreaves Lansdown Nominees	4.1

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

Subsequent Events

Mr Ghanim Al Saad, a supportive substantial shareholder of the Company, resigned as Chairman and Non-Executive Director of the Company. Zafarullah Karim, Executive Director is currently acting as Interim Chairman.

On 5 April 2018, MGR repaid a loan of $800,000 to Amedeo, which Amedeo had provided to MGR in January 2017.

On 18 May 2018, MGR repaid a loan of $1,400,000 to Amedeo and following this, there are no outstanding loans with MGR.

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
6 June 2018

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$138,000 was charged to the statement of comprehensive income in respect of the Directors' remuneration during the year (2016: US$252,000).

(US $'000)	Salaries		Share-based payments (in capacity as director)		Total	
Director	**Year ended 31 Dec 2017**	**Year ended 31 Dec 2016**	**Year ended 31 Dec 2017**	**Year ended 31 Dec 2016**	**Year ended 31 Dec 2017**	**Year ended 31 Dec 2016**
Glen Lau	91	84	1	111	92	195
Zafarullah Karim	46	57	-	-	46	57
Total	**137**	**141**	**1**	**111**	**138**	**252**

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 2017		**31 December 2016**	
	Average Exercise Price Per Share	Number	Average Exercise Price Per Share	Number
Glen Lau (1)	100p	2,607,211	96p	2,857,211
Zafarullah Karim	62p	1,428,603	62p	1,428,603

(1) Fulton Capital Management Limited, a company of which Mr Lau is a director, was granted 250,000 warrants in 2012. These warrants lapsed on 31 August 2017.

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
6 June 2018

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 dealing code for dealing in the Company's securities and related financial instruments which complies with the requirements of the EU Market Abuse Regulation and the requirements of AIM Rule 21.

Board and Directors

Up until 4 April 2018, the Board comprised two Executive Directors, a Non-Executive Chairman and a Non-Executive Director. On 4 April 2018, Mr Ghanim Al Saad, a supportive and substantial shareholder of the company, resigned as chairman and Non-Executive Director. Zafarullah Karim, Executive Director, is currently acting as Interim Chairman. The Directors worked 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 judgement, 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 adequate 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 2017 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 and ask questions at the annual general meeting. 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
6 June 2018

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 year. 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
6 June 2018

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

Opinion

We have audited the financial statements of Amedeo Resources PLC (the "parent company") and its subsidiary (the "group") for the year ended 31 December 2017 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows, the Accounting Policies and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies At 2006.

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 2017 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investments
The Group's total assets includes 82.7% of the value held in investments where, no quoted market price is available. These included an investment in a joint venture and an associate both of which have been equity accounted for and a financial asset. The joint venture has an investment in a Chinese entity whose main asset is a ship yard commissioned to build an oil rig amongst other activities. The value of these investments held at year end amounted to $15.8m.

A significant amount of judgement is required to assess the valuation of these investments and whether there has been an indication of impairment. There is therefore a risk that the investments have been materially overstated in the financial statements.

In this area our audit procedures included:

- Investment in joint venture of $14.9m
    - We obtained a valuation of the oil rig to provide support that there is no impairment; and
    - The Board's consideration of the impairment of the investment was reviewed and the assumptions made critically assessed.
- Investment in associate of $0.4m
    - The associate was subject to a full scope audit undertaken by the component auditors, completed in accordance with our group audit instructions; and
    - We reviewed all audit working papers in relation to significant risks and higher risk items.
- Financial asset of $0.5m
    - Documents supporting the purchase of the investment of 2.5% in Ganjine Kani Company, an Iranian copper mining entity, were obtained and reviewed; and
    - The Board's impairment consideration of the investment was reviewed and the assumptions made critically assessed.

Our application of materiality
We set certain thresholds for materiality. These helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

We determined the materiality for the Group financial statements as a whole to be $183,000, calculated with reference to a benchmark of gross assets, of which it represents 1%. In addition, we set a specific materiality level of £18,000 for items within underlying pre-tax profit calculated at 5% of profit before tax.

This is the threshold above which missing or incorrect information in financial statements is considered to have an impact on the decision making of users.

The parent company overall materiality was calculated at $183,000 the same as the Group's materiality.

We reported to the Audit Committee all potential adjustments in excess of $9,000 being 5% of the materiality for the financial statements as a whole.

An overview of the scope of our audit
We considered the risk of the financial statements being misstated or not prepared in accordance with the underlying legislation or standards. We then directed our work toward areas of the financial statements which we assessed as having the highest risk of containing material misstatements.

We tested and examined information using both analytical procedures and tests of detail, to the extent necessary to provide us with a reasonable basis to draw conclusions. These procedures gave us the evidence that we need for our opinion on the Group's financial statements as a whole and, in particular, helped mitigate the risks of material misstatement mentioned above.

We also documented and reviewed the Group's systems, primarily to confirm that they form an adequate basis for the preparation of the financial statements, but also to identify the controls operated to ensure the completeness and accuracy of the data.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities Statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the consolidated financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Paul Fenner (Senior Statutory Auditor)
for and on behalf of Moore Stephens LLP
Statutory Auditor

150 Aldersgate Street
London
EC1A 4AB

6 June 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2017

	Note	Year ended 31 Dec 2017	Year ended 31 Dec 2016
		$'000	$'000
Revenue		110	108
Administrative expenses	3	(625)	(630)
Share based payments		(1)	(138)
Share of profit/(loss) of associates	4	41	(881)
Foreign exchange gains/(losses)		54	(390)
Loss from operations		**(421)**	**(1,931)**
Finance income	5	188	44
Loss on ordinary activities before taxation		**(233)**	**(1,887)**
Taxation	6	-	-
Loss for the year		**(233)**	**(1,887)**
Basic and diluted loss per share	7	(0.71)¢	(5.78)¢
Other Comprehensive Income			
Foreign exchange translation difference		841	(946)
Total Comprehensive Income/(Expense) for the year		**608**	**(2,833)**

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

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2017

Group	**Share capital $'000**	**Share premium account $'000**	**Share-based payment reserve $'000**	**Foreign currency translation $'000**	**Accumulated losses $'000**	**Total equity attributable to equity holders of parent $'000**
At 1 January 2016	5,804	29,103	565	481	(14,843)	21,110
Loss for the year	-	-	-	-	(1,887)	(1,887)
Share-based payments	-	-	138	-	-	138
Foreign exchange	-	-	-	(946)	-	(946)
At 31 December 2016	5,804	29,103	703	(465)	(16,730)	18,415
Loss for the year	-	-	-	-	(233)	(233)
Share-based payments	-	-	1	-	-	1
Foreign exchange	-	-	-	841	-	841
At 31 December 2017	5,804	29,103	704	376	(16,963)	19,024

Company	**Share capital $'000**	**Share premium account $'000**	**Share-based payment reserve $'000**	**Foreign currency translation $'000**	**Accumulated losses $'000**	**Total equity attributable to equity holders of parent $'000**
At 1 January 2016	5,804	29,103	565	922	(10,455)	25,939
Loss for the year	-	-	-	-	(757)	(757)
Share-based payments	-	-	138	-	-	138
At 31 December 2016	5,804	29,103	703	922	(11,212)	25,320
Loss for the year	-	-	-	-	(90)	(90)
Share-based payments	-	-	1	-	-	1
At 31 December 2017	5,804	29,103	704	922	(11,302)	25,231

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

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2017

		Group		Company	
Assets	**Note**	**Dec 2017**	**Dec 2016**	**Dec 2017**	**Dec 2016**
Non-current assets		**$'000**	**$'000**	**$'000**	**$'000**
Investment in subsidiaries	8	-	-	8	8
Investment in associates	9	15,268	14,386	-	-
Financial asset	10	500	-	-	-
		15,768	14,386	8	8
Current assets					
Loans receivable	11	2,200	1,400	24,332	23,532
Other receivables	12	296	223	260	164
Cash and cash equivalents		915	2,510	709	1,707
		3,411	4,133	25,301	25,403
Total assets		**19,179**	**18,519**	**25,309**	**25,411**
Liabilities					
Current liabilities					
Trade and other payables	13	(155)	(104)	(78)	(91)
Total liabilities		(155)	(104)	(78)	(91)
Net assets		**19,024**	**18,415**	**25,231**	**25,320**
Equity					
Called up share capital	14	5,804	5,804	5,804	5,804
Share premium account		29,103	29,103	29,103	29,103
Share-based payment reserve	15	704	703	704	703
Foreign currency translation reserve		376	(465)	922	922
Accumulated losses		(16,963)	(16,730)	(11,302)	(11,212)
Total equity		**19,024**	**18,415**	**25,231**	**25,320**

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 2017 was US$90,000 (2016: loss of US$757,000).

Approved by the Board and authorised for issue on 6 June 2018 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

for the year ended 31 December 2017

	Group		Company	
	Year ended 31 Dec 2017	Year ended 31 Dec 2016	Year ended 31 Dec 2017	Year ended 31 Dec 2016
	$'000	$'000	$'000	$'000
Loss for the year before tax	(233)	(1,887)	(90)	(757)
Adjustments for:				
Share-based payments	1	138	1	138
Share of (profit)/loss of associates	(41)	881	-	-
(Increase)/decrease in receivables	(74)	304	(96)	304
Increase/(decrease) in payables	52	(43)	(13)	(14)
Finance (income)/cost	(188)	(44)	(77)	2
Unrealised FX losses	-	113	-	113
Cash used in operating activities	**(483)**	**(538)**	**(275)**	**(214)**
Investing activities				
Investment in financial asset	(500)	-	-	-
Loans made to associates	(800)	(1,000)	(800)	-
Loans made to subsidiaries	-	-	-	(500)
Loans repaid by associates	-	1,664	-	1,664
Net cash (used in)/from investing activities	**(1,300)**	**664**	**(800)**	**1,164**
Financing activities				
Finance income/(cost)	188	44	77	(2)
Net cash from/(used in) financing activities	**188**	**44**	**77**	**(2)**
Net (decrease)/increase in cash and cash equivalents	**(1,595)**	**170**	**(998)**	**948**
Cash and equivalents at beginning of year	2,510	2,340	1,707	759
Cash and equivalents at end of year	**915**	**2,510**	**709**	**1,707**

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 year 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, and in accordance with the Companies Act 2006 as regards to the Company.

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 2016. New standards introduced during the year had no material impact on the results or net assets of the Group.

The additional disclosures required by IAS 7 regarding changes to liabilities has not resulted in additional disclosures as the Group has no financing liabilities.

Standards and interpretations in issue but not yet effective

A number of new standards and amendments to existing standards have been published but are not effective for the year ended 31 December 2017. The Directors do not anticipate that the adoption of these new and revised standards and interpretations will have a significant impact on the figures included in the Financial Statements in the year of initial application other than the following:

IFRS 9 Financial Instruments
The standard makes substantial changes to the classification and 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.

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. An initial assessment of the standard was carried out and it was concluded that it will have no material effect on the recognition and measurement.

IFRS16 – 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, with a corresponding 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).

An initial assessment of the standard was carried out and it was concluded that it will have no material effect.

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 subsidiary undertaking, Amedeo Resources (Asia) PTE Ltd ("Amedeo Asia") 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 to 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.

Investment in associates
Where the Group, 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 note 9.

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 total comprehensive income of the investee after the date of acquisition. The Company's share of the associate's profit or loss is recognised in its profit or loss and statement of other 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 impairment loss with respect to its net investment in the associate.

Financial assets
Where the Group has little or no influence and control over an entity, normally having an interest being less than 20%, such as Amedeo Asia's holding in GKC, then the investment is classified as a financial asset using the fair value through the profit and loss method.

The asset is initially recognised at cost and thereafter is measured at fair value. Any differences will increase or decrease the value of the asset and will be recognised in the statement of comprehensive income.

Financial assets whose fair value cannot be reliably measured shall be accounted for at cost.

The Group has two different types of financial assets, loans and receivables and fair value through the profit and loss. The Group's loans and receivables comprise loans and other receivables and cash and cash equivalents in the statement of financial position. The financial asset comprises shares in a company where no control or influence is exercised.

Loans receivable
Loans receivable are valued at nominal amount less provisions against recoverability. The maximum exposure in respect of the loan portfolio at the year-end is the amount receivable shown in note 11. No hedging transactions have been entered into with respect to the loan portfolio.

Impairment
At each financial year end date, the Group reviews the carrying amounts of its non-current assets 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.

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 reporting 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.

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 with a different functional currency 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, mainly loans including trading, are included in the profit or loss.

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.

The remainder of the warrants (of which the vesting date was during the year ended December 2017), all vested in January 2017.

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 28. The recoverable amount is determined based on the Group estimates as follows:

(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.

b) Recoverability of loans receivable:

Separately, the Group 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.

The parent Company determines the recoverability of its loans to its subsidiary, Amedeo Asia. These are intercompany loans which are repayable on demand. The directors consider there to be no issue with recoverability.

c) Impairment of investment in financial asset:

The investment in the financial asset is stated at fair value through the profit or loss. The Group is also required to determine whether any impairment loss should be recognised in accordance with IAS 28. Any impairment loss will be included in the profit and loss, there is no impairment as at 31 December 2017.

2. Segmental reporting

No segmental analysis is considered necessary as the Directors believe that the Group has only one segment in the year 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. Administrative expenses

Expenses included in administrative expenses are analysed below

	Year ended 31 Dec 2017	**Year ended 31 Dec 2016**
	$'000	**$'000**
Administration, legal, professional and financial costs	396	394
Directors' fees (excluding share-based payments)	137	141
Auditor fees	92	95
	625	630

The auditor's fees payable to the associates of the company's auditors in respect of audit of the subsidiary's financial statements were US$11,000 (2016: US$12,000).

4. Share of profit/ loss of associates

	Year ended 31 Dec 2017 $'000	Year ended 31 Dec 2016 $'000
YZJ Offshore Engineering Pte Ltd	131	(856)
MGR Resources Pte Ltd	(90)	(25)
	41	(881)

The Company's wholly-owned Singapore-registered subsidiary, Amedeo Asia, holds a 47.51% investment in YZJ JV, a Singapore registered company. The profit of US$131,000 represents Amedeo Asia's share of YZJ JV's profit for the year ended 31 December 2017 (2016: loss of US$856,000) and Amedeo Asia's share of MGR's loss for the year ended 31 December 2017 of US$90,000 (2016: US$25,000).

5. Finance income

	Year ended 31 Dec 2017 $'000	Year ended 31 Dec 2016 $'000
Interest on loans made to associates	188	44

Interest on loans made to associates is made up of interest receivable from MGR. Finance income increased to US$188,000 (2016: US$44,000) due to advance of a loan to MGR during the year.

6. Taxation	Year ended 31 Dec 2017 $'000	Year ended 31 Dec 2016 $'000
UK Corporation tax		
Factors affecting tax charge in the year		
Loss on ordinary activities before tax	(233)	(1,887)
Loss on ordinary activities at the effective rate of corporation tax 19.25% (2016: 20%)	(45)	(376)
Unrelieved losses	45	376
	-	-

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.

At the reporting date, the Group's UK parent company had unused tax losses of approximately US$11,008,000 available for offset against future profits. US$2,119,000 represents unrecognised deferred tax assets thereon at 19.25%. The deferred tax asset has not been recognised due to uncertainty over timing of utilisation.

7. Loss per share

The basic and diluted loss per share for the year to 31 December 2017 was US0.71¢ (2016: US5.78¢). The calculation of loss per share is based on the loss of US$233,000 for the year ended 31 December 2017 (2016: US$1,887,000 loss) and the weighted average number of shares in issue during the year to 31 December 2017 of 32,653,843 (2016: 32,653,843).

No warrants were exercised in the year ended 31 December 2017.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.

8. Investment in subsidiaries

	Company	
	31 Dec 2017	**31 Dec 2016**
Cost or valuation	$'000	$'000
At 1 January	8	8
At 31 December	8	8

The investment in subsidiary shown above is the investment in Amedeo Asia.

The Company's subsidiary is as follows:

Name	**Country of incorporation**	**Proportion of ownership interest**	
		Dec 2017	**Dec 2016**
Amedeo Resources (Asia) Pte Limited ("Amedeo Asia")	Singapore	100%	100%

The registered addressed of the above subsidiary is 17 Jalan Mesin #04-01, Singapore, (368816).

9. 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 the ordinary share capital of 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 acquire the 47.51% stake in YZJ JV. The registered address is 17 Jalan Mesin #04-01, Singapore, (368816).

Amedeo Asia also has a 49% stake in the ordinary share capital of MGR, which is incorporated in Singapore. Amedeo Asia equity accounts for its 49% stake in MGR. The Group received no dividend from either associate in either period. The registered address is 17 Jalan Mesin #04-01, Singapore, (368816).

	YZJ JV		**MGR**		**Total**	
	31 Dec 17	**31 Dec 16**	**31 Dec 17**	**31 Dec 16**	**31 Dec 17**	**31 Dec 16**
Amounts relating to associates	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Current assets	856	908	4,955	4,716	5,811	5,624
Non-current assets	30,440	28,342	-	-	30,440	28,342
Current liabilities	(3)	(3)	(3,259)	(3,713)	(3,262)	(3,716)
Non-current liabilities	-	-	(877)	-	(877)	-
Net assets	31,293	29,247	819	1,003	32,112	30,250
Group's share of net assets of associates	**14,867**	**13,895**	**401**	**491**	**15,268**	**14,386**
Total revenue	334	3	306	249	640	252
(Loss)/Profit	276	(1,802)	(184)	(51)	92	(1,853)
Foreign exchange translation difference	841	(946)	-	-	841	(946)
Group's share of (loss)/profit of associates	**972**	**(1,802)**	**(90)**	**(25)**	**982**	**(1,827)**

	2017	**2016**
Group's share of net assets of associates	**$'000**	**$'000**
Opening at 1 January	14,386	16,213
Group's share of gain from associates	41	(881)
Foreign exchange translation difference	841	(946)
Closing at 31 December	**15,268**	**14,386**

10. Financial asset

During the year, the Group acquired a 2.5% stake in GKC for US$500,000 (2016: Nil) with a 5 year option to acquire another 5% at a specified exercise price.

	31 Dec 2017 $'000	31 Dec 2016 $'000
Cost		
At 1 January	-	-
Additions	500	-
At 31 December	500	-

At the year-end, the option was valued at US$20,000.

11. Loans receivable

	Group		Company	
	31 Dec 2017 $'000	31 Dec 2016 $'000	31 Dec 2017 $'000	31 Dec 2016 $'000
Balance brought forward	1,400	2,177	23,532	24,809
Loans advanced	800	1,000	800	500
Loans repaid	-	(1,664)	-	(1,664)
Foreign exchange loss	-	(113)	-	(113)
Balance carried forward	2,200	1,400	24,332	23,532

During the year, the Group made a USD loan to an associate, MGR, of US$800,000 (2016: US$1,000,000). This loan was repaid subsequent to year end in April 2018. The unsecured loan attracted an interest rate of 10% and was due to be repaid in July 2017, which was subsequently extended to May 2018.

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

12. Other receivables

	Group		Company	
	31 Dec 2017 $'000	31 Dec 2016 $'000	31 Dec 2017 $'000	31 Dec 2016 $'000
Prepayments and sundry debtors	296	223	260	164

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

13. Trade and other payables

Current liabilities	Group		Company	
	31 Dec 2017 $'000	31 Dec 2016 $'000	31 Dec 2017 $'000	31 Dec 2016 $'000
Trade payables and accruals	155	104	78	91
	155	104	78	91

14. Called up share capital

	31 Dec 2017	31 Dec 2016
Allotted, called up and fully paid		
Ordinary shares		
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

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.

15. Warrants

During the year ended 31 December 2017, no warrants were granted (2016: Nil warrants were granted). This leaves 4,362,657 warrants outstanding at 31 December 2017. 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 in the year	Number exercised to date	Number lapsed during the year	Number of Warrants at 31 Dec 2017
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	660,000	4,362,657

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

The weighted average exercise price for the warrants at the end of the period was 87 pence.

The weighted average remaining contractual life of outstanding warrants as at the end of the period was 6.59 years.

The charge in the current year of US$1,000 (2016: US$138,000) relates to the 3,107,211 warrants issued in the year ended 31 December 2015.

The following table sets out the warrants held by 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	2,607,211	12 March 2015	12 March 2025	100 pence	-
Zafarullah Karim	333,157	1 February 2015	1 February 2025	100 pence	-
Zafarullah Karim	1,095,446	23 June 2013	23 June 2023	50 pence	-

Notes

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

The Black Scholes pricing model was used to calculate the share-based payment charge.

16. Asset value per share

The net asset value per share at 31 December 2017 was US$0.58 (31 December 2016: US$0.56). Net asset value is based on the net assets as at 31 December 2017 of US$19.0 million (31 December 2016: US$18.4 million) and on the number of ordinary shares in issue at 31 December 2017 being 32,653,843 ordinary shares (31 December 2016: 32,653,843).

17. Staff numbers and costs

The average monthly number of employees of the Group, including Directors, during the year was 4 (2016: 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 (2016: US$: Nil).

18. 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$110,000 to Amedeo in respect of these services (2016: US$108,000).

During the year, Amedeo made a loan of US$800,000 to MGR which was outstanding at year-end. The Group earned US$188,000 in interest on their loans to MGR for the year to 31 December 2017 (2016: US$44,000). As part of the other receivables balance at year-end, US$228,000 includes amounts owed by MGR (2016: US$162,000).

19. 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 Group 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 Group.

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 2017, the Group's holding of unquoted investments was recognised at approximately US$15 million (31 December 2016: US$14.4 million).The investment under financial assets is currently held at cost, $0.5 million (2016: $Nil).

Market risk

It is possible that certain investments will represent a significant proportion of the Group's total assets, such as Amedeo Asia's investment in YZJ JV. As a result, the impact on the 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 portfolio of investments was more diversified. At 31 December 2017, the overall investment allocation was a portfolio of 3 investments all of which were in unquoted companies. As at 31 December 2017, the Company's investment in YZJ JV represented 95% of the value of the Group's investment portfolio and almost 78% 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 2017	Non-interest bearing	Fixed interest	Total
Assets	$'000	$'000	$'000
Investments	15,268	-	15,268
Financial asset	500		500
Loans to MGR	-	2,200	2,200
Other receivables	296	-	296
Cash and cash equivalents	915	-	915
Total financial assets	16,979	2,200	19,179
Liabilities			
Trade and other payables	155	-	155
Total financial liabilities	155	-	155

As at 31 December 2016	Non-interest bearing	Fixed interest	Total
Assets	$'000	$'000	$'000
Investments	14,386	-	14,386
Loan to MGR	-	1,400	1,400
Other receivables	223	-	223
Cash and cash equivalents	2,510	-	2,510
Total financial assets	17,119	1,400	18,519
Liabilities			
Trade and other payables	104	-	104
Total financial liabilities	104	-	104

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$. The Company's functional currency is also US$. As such, the company does not hedge currencies.

Liquidity risk

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 2017	$'000	$'000	$'000	$'000
Trade and other payables	155	-	-	-
Total	155	-	-	-
31 December 2016				
Trade and other payables	104	-	-	-
Total	104	-	-	-

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 reporting 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 6 for details.

20. Subsequent events

On 4 April 2018, Mr Ghanim Al Saad, a supportive substantial shareholder of the Company, resigned as Chairman and Non-Executive Director of the Company. Zafarullah Karim, Executive Director, is currently acting as Interim Chairman.

On 5 April 2018, MGR repaid a loan of $800,000 to Amedeo, which Amedeo had provided to MGR in January 2017.

On 18 May 2018, MGR repaid a loan of $1,400,000 to Amedeo and following this, there are no outstanding loans with MGR.

There are no other significant subsequent events to report.

21. 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, previous 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 29 June 2018, at 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT for the following purposes:

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

Ordinary Resolutions

1. To receive the annual accounts for the Company for the year ended 31 December 2017 together with the directors' report for that year and the independent auditor's report thereon.
2. To re-appoint Glen Lau 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 the investment strategy as set out in the 2017 annual report to shareholders be adopted.
5. 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 Resolution

6. That, subject to the passing of Resolution 5, 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 5 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.

By order of the Board

Liam O' Donoghue
on behalf of Temple Company Secretarial Limited

Company Secretary
6 June 2018

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:
   - 2.00 p.m. on 27 June 2018; or,
   - if this Meeting is adjourned, 48 hours 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 liam@oneadvisory.london; and
   - received by the Company Secretary no later than 2.00 p.m. 27 June 2018 on 2018.
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 liam@oneadvisory.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 29 June 2018.
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.

ANNUAL GENERAL MEETING EXPLANATORY NOTES

Resolution 1 – Annual Financial Statements

The Directors are obliged to lay the annual financial statements before the Company in general meeting.

Resolution 2– Re-election of Directors

Under the provisions of the Company's Articles of Association, at every Annual General Meeting all Directors holding office at the start of business on the day of the notice convening such meeting and who also held office at the time of both of the two immediately preceding annual general meetings and did not retire at either such meeting, are required to retire from office. There is a minimum requirement that a third of the board (rounded down if necessary) retire at each Annual General Meeting. Accordingly, Glen Lau is retiring and offering himself for re-election.

Mr Lau 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 Amedeo's joint-venture investment with Yangzijiang Shipbuilding (Holdings) Ltd. Mr Lau is a Director of Fulton Capital Management Limited.

Resolution 3 – Appointment of Auditors and Remuneration

The Company is required to appoint auditors at each Annual General Meeting at which accounts are laid. This resolution proposes the re-appointment of Moore Stephens LLP as auditors and authorises the Directors to fix their remuneration.

Resolution 4 – Re-adoption of Investment Strategy

The investment strategy as set out in the 2017 annual report to shareholders is not a change from the Company's existing investment strategy and, as such, the Company is asking shareholders to re-adopt the existing investment strategy.

Resolution 5 – Authority to allot shares

Under section 551 of the Companies Act 2006 (the "Act"), the Directors of a company may only allot shares if authorised to do so by a resolution of the Company.

Resolution 5 is an ordinary resolution which will allow the Directors to allot new shares up to a nominal value of £3,000,000 which is equivalent to approximately 92% of the total issued ordinary share capital of the Company as at the date of this Notice.

This authority will expire at the conclusion of the next Annual General Meeting or 15 months from the date of the resolution, whichever is the earlier.

Resolution 6 – Disapplication of pre-emption rights

If equity securities are to be allotted for cash, section 561 of the Act requires that those equity securities are offered first to existing shareholders in proportion to the number held by them at the time of the offer and otherwise in compliance with the technical requirements of the Act. However, it may be in the interests of the Company for the Directors to allot shares other than to shareholders in proportion to their existing holdings or otherwise than strictly in compliance with those requirements.

Resolution 6 is a special resolution which, if passed, would allow the Directors, pursuant to section 570 of the Act, to allot shares for cash without first offering them to shareholders in accordance with that Act. This power is limited to allotments of equity securities for cash up to a maximum nominal amount of £3,000,000, which is equivalent to approximately 92% of the total issued ordinary share capital of the Company as at the date of this Notice, and allotments of equity securities in connection with a rights issue or other offer to shareholders, subject to the Directors' ability to make arrangements to deal with certain legal or practical problems arising in connection with such offer. This power will expire on the conclusion of the next Annual General Meeting or 15 months from the date of the resolution, whichever is the earlier.

Recommendation

The Directors recommend that you vote in favour of each of the Resolutions.