

**25 September 2018**

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

**Interim Results for the six months ended 30 June 2018**

**Investments**

During the period 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 and continued to seek new orders. The market, however, remained soft and the rig was not sold, nor were new orders obtained.

YZJ Offshore, however, continues to execute work related to hatches for LNG tankers. It has reduced its workforce to keep down costs. For the period under review, Amedeo's share of YZJ Offshore's losses was US\$134,000.

MGR Resources Pte ("MGR") increased its activities iron ore market and these resulted in Amedeo's share of the profit amounting to US\$55,000.

Amedeo continues to hold its 2.5% stake in Ganjine Kani Company. In light of the current political situation, the investment is under review.

**Financial Review**

Revenue is comprised of various business services, invoiced in GBP, which Amedeo provides to MGR. During the six months, revenue was US\$55,000 (2017: US\$54,000), with the variance being entirely due to currency fluctuations. Administrative costs decreased by 12% to US\$277,000 (2017: US\$315,000).

During the six months, share-based payments expenses were US\$nil as all share warrants had vested in full during the year ended 31 December 2017 (2017: US\$63,000).

Amedeo's share of losses in associates was US\$79,000 (2017: loss of US\$502,000). This was made up of a loss of US\$134,000 (2017: loss of US\$410,000) due to YZK Offshore and a profit of US\$55,000 (2017: loss of US\$92,000) due to MGR.

Foreign exchange gain amounts to US\$nil (2017: US\$22,000). This is a non-cash item.

Finance income decreased to US\$63,000 (2017: US\$87,000) due to a reduction of the interest charged, as loans were repaid to Amedeo from MGR.

Overall loss on ordinary activities before taxation significantly decreased to US\$238,000 (2017: loss of US\$717,000). Basic and fully diluted loss per share for the period was US\$0.73c (2017: US\$2.20).

Foreign exchange translation differences due to Amedeo's indirect investment in YZJ Offshore were a gain of US\$26,000 (2017: loss of US\$14,000). Overall total comprehensive loss for the period was US\$212,000 (2017: loss of US\$731,000).

At the period end, the carrying value on the balance sheet of investments in associates increased to US\$15,215,000 (2017: US\$13,869,000), with the increase being due to the share of profit of associates in the second half of last year.

Current assets fell to US\$3,299,000 (2017: US\$3,495,000). Cash at 30 June 2018 was US\$2,817,000 (2017: US\$1,033,000), due to the net repayment of loans from MGR: during the period, MGR repaid a loan of US\$2,200,000 to Amedeo and then, during the period, borrowed US\$250,000.

Trade and other payables increased to US\$202,000 (2017: US\$117,000) mainly due to accrued expenses not settled before this period end.

Overall, at the period end, net and total assets were US\$18,812,000 (2017: US\$17,747,000) and US\$19,014,000 (2017: US\$17,864,000), respectively.

### **Outlook**

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

**\*\*ENDS\*\***

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This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

### **Notes**

Amedeo Resources PLC is an investment company whose policy is to invest principally, but not exclusively, in the resources and resources infrastructure and asset sectors. Amedeo has a deep and broad global network and wide contact base in these sectors, including in East and South East Asia and the Middle East which it leverages to source and make investments. These sectors are strategically important. Amedeo is a proactive investor which assists its investee companies to grow by providing investment, expertise and contacts.

**AMEDEO RESOURCES PLC**

**Consolidated unaudited statement of comprehensive income**  
for the six months ended 30 June 2018

	Note	Unaudited 6 months ended 30.6.18 US\$'000	Unaudited 6 months ended 30.6.17 US\$'000	Audited 12 months ended 31.12.17 US\$'000
<b>Revenue</b>		55	54	110
Cost of sales		-	-	-
<b>Gross profit</b>		<b>55</b>	<b>54</b>	<b>110</b>
Administrative expenses		(277)	(315)	(625)
Share based payments		-	(63)	(1)
Share of (loss)/ profits of associates	2	(79)	(502)	41
Foreign exchange gain		-	22	54
<b>Loss from operations</b>		<b>(301)</b>	<b>(804)</b>	<b>(421)</b>
Finance income		63	87	188
<b>Loss on ordinary activities before taxation</b>	3	<b>(238)</b>	<b>(717)</b>	<b>(233)</b>
Taxation		-	-	-
<b>Loss for the period</b>		<b>(238)</b>	<b>(717)</b>	<b>(233)</b>
<b>Other comprehensive income</b>				
Foreign exchange gain/(loss) translation difference		26	(14)	841
<b>Total comprehensive (loss)/profit for the period</b>		<b>(212)</b>	<b>(731)</b>	<b>608</b>
<b>Basic and fully diluted loss per share (US\$ cents)</b>	3	<b>(0.73c)</b>	<b>(2.20c)</b>	<b>(0.71c)</b>

**AMEDEO RESOURCES PLC**

**Consolidated unaudited statement of financial position**

As at 30 June 2018

	Unaudited As at 30.6.18 US\$'000	Unaudited As at 30.6.17 US\$'000	Audited As at 31.12.17 US\$'000
<b>Assets:</b>			
<b>Non-current assets</b>			
Investment in associates	15,215	13,869	15,268
Financial asset	500	500	500
	<u>15,715</u>	<u>14,369</u>	<u>15,768</u>
<b>Current assets</b>			
Loans receivable	250	2,200	2,200
Other receivables	232	262	296
Cash and cash equivalents	2,817	1,033	915
	<u>3,299</u>	<u>3,495</u>	<u>3,411</u>
<b>Total assets</b>	<b><u>19,014</u></b>	<b><u>17,864</u></b>	<b><u>19,179</u></b>
<b>Liabilities:</b>			
<b>Current liabilities</b>			
Trade and other payables	(202)	(117)	(155)
<b>Total liabilities</b>	<b><u>(202)</u></b>	<b><u>(117)</u></b>	<b><u>(155)</u></b>
<b>Net assets</b>	<b><u>18,812</u></b>	<b><u>17,747</u></b>	<b><u>19,024</u></b>
<b>Capital and reserves</b>			
Called up equity share capital	5,804	5,804	5,804
Share premium account	29,103	29,103	29,103
Share-based payment reserve	704	766	704
Foreign exchange reserve	402	(479)	376
Accumulated losses	(17,201)	(17,447)	(16,963)
<b>Total equity</b>	<b><u>18,812</u></b>	<b><u>17,747</u></b>	<b><u>19,024</u></b>

**AMEDEO RESOURCES PLC**

**Consolidated unaudited cash flow statement**  
for the six months ended 30 June 2018

	Unaudited 6 months ended 30.6.18 US\$'000	Unaudited 6 months ended 30.6.17 US\$'000	Audited 12 months ended 31.12.17 US\$'000
<i>Reconciliation of operating profit to net cash flow from operating activities</i>			
Loss for the period before tax	(238)	(717)	(233)
<i>Adjustments for:</i>			
Share based payments	-	63	1
Share of loss of associates	79	502	(41)
Finance income	(63)	(87)	(188)
	<u>(222)</u>	<u>(239)</u>	<u>(461)</u>
Changes in working capital:			
Decrease/(increase) in receivables	64	(38)	(74)
Increase in payables	47	13	52
<b>Net cash flows used from operating activities</b>	<b><u>(111)</u></b>	<b><u>(264)</u></b>	<b><u>(483)</u></b>
<i>Investing activities</i>			
Investment in financial asset	-	(500)	(500)
Loans made to associate	(250)	(1,800)	(800)
Loans repaid by associate	2,200	1,000	-
<b>Net cash from/(used in) investing activities</b>	<b><u>1,950</u></b>	<b><u>(1,300)</u></b>	<b><u>(1,300)</u></b>
<i>Financing activities</i>			
Finance income	63	87	188
<b>Net cash from financing activities</b>	<b><u>63</u></b>	<b><u>87</u></b>	<b><u>188</u></b>
<b>Net increase/(decrease) in cash and equivalents</b>	<b>1,902</b>	<b>(1,477)</b>	<b>(1,595)</b>
<b>Cash and equivalents at beginning of period</b>	<b>915</b>	<b>2,510</b>	<b>2,510</b>
<b>Cash and equivalents at end of period</b>	<b><u>2,817</u></b>	<b><u>1,033</u></b>	<b><u>915</u></b>

## NOTES TO THE INTERIM ACCOUNTS

### 1. Basis of preparation

The accounting policies adopted are consistent with those of the previous financial year ended 31 December 2017.

This interim consolidated financial information for the six months ended 30 June 2018 has been prepared in accordance with AIM rule 18, *'Half yearly reports and accounts'*. This interim consolidated financial information is not the group's statutory financial statements within the meaning of section 434 of the Companies Act 2006 (and information as required by section 435 of the Companies Act 2006) and should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis of matter without qualifying their report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The interim consolidated financial information for the six months ended 30 June 2018 is unaudited. In the opinion of the Directors, the interim consolidated financial information presents fairly the financial position, and results from operations and cash flows for the period. Comparative numbers for the six months ended 30 June 2017 are also unaudited.

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

### 2. Share of loss of associates

	6 months ended 30.6.18	6 months ended 30.6.17	12 months ended 31.12.17
	US\$'000	US\$'000	US\$'000
Share of (loss)/profit of YZJ JV	(134)	(410)	131
Share of profit/(loss) of MGR	55	(92)	(90)
	<u>(79)</u>	<u>(502)</u>	<u>41</u>

The Company holds a 47.5% stake in YZJ JV and a 49.0% stake in MGR. YZJ JV reported an unaudited loss for the 6 months to 30 June 2018 of US\$283,000 (2017: loss of US\$864,000) and US\$134,000 (2017: loss of US\$410,000) represents Amedeo's share of YZJ Offshore's loss.

MGR reported a profit of US\$113,000 for the period to 30 June 2018 (2017: loss of US\$187,000), of which US\$55,000 (2017: loss of US\$92,000) represents Amedeo's share of MGR's profit.

### **3. Loss per share**

The basic and diluted loss per share for the period ended 30 June 2018 was 0.73c (2017: 2.20c). The calculation of loss per share is based on the loss of US\$238,000 for the period ended 30 June 2018 (2017: loss of US\$717,000) and the weighted average number of shares in issue during the period for calculating the basic loss per share of 32,653,843 shares (2017: 32,653,843).

### **4. Preparation of interim report**

This report was approved by the Directors on 25 September 2018.