Doriemus

DORIEMUS PLC

Annual Report and Financial Statements

Year Ended 31 December 2021

Company Registered Number 03877125 (England and Wales)

ARBN 619 213 437

DORIEMUS PLC

Annual Report and Financial Statements
for the year ended 31 December 2021

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DORIEMUS PLC

COMPANY INFORMATION

DIRECTORS:	Keith Coughlan – Non Executive Chairman Gregory Lee – Executive Director Donald Strang – Non Executive Director
JOINT COMPANY SECRETARIES:	Donald Strang & Jessamyn Lyons
AUSTRALIAN REGISTERED OFFICE:	Level 3, 35 Outram Street West Perth, WA 6005, Australia
UK REGISTERED OFFICE:	c/o Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
REGISTERED NUMBER:	03877125 (England & Wales)
AUDITORS:	Elderton Audit (UK) Level 2/267 St. Georges Terrace Perth WA 6000
SOLICITORS:	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
SHARE REGISTRY:	Computershare Investor Services Pty Limited 11/172 St Georges Terrace Perth WA 6000 Australia

DORIEMUS PLC

(“Doriemus” or the “Company”)

CHAIRMAN’S STATEMENT INCORPORATING REVIEW OF OPERATIONS AND STRATEGIC REPORT

The Company is pleased to present this Annual Report, together with the financial statements and annual corporate governance statement, on the Company (referred to hereafter as ‘Doriemus') consisting of Doriemus Plc (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the full year ended 31 December 2021.

REVIEW OF OPERATIONS:

OIL PRODUCTION AND EXPLORATION ASSETS

1. Horse Hill (“HH”) Petroleum Exploration and Development License:

Doriemus currently owns 4% of Horse Hill Developments Limited (“HHDL”), which owns 65% of two Petroleum Exploration and Development Licences (“PEDL”) PEDL137 and PEDL246 in the northern Weald Basin between Gatwick Airport and London. The PEDL137 licence covers 99.29 km^2 to the north of Gatwick Airport in Surrey and contains the Horse Hill-1 (“HH-1”) discovery well. PEDL246 covers an area of 43.58 km^2 and lies immediately adjacent and to the east of PEDL137 which hosts the HH-1 oil discovery well located in PEDL137 in the UK’s onshore Weald Basin. This equates to a 2.6% attributable interest in the licences. HHDL is the nominated operator (“Operator”) of the Horse Hill License.

Horse Hill-Field

Operations in Horse Hill are ongoing. The operator’s main current priority and focus is its Turkey operations. See below a summary of the last 12 months of activity at HH.

- A well intervention on the Horse Hill-1 well ("HH-1") was completed, attempting to optimize oil production to try to ensure long term continuous and efficient production from the Portland. The intervention was immediately followed by production trials attempting to achieve an optimum balance between oil revenues, water handling and other operational costs.
- A Field Development Plan addendum was submitted to the Oil and Gas Authority (OGA) for the conversion of the HH-2z well into a water injector. Water injection plus further infill development of both Portland (HH-3 well) and Kimmeridge (HH-4 well) offer upside for the Horse Hill field.
- As of 31 May 2021, 146,900 bbl of Brent quality crude had been produced and exported from the Kimmeridge and Portland pools.
- Efforts are ongoing to manage and reduce operational costs.
- It is expected that further HH-3 Portland and HH-4 Kimmeridge infill wells will be planned in detail and drilled at Horse Hill.
- During the period the operator completed an energy efficiency study on HH which has been factored into future field development plans.
- In May 2021, UK Oil & Gas Plc (UKOG) commenced a study with CeraPhi Energy Ltd to review the geothermal energy potential of the Horse Hill site and surrounding area.
- Impairment charge of AUD226,000 in relation to investment in HHDL at 30 June 2021.
- On the 20th of September the operator reported that it had completed a planned two-week production facility upgrade at the Horse Hill Oil Field. The works included modifications in preparation for automated 24-hour continuous production operations, together with the installation of the first tranche of permanent facility equipment required under the Health and Safety Executive's Control of Major Accident Hazards (COMAH) regulations. Normal operations and oil production commenced immediately following the shutdown.
- On 17 February 2022, UK Oil & Gas Plc, the major shareholder in Horse Hill Developments Limited (the Operator of the Horse Hill Oil Project in the Weald Basin in southern England), announced that the long-running appeal by Finch et al to overturn the December 2020 Judicial Review judgment upholding the legality of Horse Hill’s planning consent, had been refused by the Court of Appeal. UKOG reports that this judgment means that the planning consent for Horse Hill oil production was granted entirely lawfully and, as such, confirms that Horse Hill can remain operational until the end of its commercial field life.
- As at 31 December 2021, the Company provided an additional impairment charge of AUD226,000 due to uncertainty that HHDL can generate sufficient returns during and until the end of its commercial field life.
- The operator’s main current priority and focus is its Turkey operations.

2. Brockham Production Licence:

On the 15th of April the Company confirmed the disposal of its 10% interest in Brockham to a subsidiary of Angus Energy Plc (the “Operator) for consideration of GBP10,000. Doriemus owned a 10% direct interest in the Brockham Oil Field which was held under UK Production Licence PL235 and operated by Angus Energy Plc (the “Operator”).

The consideration was set-off against all of the remaining accrued contractual amounts owed by Doriemus to the Operator under the existing joint operating agreement, including historic cash calls, abandonment liabilities and VAT, which total approximately GBP260,000.

3. Isle of Wight PEDL331 (Arreton Oil Discovery):

Doriemus has a 5% participating interest in a 200km^2 onshore Isle of Wight Petroleum Exploration and Development License (“PEDL 331”). The Isle of Wight PEDL331 Arreton license contains a discovery well, Arreton, plus several geologically similar prospects, Arreton South and North prospects.

As reported on the 24th of March 2020 the Arreton planning application was submitted in March 2020 and public consultation is ongoing according to the operator. The permit application for Arreton has been submitted and reviewed by the EA (UK Environmental Authority).

The Operator (UKOG) intends to drill, sidetrack and test an Arreton 3/3z well which will appraise the Arreton-2 oil discovery made by British gas in the 1970’s. The primary target will be the Portland oil discovery, but the well will also test the underlying Kimmeridge section.

On the 25th of October, the Company announced that the Isle of Wight Council’s Planning Committee had recently made a decision to refuse consent for the appraisal and testing of the Arreton oil and gas discovery.

This decision goes against the previous recommendation by the council’s planning officers to approve the project. The operator will now consider its position and whether to lodge an appeal with the Planning Inspectorate.

The operator took considerable care and undertook significant research to minimise the potential impacts of the A-3 site, choosing a location 300m distance from the A3056 and adjacent to land with existing non-agricultural commercial uses, namely the Wight Farm Anaerobic Digestion Energy Power Station and the Blackwater Quarry for aggregates. No objections to the development were raised by statutory consultees on environmental, drinking water, landscape or health and safety grounds.

The Operator’s Chairman also commented that “This decision underscores UKOG’s change of focus over the past year towards the international arena for oil and gas, plus its new direction into geothermal and hydrogen-based energy in the UK. In accordance with the Company’s stated growth strategy, plans and evaluations are reasonably advanced in several new projects designed to grow the Company in these new areas.”

As at the date of this report, the operator is still considering its option to lodge an appeal in regard to this decision. The Group has decided to fully impair the license and exploration costs incurred on Isle of Wight PEDL331 subject to UKOG’s decision to lodge an appeal and due to the uncertainty and length of the appeal process. The impairment charged to the profit and loss amounted AUD422,000 for the year ended 31 December 2021 (2020: Nil).

4. Greenland Gas & Oil Plc:

The Company has a small shareholding in the English registered company Greenland Gas and Oil Plc (“GGO”), which is an early-stage oil and gas exploration company focused on acquiring oil and gas exploration assets in Greenland. There were no material updates over the year.

5. Corporate Activity:

On 8 June 2021, the Company announced a Placement to sophisticated and professional investors of 14,495,780 fully paid ordinary shares at an issue price of 5.5 cents per Share to raise ~A$797,267 pursuant to a single tranche private placement. All shares issued pursuant to the Placement have free 1:2 options (strike price 10 cents, term 5 years from date of issue of the options issued pursuant to the Placement).

On 1 September 2021, the Company announced a Placement of 45,135,373 CHESS depository Interests 1:1. This consisted of the entitlement offer allotment of 25,408,102 fully paid ordinary shares at an issue price of $0.055 per CDI being received, raising $1,397,445 (before costs). (1) CDI for every two (2) CDIs held by Holders registered at the Record Date, at an issue price of $0.055 per CDI, together with one (1) free attaching New Option for every two (2) CDIs issued. The Company also issued 10,000,000 CDIs under the Guaranteed Shortfall Offer and 5,727,271 CDIs under the Shortfall Offer, also at an issue price of $0.055 per CDI and New Options were issued on the same terms and attaching to CDIs in the same ratio as New Options offered under the entitlement offer.

On 1 September 2021, as part of the 45,135,373 depository Interests 1:1 (previously stated above) the Company agreed to issue 4,000,000 CDIs and 4,000,000 New Options to the Lead Manager (or its nominee/s) at an issue price of $0.001 per CDI and $0.001 New Option as part of its fee. A total of $8,000 will be raised pursuant to the Lead Manager Offer and these funds will be applied to working capital. During the year ended 31 December 2021, the shares were issued to the Lead Manager and were valued at $300,000 at an issue price of $0.075 per share.

On 2 September 2021, the Company issued 6,000,000 unlisted share options to its directors through its share schemes. The share options have an exercise price of $0.10 and will expire on 02 September 2026.

On 6 September 2021, the Company announced a further Placement of 2,649,489 CHESS depository Interests 1:1 under the Shortfall allotment at an issue price of $0.055 per CDI and New Options were issued on the same terms and attaching to CDIs in the same ratio as New Options offered under the entitlement offer (closed 30 August 2021).

The funds raised were used mainly for:

- Furthering the Company's existing oil and gas assets, subject to further work programs commencing;
- Assessing additional oil and gas asset opportunities;
- Corporate and administration costs;
- Working capital.

Position and Principal Risks

The Company's business strategy is subject to numerous risks, some outside the Board's and management's control. These risks can be specific to the Company, generic to the extraction industry and generic to the stock market as a whole. The key risks, expressed in summary form, affecting the Group and its future performance include but are not limited to:

- capital requirement and ability to attract future funding to finance the acquisition and exploitation of mining, oil and gas assets;
- change in commodity prices and market conditions;
- geological and technical risk posed to exploration and commercial exploitation success;
- environmental and occupational health and safety risks;
- government policy changes;
- retention of key staff.

This is not an exhaustive list of risks faced by the Group. There are other risks generic to the stock market and the world economy as a whole and other risks generic to the extraction industry, all of which can impact on the Company. The management of risks is integrated into the development of the Company's strategic and business plans and is reviewed and monitored regularly by the Board. Further details on how the Company monitors, manages and mitigates these risks are included as part of the Audit and Risk Committee Report contained within the Corporate Governance Report.

DORIEMUS PLC

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DIRECTORS' SECTION 172 STATEMENT

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors' statement required under section 414CZA of The Companies Act 2006.

The matters set out in section 172(1) (a) to (f) are that a Director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

(a) the likely consequences of any decision in the long term,
(b) the interests of the Company's directors,
(c) the need to foster the Company's business relationships with suppliers, customers and others,
(d) the impact of the Company's operations on the community and the environment,
(e) the desirability of the Company maintaining a reputation for high standards of business conduct, and
(f) the need to act fairly between members of the Company.

Stakeholder Engagement

Doriemus adheres to sound corporate governance policies and attaches considerable importance to and strives to engage transparently and effectively on a continuous basis with a variety of stakeholders, including shareholders, directors, contractors, suppliers, government bodies and local communities and environment in which it operates.

At the Company's AGM held on 4 August 2021, all resolutions were passed with majority of the votes cast in favour. The Directors and Company Secretary are usually available at and following general meetings of the Company when shareholders have the opportunity to ask questions on the business of the meeting and more generally on Company matters.

All substantial shareholders that own more than 3% of the Company's shares are listed on page 53 of this Report. Further details of engagement with shareholders can be found within the Corporate Governance Report.

Directors

Doriemus attaches great importance to its directors and their professional development and provides fair remuneration with incentives for its senior personnel through share option schemes. Further, the Company gives full and fair consideration to applications for employment irrespective of age, gender, colour, ethnicity, disability, nationality, religious beliefs or sexual orientation.

Contractors and Suppliers

The Group has a prompt payment policy and seeks to ensure that all liabilities are settled within each supplier's terms. Through fair dealings the Group aims to cultivate the goodwill of its contractors, consultants and suppliers.

Corporate and local management work closely with contractors and suppliers in the to ensure they work within the parameters of their respective terms of engagement and do not have a detrimental effect on the Company's business and exploration activities.

Governmental Bodies, local communities and environment

The Group takes significant cognisance of the importance to the communities in which it operates and is grateful for their support and involvement in the Company's exploration and development activities.

Principal decisions taken by the Board during the year

Principal decisions are defined as those that have long-term strategic impact and are material to the Group and those that are significant to the Group's key stakeholder Groups. In making the principal decisions, the Board considered the alignment with its stated strategy, the outcome from its stakeholder engagement, the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company.

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CHAIRMAN’S STATEMENT INCORPORATING REVIEW OF OPERATIONS AND STRATEGIC REPORT

Covid-19

Doriemus continues to monitor the situation very closely, with a primary focus on the health, wellbeing and safety of all its directors. The Group has implemented extensive business continuity procedures to ensure that they are able to operate with minimal disruptions.

Covid-19 can affect the stock markets and in doing so impair the Company’s ability to attract investors and lenders. This in turn could have an impact on any fund raising or financing arrangements that the Company may require to pursue.

The Directors would like to take this opportunity to thank our shareholders, staff and consultants for their continued support.

Keith Coughlan
Non-Executive Chairman

29 March 2022

DORIEMUS PLC

("Doriemus" or the "Company")

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report together with the audited financial statements of the Group for the year ended 31 December 2021.

The Corporate Governance Statement set out in pages 55 to 63 forms part of this Directors' Report.

Directors
The names of Directors of the Company in office at any time during or since the end of the year are:

Keith Coughlan
Donald Strang
Gregory Lee

Directors have been in office of the Company since the start of the financial year to the date of this report unless otherwise stated.

Joint Company Secretaries
Donald Strang & Jessamyn Lyons

Information on Directors

Keith Coughlan – Non-Executive Chairman
Mr Coughlan has almost 30 years' experience in stockbroking and funds management. He has been largely involved in the funding and promoting of resource companies listed on ASX, AIM and TSX. He has advised various companies on the identification and acquisition of resource projects and was previously employed by one of Australia's then largest funds management organizations.

Keith Coughlan holds 2,000,000 unlisted options exercisable at $0.10 expiring 2 September 2026.

Directorships held in other listed entities:
– Executive Chairman of European Metals Holdings Ltd (from 6 September 2013)
– Non-Executive Director of Calidus Resources Limited (from 13 June 2017)
– Non-Executive Director of Southern Hemisphere Mining Limited (from 24 March 2017 to 5 February 2021)

Donald Strang – Non-Executive Director
Mr Strang has been a director of the Company since 15 March 2013. Mr. Strang is a member of the Australian Institute of Chartered Accountants and has been in business for over 20 years, holding senior financial and management positions in both publicly listed and private enterprises in Australia, Europe and Africa. Mr. Strang has considerable corporate and international expertise and over the past decade has focused on mining and exploration activities in the oil and gas and natural resources sectors.

Interest in CDIs: 1,485,750 CDIs
Interest in Options: 3,000,000 unlisted options exercisable at $0.325 on or before 28 September 2022, 247,625 listed options exercisable at $0.10 expiring 1 September 2026 and 2,000,000 unlisted options exercisable at $0.10 expiring 2 September 2026.

Directorships held in other listed entities: Cadence Minerals plc and Gunsynd plc, both listed on AIM, London.

Gregory Lee - Executive Director (Technical)
Mr. Lee is a Petroleum Engineer and has over 30 years of diversified oil and gas experience in both technical and managerial positions. The main focus of his responsibilities has been on acquisitions and divestments, project management and supervision, oil and gas field development and operation, production technology and reservoir enhancement, field operations, drilling and completions activities, exploration, carbon dioxide capture and storage. Mr. Lee also has a very keen interest in renewable and sustainable energy and best practices. Mr. Lee is a chartered professional engineer (CPEng) and a member of the Society of Petroleum Engineers (MSPE) and has been an independent petroleum engineer consultant since 1992 having worked with both large and small organisations (both as operators and non-operators) in numerous countries worldwide. Mr. Lee has been involved with the listing and management of public listed companies on both AIM and the ASX since 2003.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021

Interest in CDIs: 129,693 CDIs
Interest in Options: 1,500,000 unlisted options exercisable at $0.325 on or before 28 September 2022, 21,615 listed options exercisable at $0.10 expiring 1 September 2026 and 500,000 unlisted options exercisable at $0.10 expiring 2 September 2026.

Directorships held in other listed entities: Top End Energy Ltd

Jessamyn Lyons - Joint Company Secretary
Ms Lyons is a Chartered Secretary, a Fellow of the Governance Institute of Australia and holds a Bachelor of Commerce from the University of Western Australia with majors in Investment Finance, Corporate Finance and Marketing. Ms Lyons is also a Director of Everest Corporate and company secretary of Ragnar Metals Limited, Lunnon Metals Limited, Dreadnought Resources Limited and Stealth Global Holdings. Ms Lyons also has 15 years of experience working in the stockbroking and banking industries and has held various positions with Macquarie Bank, UBS Investment Bank (London) and more recently Patersons Securities.

Principal activities and Significant Changes in Nature of Activities
The principal activity of the Group is to invest in and / or acquire companies and / or projects with clear growth potential, focusing on businesses that are available at attractive valuations and hold opportunities to unlock imbedded value, mainly focusing on the mining, and oil & gas sectors. There were no significant changes in the nature of activities of the Group during the year.

Operating Results
The net loss after tax of the Group for the year ended 31 December 2021 amounted to approximately AUD 2,949,000 (31 December 2020: AUD950,000).

Dividends Paid or Recommended
No dividends were paid during the year and the Directors do not intend to recommend the payment of a final dividend for the financial year under review (2020: nil).

Review of Operations and Strategic Report
Please refer to pages 2 to 6 of the Annual Report.

Group Performance and its consequences on shareholder wealth

It is not possible at this time to evaluate the Group’s financial performance using generally accepted measures such as profitability and total shareholder return as the Group is focussed on exploration activities with no significant revenue stream. This assessment will be developed as and when the Group moves from explorer to producer.

The table below shows the gross revenue, losses and loss per share for the last five years for the Group:

		2021	2020	2019	2018	2017
Revenue and other income	’000	-	-	AUD18	£43	-
Net loss	’000	AUD2,949	AUD950	AUD2,886	£1,745	£2,760
Loss per share	cents/pence	3.59 cents	1.64 cents	4.98 cents	3.42p	7.39p
Share price at year end	AUD ($)	0.13	0.036	0.027	0.065	0.2050

During the year ended 31 December 2020, the Group changed its functional and presentation currency from GBP to AUD. The change has been implemented with prospective effect. The change of presentation currency is applied retrospectively for comparative figures 31 December 2019.

Key Performance Indicators
Due to the current status of the Group, the Board has not identified any performance indicators as key.

Significant Changes in State of Affairs
There were no significant changes in the state of affairs of the Group during the year other than as disclosed elsewhere in this report.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021

Significant Events Subsequent to Reporting Date
Events after the end of the reporting period have been fully detailed in Note 21 to the financial statements.

Political Contributions and Charitable Donations
During the current and previous years, the Group did not make any political contributions and charitable donations.

Employee Engagement
Details of how the Directors have engaged with the employees and how the Directors have had regard to employee interests and the effect of that regard, including on the principal decisions taken by the Company during the financial year, are included in the Section 172 Statement contained within the Strategic Report.

Business Relationships
Details of the how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others and the effect of that regard, including on the principal decisions taken by the Company during the financial year are included in the Section 172 Statement contained within the Strategic Report.

AGM
This report and financial statements will be presented to shareholders for their approval at the next AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Auditors
The Directors resolved to appoint Elderton Audit UK, who in turn appointed William Buck Audit (WA) Pty Ltd as the component auditors, to perform the audit function of the Group. The auditors have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Financial Risk Management Objectives and Policies
The Group's principal financial instruments are financial investments, trade receivables, trade payables and cash at bank. The main purpose of these financial instruments is to fund the Group's operations.

It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risk arising from the Group's financial instruments is liquidity risk. The Board reviews and agrees policies for managing this risk and this is summarised below.

Liquidity Risk
The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of equity and its cash resources. Further details of this are provided in the principal accounting policies, headed 'going concern'.

Board and Committee Meetings Attendance
Attendance of Directors and Committee members at Board and Committee meetings held during the year is set out in the table below.

	Board Meetings	Audit and Risk Committee Meetings	Remuneration and Nomination Committee Meetings
Keith Coughlan	3	2	-
Donald Strang	2	2	-
Gregory Lee	3	2	-

Indemnifying Officers and Directors and Officers Liability Insurance
The Group has agreed to indemnify the Directors of the Company, against all liabilities to another person that may arise from their position as Directors of the Company and the Group, except where the liability arises out of conduct involving a lack of good faith.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021

Appropriate insurance cover is maintained by the Company in respect of its Directors and Officers. During the financial year the Group agreed to pay an annual insurance premium of $30,096 (2020: $31,722) in respect of Directors' and Officers' liability and legal expenses' insurance contracts, for Directors and, Officers of the Company. The insurance premium relates to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever the outcome;
- personal liability, in certain circumstances which may arise and rights relating to indemnity, access to documents and insurance; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty.

Proceedings on Behalf of Group

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Financial Position

The 31 December 2021 financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business. For the year ended 31 December 2021 the Group recorded a net loss of $2,949,000 (2020 net loss: $950,000) and at 31 December 2021 had a working capital of $3,371,000 (31 December 2020: $738,000). The Group also recorded a net cash outflow in operating activities for the year ended 31 December 2021 of $1,052,000 (2020: net cash outflow in operating activities of $389,000).

The Directors have prepared cash flow forecasts for the period ending 31 March 2023 which take account of the current cost and operational structure of the Group. The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Group to operate within its available funding. The Group has minimal contractual expenditure commitments, and the Board considers the present funds sufficient to maintain the working capital of the Group for a period of at least 12 months from the date of signing of this report.

Listed Options on Issue

Listed options on issue at the date of this report:

Grant date	Expiry date	Exercise price	Outstanding as at 31 December 2021
		$AUD	Number
01 September 2021	01 September 2026	$0.1000	33,047,957
Total listed options on issue			**33,047,957**

Unlisted Options on Issue

Unlisted options outstanding at the date of this report:

Grant date	Expiry date	Exercise price	Outstanding as at 31 December 2021
		£GBP/$AUD	Number
29 September 2017	28 September 2022	£0.1918	11,125,000
02 September 2021	02 September 2026	$0.1000	6,000,000
Total unlisted options on issue			**17,125,000**

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Share Options that expired/lapsed

Grant date	Expiry date	Exercise price	Lapsed/Expired as at 31 December 2021
		£GBP	Number
11 May 2017	30 June 2021	0.20	75,000
24 May 2017	30 June 2021	0.132	1,250,000
29 September 2017	28 September 2021	0.1918	2,000,000
Total options Expired/lapsed			**3,325,000**

Directors' Remuneration and interests

The Group remunerates the Directors at a level commensurate with the size of the Group and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes it upholds the objectives of the Group with regard to this issue. Details of the Directors' emoluments and payments made for professional services rendered are set out in Note 3 to the Financial Statements.

At the beginning of the year Donald Strang held 3 million fully vested options over ordinary shares and Gregory Lee held 1.5 million options (total options held by Directors was 4.5 million), all of which are exercisable at £0.1918 each up until 28th September 2022. On the 01 September 2021, Mr Don Strang was allotted 247,625 listed options and Mr Gregory Lee was allotted 21,615 listed options at a listed price of $0.10 expiring 01/09/2026. On the 02 September 2021, a further 6 million unlisted director options were issued at an exercise price of $0.10 expiring 02/09/2026. Mr Donald Strang, Mr Gregory Lee and Mr Keith Coughlan each received 2 million unlisted options, 1.5 million of Mr Gregory Lee's allotment were elected to be held indirectly. At the end of the year, total options held by Directors was 9,269,240.

DIRECTOR- OPTIONS	BALANCE AT START OF THE YEAR	LISTED OPTIONS GRANTED	UNLISTED DIRECTOR OPTIONS GRANTED	INDIRECTLY HELD UNLISTED OPTIONS	BALANCE AT THE END OF THE YEAR
MR DONALD STRANG	3,000,000	247,625	2,000,000	-	5,247,625
MR GREGORY LEE	1,500,000	21,615	2,000,000	(1,500,000)	2,021,615
MR KEITH COUGHLAN	-	-	2,000,000	-	2,000,000

Donald Strang holds 1,485,750 CDIs, Gregory Lee holds 129,693 CDIs. Donald Strang purchased 495,250 CDIs and Gregory Lee purchased 43,231 CDIs during the year.

DIRECTOR- CDIS	BALANCE AT START OF THE YEAR	GRANTED	CONVERSION TO ORDINARY SHARES	DISPOSALS/OTHER	BALANCE AT THE END OF THE YEAR
MR DONALD STRANG	990,500	495,250	-	-	1,485,750
MR GREGORY LEE	86,462	43,231	-	-	129,693
MR KEITH COUGHLAN	-	-	-	-	-

Substantial Shareholdings

The substantial shareholdings in the Company have been fully disclosed in the additional ASX additional disclosures at the end of the report.

Policy on Payment of Creditors

It is the Group's policy to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and to pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Group does not have a standard or code dealing specifically with the payment of suppliers.

Trade payables at the year end all relate to sundry administrative overheads and disclosure of the number of days' purchases represented by year end payables is therefore not meaningful.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Future Developments
The Group will continue its exploration activities with the objective of finding further resources. The Company will also consider the acquisition of further prospective exploration interests.

Environmental Issues
The Group operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of shareholders, employees and suppliers. In respect of the current year, the Directors are not aware of any particular or significant environmental issues which have been raised in relation to the Group's operations other than as disclosed elsewhere in this report. The Group holds exploration permits in the UK. The Group's operations are subject to environmental legislation in this jurisdiction in relation to its exploration activities.

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

Statement of disclosure of information to auditors
As at the date of this report the serving Directors confirm that:
- so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Statement of Directors' responsibilities
The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company Law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under Company Law 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 Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the United Kingdom have been followed, 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 Company will continue in business.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Responsibility Statement
We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the United Kingdom, give a true and fair view of the assets, liabilities, financial positions and profit or loss of the Company and the Group and the undertakings included in the consolidation taken as a whole;
- the review and operations and strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement and the Directors' Report was approved by the Board of Directors on 29 March 2022 and is signed on its behalf by:

Keith Coughlan
Non-Executive Chairman
29 March 2022

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF DORIEMUS PLC

Opinion

We have audited the financial statements of Doriemus plc ("the Company") and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2021, which comprise the consolidated and company statements of financial position as at 31 December 2021, the consolidated and company statements of profit or loss and other comprehensive income, the consolidated and company statements of cash flows and the consolidated and company statements of changes in equity for the year then ended and the related notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's and the Group's affairs as at 31 December 2021 and of the Company's and the Group's losses for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs);
- the parent company financial statements have been properly prepared in accordance with applicable law and IFRSs; 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 and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other 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 opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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) that we identified. These matters included 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.

We have determined the matters described below to be key audit matters to be communicated in our report.

KEY AUDIT MATTER	
Exploration for and evaluation of minerals	**How our audit addressed it**
The Company holds 5% participating interest in a 200km2 onshore Isle of Wright (IoW) Petroleum Exploration and Development License (PEDL 331). The Company had on 25 October 2021 announced that the IoW's planning committee has made a decision to refuse consent for the appraisal and testing of the Arreton oil and gas discovery, which goes against the previous recommendation by the council's planning officers to approve the project. We note from the operator's, UK Oil and Gas PLC (UKOG) announcement and through discussion with management that the UKOG is still	Our audit work included, but was not limited to the following procedures: • Understanding the status of IoW's planning committee decision and management's decision in relation to the appeal; • Reviewing management's analysis of the existence of impairment indicators and assessing it by: • verifying whether the rights to tenure of the area of the interest remained current at balance sheet date and verifying the remaining duration of tenure.

considering its position and the decision on lodging an appeal with the Planning Inspectorate. The appeal is required to be lodged by mid- April 2022. In view that there is uncertainty in relation to the length and appeal process, the entire capitalised exploration and evaluation assets as at 31 December 2021 of approximately $422,000 was impaired. This is considered a KAM due to the fact that significant judgement is applied in determining whether the asset continues to meet the recognition criteria based on AASB 6 Exploration for and Evaluation of Mineral Resources. As noted in Note 1 (ii)(a) of the financial report significant judgement is required in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment.	• understanding and obtaining evidence of future intentions for the area of interest from discussions with management and a review of announcements made by the operator of the project, a UK AIM listed company. • considering whether exploration activities for the area of interest had reached a stage where a reasonable assessment of economically recoverable could be determined. • assessing the appropriateness of the related disclosures.
Fair value of investments in unlisted companies and expected credit losses	**How our audit addressed it**
The Company has an investment in a private oil and gas company Horse Hill Developments Limited comprising shares and loans made to the company. **The investments** As noted in Note 1 (ii)(b) significant judgement is required in determining the fair value of the investment in the shares and the recoverability of the loan made to the company, as they are not quoted in an active market.	Our audit work included, but was not limited to the following procedures: • Obtained management's model to determine the fair value of the investments and recoverable amount of the loan; • Evaluate key inputs and assumptions used in the model and compare them to externally available information; • Check mathematical accuracy of the model; and • Assessing the appropriateness of the related disclosures.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality
The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group financial statements as a whole to be $75,822 which represents 2% of the Group's total assets for the year ended 31 December 2021.

This benchmark is considered the most appropriate because this is a key performance measure used by the Board of Directors to report to investors on the financial performance of the Group.

Performance materiality
The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment and to drive the extent of our testing, performance materiality was 75% of our materiality for the audit of the Group financial statements.

Reporting threshold
An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board that we would report all audit differences in excess of $3,791, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements

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 Auditors' 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.

Overview of the scope of our audit

A description of the generic scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeprivate. We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland). Our responsibilities under those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We are independent of the Group in accordance with the Auditing Practices Board's Ethical Standards for auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

The Group has interest and operations in the United Kingdom which are managed by the Group's management, which operates from Australia. Through our procedures, all Group entities were subjected to a comprehensive audit approach. Our audit approach was based on a thorough understanding of the Group's business and is risk based, and in particular included:

- undertaking procedures to evaluate the Group's internal control environment, including IT systems and controls;
- performing an evaluation of the design effectiveness of controls over key financial statement risk identified as part of our risk assessment and, reviewed the accounts production process; and
- at the final audit visit, we undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls over individual systems and the management of specific risk.

Opinion on Other Matters prescribed by the Companies Act 2006

Our opinion on other matters prescribed by the Companies Act 2006 are unmodified. In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 and the part of the Directors' Remuneration Report to be audited 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.

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that were communicated to the Audit Committee which we consider should have been disclosed.

We have nothing to report in respect of any of the above matters.

We also confirm that we do not have anything material to add or to draw attention to in relation to:

- the Directors' confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the Group including those that would threaten its business model, future performance, solvency or liquidity;
- the disclosures in the annual report that describe those risks and explain how they are being managed or mitigated;
- the Directors' statement in the financial statements about whether they have considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements; and
- the Directors' explanation in the annual report as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

ELDERTON

AUDIT (UK)

Responsibilities for the financial statements and the audit

What the Directors are responsible for:
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 the financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations or have no realistic alternative but to do so.

What we are responsible for:
Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

A further description of our responsibilities for the audit of the 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.

Nicholas Hollens

NICHOLAS HOLLENS
Senior Statutory Auditor for and on behalf of Elderton Audit UK
Statutory Auditor, Chartered Accountants
Perth, Australia
29 March 2022

FINANCIAL STATEMENTS

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2021

	Note	2021 AUD'000	2020 AUD'000
Revenue	**2**	-	-
Cost of sales		(15)	(12)
Gross loss		**(15)**	**(12)**
Administrative expenses		(258)	(233)
Share-based payments		(938)	-
Legal fees		(80)	(259)
Staff costs		(167)	(167)
Provision for expected credit losses	**12**	(696)	-
Impairment loss on intangible assets	**7**	(422)	-
Unrealised loss on financial investments	**8, 10 & 18**	(452)	(352)
Creditors written off		-	181
Loss from operations	**4**	**(3,028)**	**(842)**
Loan Interest received		-	19
Realised gain/(loss) on financial investments		50	(49)
Unrealised gain/(loss) on financial investment and trade and other receivables		29	(78)
Loss before income tax		**(2,949)**	**(950)**
Income tax expense	**5**	-	-
Loss attributable to the owners of the company and total comprehensive income for the year		**(2,949)**	**(950)**
Other comprehensive income			
Exchange differences on translation of foreign operations		-	8
Other comprehensive income for the year net of taxation		**-**	**8**
Total comprehensive income for the period attributable to equity holders of the company		**(2,949)**	**(942)**
Earnings per share			
Basic loss per share (cents)	**6**	(3.59)	(1.64)
Diluted loss per share (cents)	**6**	(3.59)	(1.64)

The notes form an integral part of these financial statements.

Company Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2021

	Note	2021 AUD'000	2020 AUD'000
Revenue	**2**	-	-
Cost of sales		(15)	-
Gross loss		**(15)**	**-**
Administrative expenses		(256)	(244)
Share-based payments		(938)	-
Legal fees		(79)	(259)
Staff costs		(71)	(67)
Provision for expected credit losses		(800)	-
Impairment loss on intangible assets	**7**	(422)	-
Unrealised loss on financial investments	**8 & 10**	(452)	(861)
Creditors written off		-	181
Loss from operations	**4**	**(3,033)**	**(1,250)**
Loan Interest received		-	19
Realised gain/(loss) on financial investments		50	(49)
Unrealised gain/(loss) on financial investments and trade and other receivables		29	(78)
Loss before income tax		**(2,954)**	**(1,358)**
Income tax expense	**5**	-	-
Loss attributable to the owners of the company and total comprehensive income for the year		**(2,954)**	**(1,358)**
Other comprehensive income			
Other comprehensive income		-	-
Other comprehensive income for the year net of taxation		**-**	**-**
Total comprehensive loss for the year attributable to equity holders of the company		**(2,954)**	**(1,358)**
Loss per share			
Basic loss per share (cents)	**6**	(3.60)	(2.34)
Diluted loss per share (cents)	**6**	(3.60)	(2.34)

The notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity
for the year ended 31 December 2021

	Share capital	Share premium	Share based payment reserve	Foreign exchange reserve	Accumulated losses	Total
	AUD'000	AUD'000	AUD'000	AUD'000	AUD'000	AUD'000
At 31 December 2019	**411**	**14,162**	**2,984**	**310**	**(14,301)**	**3,566**
Loss for the year	-	-	-	-	(950)	**(950)**
Currency translation differences	-	-	-	8	-	**8**
Total comprehensive loss for the year	**-**	**-**	**-**	**8**	**(950)**	**(942)**
At 31 December 2020	**411**	**14,162**	**2,984**	**318**	**(15,251)**	**2,624**
Loss for the year	-	-	-	-	(2,949)	**(2,949)**
Currency translation differences	-	-	-	-	-	**-**
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**(2,949)**	**(2,949)**
Issued of capital	**435**	**2,784**	**-**	**-**	**-**	**3,219**
Share-based payments	**30**	**266**	**1,168**	**-**	**-**	**1,464**
Capital raising costs	**-**	**(622)**	**-**	**-**	**-**	**(622)**
At 31 December 2021	**876**	**16,590**	**4,152**	**318**	**(18,200)**	**3,736**

The notes form an integral part of these financial statements.

Company Statement of Changes in Equity
for the year ended 31 December 2021

	Share capital	Share premium	Share based payment reserve	Accumulated losses	Total
	AUD'000	AUD'000	AUD'000	AUD'000	AUD'000
At 31 December 2019	**411**	**14,162**	**2,984**	**(13,587)**	**3,970**
Loss for the year	-	-	-	(1,358)	**(1,358)**
Total comprehensive loss for the year	**-**	**-**	**-**	**(1,358)**	**(1,358)**
At 31 December 2020	**411**	**14,162**	**2,984**	**(14,945)**	**2,612**
Loss for the year	-	-	-	(2,954)	(2,954)
Total comprehensive loss for the year	**-**	**-**	**-**	**(2,954)**	**(2,954)**
Issued of capital	**435**	**2,784**	**-**	**-**	**3,219**
Share-based payments	**30**	**266**	**1,168**	**-**	**1,464**
Capital raising costs	**-**	**(622)**	**-**	**-**	**(622)**
At 31 December 2021	**876**	**16,590**	**4,152**	**(17,899)**	**3,719**

The notes form an integral part of these financial statements.

Consolidated Statement of Financial Position
at 31 December 2021

	Note	2021 AUD'000	2020 AUD'000
Assets			
Non-current assets			
Intangible assets	**7**	-	422
Oil & gas properties	**8**	-	-
Financial investments	**10**	7	459
Trade and other receivables	**12**	358	1,005
Total non-current assets		**365**	**1,886**
Current assets			
Trade and other receivables	**12**	75	8
Cash and cash equivalents	**13**	3,351	1,229
Total current assets		**3,426**	**1,237**
Total assets		**3,791**	**3,123**
Liabilities			
Current liabilities			
Liabilities held for sale	**9**	-	457
Trade and other payables	**14**	55	42
Total current liabilities		**55**	**499**
Total liabilities		**55**	**499**
Net assets		**3,736**	**2,624**
Equity attributable to owners of the parent			
Share capital	**15**	876	411
Share premium account	**15**	16,590	14,162
Share based payment reserve	**16**	4,152	2,984
Foreign exchange reserve		318	318
Retained earnings		(18,200)	(15,251)
Total equity		**3,736**	**2,624**

The financial statements were approved by the Board of Directors and authorised for issue on 29 March 2022.

Keith Coughlan
Non-Executive Chairman

Gregory Lee
Executive Director

Company registered number 03877125

The notes form an integral part of these financial statements.

Company Statement of Financial Position
at 31 December 2021

	Note	2021 AUD'000	2020 AUD'000
Assets			
Non-current assets			
Intangible assets	**7**	-	422
Oil & gas properties	**8**	-	-
Financial investments	**10**	7	459
Trade and other receivables	**12**	358	1,005
Total non-current assets		**365**	**1,886**
Current assets			
Trade and other receivables	**12**	72	3
Cash and cash equivalents	**13**	3,337	1,222
Total current assets		**3,409**	**1,225**
Total assets		**3,774**	**3,111**
Liabilities			
Current liabilities			
Liabilities held for sale	**9**	-	457
Trade and other payables	**14**	55	42
Total current liabilities		**55**	**499**
Total liabilities		**55**	**499**
Net assets		**3,719**	**2,612**
Equity attributable to owners of the parent			
Share capital	**15**	876	411
Share premium account	**15**	16,590	14,162
Share based payment reserve	**16**	4,152	2,984
Retained earnings		(17,899)	(14,945)
Total equity		**3,719**	**2,612**

The financial statements were approved by the Board of Directors and authorised for issue on 29 March 2022.

Keith Coughlan
Non-Executive Chairman

Gregory Lee
Executive Director

Company registered number 03877125

The notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows
for the year ended 31 December 2021

	Note	2021 AUD'000	2020 AUD'000
Cash flows from operating activities			
(Loss) from operations		(3,028)	(842)
Adjustments for:			
Impairment loss on intangible assets		422	-
Unrealised loss on financial investments		452	352
Provision for expected credit losses		696	-
Share-based payment expense		938	-
Creditors written off		-	(181)
(Decrease)/increase in trade and other receivables		(69)	668
Decrease in trade and other payables		(463)	(386)
Net cash outflow from operating activities		**(1,052)**	**(389)**
Cash flows from investing activities			
Receipts on sale of AFS investments		18	13
Net cash inflow from investing activities		**18**	**13**
Cash flows from financing activities			
Proceeds from issue of shares (net of capital raising costs)		3,122	-
Net cash inflow from financing activities		**3,122**	-
Net increase/(decrease) in cash and cash equivalents		**2,088**	**(376)**
Foreign exchange differences adjustments		**34**	**(107)**
Cash and cash equivalents at beginning of year		**1,229**	**1,712**
Cash and cash equivalents at the end of year		**3,351**	**1,229**
Cash and cash equivalents comprise:			
Bank & cash available on demand	13	**3,351**	1,229

The notes form an integral part of these financial statements.

Company Statement of Cash Flows
for the year ended 31 December 2021

	Note	2021 AUD'000	2020 AUD'000
Cash flows from operating activities			
(Loss) from operations		(3,033)	(1,250)
Adjustments for:			
Impairment loss on intangible assets		422	
Unrealised loss on financial investments		452	861
Share-based payment expense		938	-
Provision for expected credit losses		800	-
Creditors written off		-	(181)
(Increase)/decrease in trade and other receivables		(66)	478
Decrease in trade and other payables		(465)	(270)
Net cash outflow from operating activities		**(952)**	**(362)**
Cash flows from investing activities			
Loans advanced to related parties		(104)	-
Receipts on sale of AFS investments		18	13
Net cash (outflow)/inflow from investing activities		**(86)**	**13**
Cash flows from financing activities			
Proceeds from issue of shares (net of capital raising costs)		3,122	-
Net cash inflow from financing activities		**3,122**	**-**
Net increase/(decrease) in cash and cash equivalents		**2,084**	**(349)**
Foreign exchange differences adjustments		**31**	**(107)**
Cash, cash equivalents and bank overdrafts at beginning of year		**1,222**	**1,678**
Cash and cash equivalents at the end of year		**3,337**	**1,222**
Cash and cash equivalents comprise:			
Bank & cash available on demand	13	3,337	1,222

The notes form an integral part of these financial statements.

Notes forming part of the financial statements
for the year ended 31 December 2021

1 Accounting policies

Background information
Doriemus plc is incorporated and domiciled in the jurisdiction of England and Wales. The address of Doriemus plc's registered office is c/o Hill Dickinson, The Broadgate Tower, 20 Primrose Street, London ECRA 2EW which is also the Company's principal place of business. Doriemus plc's shares in the form of CHESS Depositary Interests are listed on the Australian Securities Exchange ("ASX").

These Financial Statements (the "Financial Statements") have been prepared and approved by the Directors on 29 March 2022 and signed on their behalf by Gregory Lee and Keith Coughlan.

Principal
The principal activity of the Group is to invest in and / or acquire companies and / or projects with clear growth potential, focusing on businesses that are available at attractive valuations and hold opportunities to unlock imbedded value, mainly focusing on the mining, and oil & gas sectors. There were no significant changes in the nature of activities of the Group during the year.

Basis of preparation
The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to the Company through all the years presented, unless otherwise stated. These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and UK adopted IFRICs (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the United Kingdom ("adopted IFRSs"), and in accordance with those parts of the Companies Act 2006 applicable to those companies preparing their accounts under IFRS. The financial statements have been prepared under the historical cost convention and presented in AUD thousands (AUD'000).

Financial Position
The 31 December 2021 financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business. For the year ended 31 December 2021 the Group recorded a net loss of $2,949,000 (2020 net loss: $950,000) and at 31 December 2021 had a positive working capital of $3,371,000 (31 December 2020: $738,000). The Group also recorded a net cash outflow in operating activities for the year ended 31 December 2021 of $1,052,000 (2020: $389,000).

The Directors have prepared cash flow forecasts for the period ending 31 March 2023 which take account of the current cost and operational structure of the Group. The cost structure of the Group comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Group to operate within its available funding. The Group has minimal contractual expenditure commitments, and the Board considers the present funds sufficient to maintain the working capital of the Group for a period of at least 12 months from the date of signing of this report.

New standards, amendments and interpretations adopted by the Company
No new and/or revised Standards and Interpretations have been required to be adopted, and/or are applicable in the current year by/to the Group, as standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2021 are not material to the Group.

Restatement from change of functional and presentation currency:
The financial statements are presented in Australian Dollars (AUD), which is the functional currency of the Company.

New standards, amendments and interpretations not yet adopted
There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Basis of consolidation
Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Control, under IFRS10, is achieved when the Company:
• has power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-Group transactions have been eliminated in full. The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. In the Company's financial statements, investments in subsidiaries are carried at cost.

Foreign currency transactions and balances
Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All differences in the consolidated financial report are taken to the Statement of Profit or Loss and Other Comprehensive Income.

All differences in the consolidated financial report are taken to the Statement of Profit or Loss and Other Comprehensive Income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value was determined.

Revenue
Revenue from the production of oil, in which the Group has an interest with other producers, is recognised based on the Group's working interest and the terms of the relevant production sharing contracts. Differences between oil lifted and sold and the Group's share of production are not significant.

Expenses
Expenses are recognised in the period when obligations are incurred.

Financial assets
The Group classifies its financial assets into categories as set out below, depending on the purpose for which the asset was acquired.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Cash and cash equivalents
Includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade and other receivables are initially measured at fair value plus any direct attributable transaction costs. Subsequent to initial recognition, trade and other receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the Group do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Other receivables are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature. A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The Company considers the lifetime expected credit losses as representative of risk of impairment of other receivables due increase in factors affecting the recoverability of the carrying amounts of other receivables such as fluctuation in oil price and operating costs, production and depletion of oil reserves, among others. The amount of any provision is recognised in profit or loss.

Financial liabilities
The Group classifies its financial liabilities into one of the following categories, depending on the purpose for which the liability was acquired:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method
- Bank and other borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument.
- Income received in advance is recorded as deferred income on the balance sheet.

Share capital
Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments.

Reserves
Share capital is the amount subscribed for ordinary shares at nominal value.

Retained earnings / accumulated losses represent cumulative gains and losses of the Company attributable to equity shareholders.

Share based payment reserve represents the value of equity benefits provided to Directors as part of their remuneration and provided to consultants and advisors hired by the Group from time to time as part of the consideration paid.

Investments in joint arrangements
Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required. Separate joint venture entities providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements. Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Intangible assets – Exploration of mineral resources

Acquired intangible assets, which consist of exploration rights, are valued at cost less accumulated amortization.

The Group applies the full cost method of accounting for exploration and evaluation costs, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. All costs associated with oil exploration and investments are capitalised on a project-by-project basis pending determination of the feasibility of the project. Such expenditure comprises appropriate technical and administrative expenses but not general overheads.

Such exploration and evaluation costs are capitalized provided that the Company's rights to tenure are current and one of the following conditions is met:

(i) such costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale; or
(ii) the activities have not reached a stage which permits a reasonable assessment of whether or not economically recoverable resources exist; or
(iii) active and significant operations in relation to the area are continuing.

When an area of interest is abandoned, or the Directors decide that it is not commercial, any exploration and evaluation costs previously capitalised in respect of that area are written off to profit or loss.

Amortisation does not take place until production commences in these areas. Once production commences, amortisation is calculated on the unit of production method, over the remaining life of the mine. Impairment assessments are carried out regularly by the Directors. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Such indicators include the point at which a determination is made as to whether or not commercial reserves exist.

The asset's residual value and useful lives are reviewed and adjusted if appropriate, at each reporting date. An assets' carrying value is written down immediately to its recoverable value if the assets' carrying amount is greater than its listed recoverable amount.

Oil and gas properties and other property, plant and equipment

(i) Initial recognition

Oil and gas properties and other property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the decommissioning obligation and, for qualifying assets (where relevant), borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The capitalised value of a finance lease is also included within property, plant and equipment.

When a development project moves into the production stage, the capitalisation of certain construction/development costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to oil and gas property asset additions, improvements or new developments.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Oil and gas properties and other property, plant and equipment

(ii) Depreciation/amortisation
Oil and gas properties are depreciated/amortised on a unit-of-production basis over the total proved developed and undeveloped reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied. Rights and concessions are depleted on the unit-of-production basis over the total proved developed and undeveloped reserves of the relevant area.

The unit-of-production rate calculation for the depreciation/amortisation of field development costs takes into account expenditures incurred to date, together with sanctioned future development expenditure. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period and adjusted prospectively, if appropriate.

(ii) Major maintenance, inspection and repairs
Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset that was separately depreciated and is now written off is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) and is immediately written off. Inspection costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. All other day-to-day repairs and maintenance costs are expensed as incurred.

Assets held for sale
Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered through sale rather than continuing use.

Immediately before classification as held-for-sale, the assets are remeasured in accordance with the Group's other accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains or losses on remeasurement are recognised in profit or loss.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Provision for rehabilitation / Decommissioning Liability
The Group recognises a decommissioning liability where it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the field location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related oil and gas assets to the extent that it was incurred by the development/construction of the field. Any decommissioning obligations that arise through the production of inventory are expensed when the inventory item is recognised in cost of goods sold.

Changes in the estimated timing or cost of decommissioning are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to oil and gas assets.

Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statement of profit or loss and other comprehensive income.

If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature fields, the estimate for the revised value of oil and gas assets net of decommissioning provisions exceeds the recoverable value, that portion of the increase is charged directly to expense. Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of profit or loss and other comprehensive income as a finance cost. The Group recognises neither the deferred tax asset in respect of the temporary difference on the decommissioning liability nor the corresponding deferred tax liability in respect of the temporary difference on a decommissioning asset.

Significant accounting judgements, estimates and assumptions
The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

(i) Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(a) Contingencies
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Significant accounting judgements, estimates and assumptions (continued)

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Exploration and evaluation expenditures

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely, from future either exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

(b) Fair value measurement

The Group measures financial instruments, such as equity investments and non-trade receivables, at fair value at each balance sheet date. From time to time, the fair values of non-financial assets and liabilities are required to be determined, e.g., when the entity acquires a business, or where an entity measures the recoverable amount of an asset or cash-generating unit (CGU) at FVLCD.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Refer to Note 10 and Note 12 for further details.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Changes in estimates and assumptions about these inputs could affect the reported fair value.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Current and deferred income tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on disallowed expenses, expect where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Revenue and segmental reporting

Segmental reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

The Group's current revenue is all generated in the United Kingdom from oil & gas production in accordance with its farm-in agreements, within the United Kingdom. However, with this segment in its infancy, and with the only major related transactions being the carrying value of the oil & gas properties assets as described in Note 8, no further segmental analysis is deemed useful to disclose currently. The revenue from this segment was nil (2020: Nil).

Subject to further acquisitions, the Group expects to further review its segmental information during the forthcoming financial year and update accordingly.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

3 Staff and Directors' costs

	Group	
	2021	**2020**
	AUD'000	**AUD'000**
Staff costs, including Directors, consist of:		
Fees and remuneration for management services		
Share-based payments	938	-
Employers NI	167	167
	1,105	167

The Group has no employees other than the Directors. No pension contributions were made in respect of the Directors (2020: nil). The key management personnel of the Group are the Board of Directors and their remuneration is disclosed below;

		Group	
	Fees and salaries	**Share based payments**	**Total**
2021	**AUD'000**	**AUD'000**	**AUD'000**
K Coughlan	54	312	366
D Strang	58	313	371
G Lee	55	313	368
	167	938	1,105

	Fees and salaries	**Share based payments**	**Total**
2020	**AUD'000**	**AUD'000**	**AUD'000**
K Coughlan	54	-	54
D Strang	55	-	55
G Lee	58	-	58
	167	-	167

No Directors' fees remain unpaid as at 31 December 2021 (2020: 0).

4 Loss from operations

	Group		Company	
	2021	**2020**	**2021**	**2020**
Loss from operations is stated after charging:	**AUD'000**	**AUD'000**	**AUD'000**	**AUD'000**
Fees payable to the auditor for the audit and review of:				
Parent company and consolidated financial statements	34	30	34	30
Foreign currency exchange (gain)/losses	(33)	41	(33)	41
	1	71	1	71

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

5 Taxation

	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Current tax expense:				
UK corporation tax and income tax of overseas operations on profits for the year	-	-	-	-
Total income tax expense	-	-	-	-

The reasons for the difference between the actual tax charge for the period and the standard rate of corporation tax in the UK applied to profits for the year are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Loss for the period	(2,949)	(950)	(2,954)	(1,358)
Standard rate of corporation tax in the UK	19%	19%	19%	19%
Loss on ordinary activities multiplied by the standard rate of corporation tax	(560)	(181)	(561)	(258)
Expenses not deductible for tax purposes	-	-	-	-
Future income tax benefit not brought to account	560	181	561	258
Current tax charge for year	-	-	-	-

No deferred tax asset has been recognised because there is uncertainty of the timing of suitable future profits against which they can be recovered.

6 Loss per share

The calculation of the basic loss per share is calculated by dividing the consolidated loss attributable to the equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	Group		Company	
	2021	**2020**	**2021**	**2020**
Basic earnings per share (cents)	(3.59)	(1.64)	(3.60)	(2.34)
Diluted earnings per share (cents)	(3.59)	(1.64)	(3.60)	(2.34)
(Loss) attributable to equity shareholders (AUD'000)	(2,949)	(950)	(2,954)	(1,358)
	Number	**Number**	**Number**	**Number**
Weighted average number of shares – basic	82,090,860	57,983,125	82,090,860	57,983,125
Weighted average number of shares – diluted	94,826,378	72,483,125	94,826,378	72,483,125

The diluted number of shares includes 33.14 million share options (2020: 14.45 million share options) as described in Note 15. However, the impact of the share options are considered to be anti-dilutive.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

7 Intangible assets

	Group and Company	
	Licences & Exploration costs AUD'000	**Licences & Exploration costs AUD'000**
Cost		
At 31 December 2019	571	571
Additions	-	-
At 31 December 2020	571	571
Additions	-	-
At 31 December 2021	571	571
Amortisation and impairment		
At 31 December 2019	(149)	(149)
Additions	-	-
At 31 December 2020	(149)	(149)
Impairment	(422)	(422)
At 31 December 2021	(571)	(571)
Net book value		
At 31 December 2021	-	-
At 31 December 2020	422	422

On 10 August 2016 the Company entered into an agreement to acquire a 5% beneficial interest in the onshore Isle of Wight oil & gas licence "PEDL 331", in the United Kingdom. Consideration paid for the total 5% interest totalled £200,000 (AUD374,540). During 2019 the Company incurred direct exploration costs in relation to PEDL331 of AUD192,000.

On 25 October 2021, the Group announced that it has been informed by the Operator of the Isle of Wight PEDL 331, UK Oil & Gas PLC (London AIM: UKOG) ("UKOG") that the Isle of Wight Council's Planning Committee has refused consent for the appraisal and testing of the Arreton oil and gas discovery. This decision goes against the previous recommendation by the council's planning officers to approve the project. UKOG will now consider its position and whether to lodge an appeal with the Planning Inspectorate. The operator took considerable care and undertook significant research to minimise the potential impacts of the A-3 site, choosing a location 300m distance from the A3056 and adjacent to land with existing non-agricultural commercial uses, namely the Wight Farm Anaerobic Digestion Energy Power Station and the Blackwater Quarry for aggregates. No objections to the development were raised by statutory consultees on environmental, drinking water, landscape or health and safety grounds.

As of the date of this report, UKOG has yet to appeal the above decision. The Group has decided to fully impair the license and exploration costs subject to UKOG's decision to lodge an appeal and due to the uncertainty and length of the appeal process. The impairment charged to the profit and loss amounted AUD422,000 for the year ended 31 December 2021 (2020: Nil).

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

8 Oil & gas properties

	Group and Company	
	Oil & Gas Properties 2021 AUD'000	**Oil & Gas Properties 2020 AUD'000**
Cost		
Opening balance	-	94
Additions	-	-
Disposals	-	-
Exploration costs written-off	-	-
Foreign exchange translation	-	-
Closing balance	-	94
Depletion and impairment		
Opening balance	-	-
Impairment charge	-	76
Additions	-	-
Disposal	-	-
Foreign exchange translation	-	-
Closing balance	-	76
Net book value		
At 31 December 2021	-	18
Transferred to asset held for sale	-	(18)
	-	-

Impairment review
The Oil & Gas properties comprised 10% participating interest in the Brockham oil field in the United Kingdom which was disposed to a subsidiary of Angus Energy Plc ("Operator") for a consideration of GBP10,000 (AUD18,000) on 22 October 2020.

As a result, the Group's interest has been written down to AUD18,000 and transferred to asset held for sale. The transfer of Doriemus' interest in Brockham was completed in April 2021.

9 Net liabilities held for sale

	Group and Company	
	2021	**2020**
	AUD'000	**AUD'000**
Asset transferred from oil and gas properties	18	18
Liabilities on asset held for sale	(475)	(475)
Proceeds received from sale	(18)	-
Payments made to creditors	(475)	-
Net liabilities held for sale at 31 December	-	(457)

On 22 October 2020, Doriemus announced the Company agreed to dispose of its entire 10% interest in Brockham to a subsidiary of Angus Energy Plc (the "Operator) for consideration of GBP10,000 (AUD18,000). The disposal was completed in April 2021.The consideration was set-off against all of the remaining accrued contractual amounts owed by Doriemus to the Operator under the existing joint operating agreement, including historic cash calls, abandonment liabilities and VAT, which total approximately GBP260,000 (AUD475,000).

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

10 Financial investments

	Group and Company	
	2021	**2020**
Investment in Listed & unlisted securities	**AUD'000**	**AUD'000**
Valuation at 1 January	459	797
Additions at cost	-	-
Disposal proceeds	-	(62)
Impairment and change in fair value	(452)	(276)
Valuation at 31 December	7	459

Financial investments comprise investments in listed and unlisted companies which are at market value and are held by the Group as a mix of strategic and short-term investments.

At 31 December 2021, the Directors have carried out a fair value review and have considered that an impairment and fair value adjustment of AUD452,000 (2020: AUD276,000) is required in relation to its financial investments.

11 Investment in subsidiaries

Company	Country of Registration	Proportion held	Nature of business
Direct			
Doriemus Energy Pty Ltd	Australia	100%	Oil and Gas Services Company
Via Doriemus Energy Pty Ltd			
Doriemus L15 Pty Ltd	Australia	100%	Dormant company

The Parent company acquired all of the subsidiaries on their incorporation for nominal share holdings of A$10. Doreimus L15 Pty Ltd is dormant and is in the process of being stricken off the company registry as at 31 December 2021. On 9 January 2022, Doreimus L15 was officially deregistered by the Australian Securities and Investment Commission.

12 Trade and other receivables

	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Loan to related party – non-current, net (See Note 19)	358	1,005	358	1,005
Other receivables – current	-	8	-	3
Prepayments and accrued income – current	75	-	72	-
	433	1,013	430	1,008

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. Loan to a related party is net of allowance for expected credit losses amounting to AUD696,000 (2020: Nil).

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

13 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	AUD'000	AUD'000	AUD'000	AUD'000
Analysis by currency;				
Sterling	596	1,166	596	1,166
Australian Dollar	2,755	63	2,741	56
	3,351	1,229	3,337	1,222

14 Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	AUD'000	AUD'000	AUD'000	AUD000
Trade payables	31	22	31	22
Other payables	2	2	2	2
Accrued liabilities	22	18	22	18
	55	42	55	42

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

15 Share capital

Ordinary shares of 0.4p each	Ordinary Shares Number	Nominal Value AUD'000	Share Premium AUD'000	Total Value AUD'000
Allotted, called up and fully paid				
At 31 December 2019	57,983,125	411	14,162	14,573
At 31 December 2020	57,983,125	411	14,162	14,573
Placement on 8 June 2021*[1]	14,495,780	106	691	797
Placement on 1 September 2021*[2]	41,135,373	309	1,953	2,262
Placement on 1 September 2021*[3]	4,000,000	30	270	300
Placement on 6 September 2021*[4]	2,649,489	20	126	146
Options Exercised on 23 September 2021	16,250	-	2	2
Options Exercised on 19 October 2021	50,913	-	5	5
Options Exercised on 26 November 2021	25,175	-	3	3
Capital raising costs		-	(622)	(622)
At 31 December 2021	120,356,105	876	16,590	17,466

*[1] On 8 June 2021, the Company announced a Placement to sophisticated and professional investors of 14,495,780 fully paid ordinary shares at an issue price of 5.5 cents per Share to raise ~A$797,267.90 pursuant to a single tranche private placement. All shares issued pursuant to the Placement have free 1:2 options (strike price 10 cents, term 5 years from date of issue of the options issued pursuant to the Placement).

*[2] On 1 September 2021, the Company announced a Placement of 45,135,373 CHESS depository Interests 1:1. This consisted of the entitlement offer allotment of 25,408,102 fully paid ordinary shares at an issue price of $0.055 per CDI being received, raising $1,397,445 (before costs). (1) CDI for every two (2) CDIs held by Holders registered at the Record Date, at an issue price of $0.055 per CDI, together with one (1) free attaching New Option for every two (2) CDIs issued. The Company also issued 10,000,000 CDIs under the Guaranteed Shortfall Offer and 5,727,271 CDIs under the Shortfall Offer, also at an issue price of $0.055 per CDI and New Options were issued on the same terms and attaching to CDIs in the same ratio as New Options offered under the entitlement offer.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

15 Share capital (continued)

*3 On the 1 September, as part of the 45,135,373 depository Interests 1:1 (previously stated above) the Company agreed to issue 4,000,000 CDIs and 4,000,000 New Options to the Lead Manager (or its nominee/s) at an issue price of $0.001 per CDI and $0.001 New Option as part of its fee. A total of $8,000 will be raised pursuant to the Lead Manager Offer and these funds will be applied to working capital. During the year ended 31 December 2021, the shares were issued to the Lead Manager and were valued at $300,000 at an issue price of $0.075 per share.

*4 On 6 September 2021, the Company announced a further Placement of 2,649,489 CHESS depository Interests 1:1 under the Shortfall allotment at an issue price of $0.055 per CDI and New Options were issued on the same terms and attaching to CDIs in the same ratio as New Options offered under the entitlement offer (closed 30 August 2021).

The nominal value per issued shares of the Company is GBP0.004 converted to AUD using the exchange rate at the date of issue. The difference between the nominal value of the shares in AUD and the total amount received is shown under the share premium account. Capital raising costs are charged to the share premium account.

Dividends Paid
During the years ended 31 December 2021 and 31 December 2020, the Group paid no dividends.

Capital Management
The Group's capital comprises the ordinary shares 0.4p (2020: 0.4p) each, as shown above.

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Share Options
The Group has 17,125,000 as at 31 December 2021 (2020: 14,450,000) unlisted share options issued through its share schemes. During the year, 6,000,000 unlisted share options were issued (2020: nil). The share options on issue have exercise prices of 20p and $0.10 per share, which are exercisable on various dates up to 02 September 2026. The Group cancelled none of the existing options on issue (2020: nil). During the year 3,325,000 options lapsed (2020: nil).

Warrants in issue
As at 31 December 2021, nil warrants remained outstanding (2020: nil). No warrants were issued during the year (2020: nil).

16 Options reserve

	Number	AUD'000
At 31 December 2020	14,450,000	2,984
Options granted to shareholders*	6,000,000	938
Options granted to lead manager**	4,000,000	230
Options lapsed	(3,325,000)	-
At 31 December 2021	**21,125,000**	**4,152**

* On 8 June 2021, the Company announced a Placement to sophisticated and professional investors of 14,495,780 fully paid ordinary shares at an issue price of 5.5 cents per Share to raise ~A$797,267.90 pursuant to a single tranche private placement. All shares issued pursuant to the Placement have free 1:2 options (strike price 10 cents, term 5 years from date of issue of the options issued pursuant to the Placement.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

16 Options reserve (continued)

**In June 2021, Inyati Capital Pty Ltd ("Inyati") was engaged by the Company as Lead Manager to a capital raising. On completion of the capital raising in September 2021, 4,000,000 ordinary shares at an issue price of 5.5 cents and 4,000,000 listed options each (strike price 10 cents, term 5 years from date of issue of the options) were issued to Inyati as part of their fees. As at 31 December 2021, the options were valued using the Black and Scholes option pricing model at $230,000. The share-based payments expense is recognised in equity as capital raising costs over Inyati's period of service. $526,000 was recognised as capital raising costs in the year ended 31 December 2021.

Share options outstanding as at 31 December 2021 are as follows:

Options	Grant date	Expiry date	Exercise price	Outstanding as at 31 December 2021 Number
Unlisted				
	29 September 2017	28 September 2022	A$0.325/£0.1918	11,125,000
	02 September 2021	02 September 2026	A$0.10	6,000,000
				17,125,000
Listed				
	01 September 2021	01 September 2026	A$0.10	4,000,000
	01 September 2021	01 September 2026	A$0.10	7,247,888
	01 September 2021	01 September 2026	A$0.10	12,704,029
	01 September 2021	01 September 2026	A$0.10	2,863,635
	01 September 2021	01 September 2026	A$0.10	5,000,000
	01 September 2021	01 September 2026	A$0.10	1,324,743
Exercised	23 September 2021			(16,250)
Exercised	19 October 2021			(50,913)
Exercised	23 November 2021			(25,175)
				33,047,957
Total				**50,172,957**

17 Share based payments

Share options held by Directors and third parties as at 31 December 2021 are as follows:

Grant date	Expiry date	Exercise price	Outstanding as at 31 December 2021 Number
29 September 2017	28 September 2022	A$0.325/£0.1918	11,125,000
01 September 2021	01 September 2026	A$0.10	4,000,000
02 September 2021	02 September 2026	A$0.10	6,000,000
Total options in issue			**21,125,000**

18 Material non-cash transactions

During the year, the Group had the following significant non-cash transactions:

- $452,000 impairment on financial investments. Refer Note 10 *Financial investments.*
- $696,000 provision for doubtful debts on loan to a related party. Refer Note 12 *Trade and other receivables.*
- $422,000 impairment on licenses and exploration costs. Refer Note 7 *Intangible assets.*

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

19 Related party transactions

The Group had the following amounts outstanding from its investee companies (Note 10 *Financial Investments*) at 31 December:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Doriemus Energy Pty Ltd	-	-	-	-
Horse Hill Development Ltd ("Horse Hill")	891	850	891	850
Loan Interest receivable ("Horse Hill")	163	155	163	155
Provision for doubtful debts	(696)	-	(696)	-
	358	1,005	358	1,005

The above loans outstanding are included within trade and other receivables, Note 12. The loan to Horse Hill has been made in accordance with the terms of the investment agreement whereby it accrues interest daily at the Bank of England base rate +10% and is repayable out of future cashflows. The Company has provided an allowance for doubtful debts amounting $696,000 as at 31 December 2021 after assessing the recoverability of amounts owed by Horse Hill (2020: Nil).

The amount outstanding from Doriemus Energy Pty Ltd, a controlled entity of the Company of $104,000 (2020: $509,000) has been written off in the Company's statement of profit or loss and other comprehensive income. The amount owing to Angus Energy Weald Basin No.3 Limited, a related party of $181,000 has been written off in the Group's and Company's statement of profit or loss and comprehensive income in 2020.

Remuneration of Key Management Personnel

The remuneration of the Directors, and other key management personnel of the Group, is set out below in aggregate for each of the categories specified for Related Party Disclosures.

	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Short-term employee benefits	167	167	70	67
	167	167	70	67

During the year, $100,866 (2020: $58,822) (GST inclusive) of accounting and company secretarial fees were paid to Everest Corporate Pty Ltd, a company related to Director, Keith Coughlan.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

20 Financial instruments

Financial risk management

The Board of Directors sets the treasury policies and objectives of the Group, which includes controls over the procedures used to manage financial market risks.

It is, and has been throughput the period under review, the Group's policy that no major trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are:

- interest rate risk;
- liquidity risk;
- credit risk;
- market risk;
- commodity price risk; and
- foreign currency risk.

Principal financial instruments
The principal financial instruments used by the Group from which financial instrument risk arises, are as follows:

Financial assets

	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Other receivables (Note 12)	75	8	72	3
Other loans (Note 12)	358	1,005	358	1,005
Cash and cash equivalents (Note 13)	3,351	1,229	3,337	1,222
Total financial assets classified as loans and receivables	3,784	2,242	3,767	2,230

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable set out above.

At 31 December 2021 and 2020 the carrying amounts of financial assets approximate to their fair values.

Financial liabilities	Group		Company	
	2021	**2020**	**2021**	**2020**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**
Net liabilities held for sale (Note 9)	-	457	-	457
Trade payables (Note 14)	31	22	31	22
Other payables (Note 14)	2	2	2	2
Accrued liabilities (Note 14)	22	18	22	18
Total financial liabilities measured at amortised cost	55	499	55	499

To the extent trade and other payables are not carried at fair value in the statement of financial position, book value approximates to fair value at 31 December 2021 and 2020.

Except for other loans receivable, all other financial assets and liabilities are due in less than 6 months.

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

20 Financial instruments (continued)

The Group is exposed through its operations to one or more of the following financial risks:

Interest rate risk

The Group has minimal risk towards interest rate changes, other than those effects on interest being received on cash held in the Group's bank accounts.

Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, the Group aims at ensuring flexibility in its liquidity profile by maintaining the ability to undertake capital raisings.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk. All cash equivalents are held with financial institutions with a credit rating of -AA or above.

Market risk

The Group's current exposure to market risk is fundamentally linked to its interest in its listed financial investments, and the market price fluctuations thereof.

The Board agrees and reviews policies and financial instruments for risk management. The primary objectives of the treasury function are to provide competitively priced funding for the activities of the Group and to identify and manage financial risk.

Commodity price risk

The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of oil and gas products through its farm-in arrangements. The Group has minimal risk towards commodity price changes, other than those effects on the loan to Horse Hill. The allowance for expected credit losses on the receivables from HHDL was based on a valuation model which included an estimated oil US price over the period of production for the estimated amount of recoverable oil. A change in either the estimated oil price or recoverable reserves by 10% would change the expected credit losses as follows:

- Oil price – increase (decrease) of approximately $114,000; and
- Oil reserve – increase (decrease) by $94,000.

Foreign Currency risk

The Group undertakes certain transactions denominated in foreign currency and are exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis.

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposure to the Pound Sterling (GBP). The Group was not exposed to material foreign currency risk at 31 December 2020. At 31 December 2021, the Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

20 Financial instruments (continued)

Foreign Currency risk (continued)

	Group 2021 AUD'000	Company 2021 AUD'000
Cash and cash equivalents (Note 13)	596	596
Trade and other receivables (Note 12)	358	358
	954	954

Sensitivity analysis (Group)
A reasonably possible strengthening (weakening) of the GBP against AUD at 31 December 2021 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss for the Group and the Company by the amounts shown below. This analysis assumes all other variables, in particular interest rates, remain constant.

	Group		Company	
	Increase (Decrease) in Equity and Profit of Loss			
	AUD to GBP		AUD to GBP	
	+10% AUD'000	(-10%) AUD'000	+10% AUD'000	(-10%) AUD'000
Cash and cash equivalents	66	(54)	66	(54)
Trade and other receivables – non-current	40	(33)	40	(33)
	106	(87)	106	(87)

Fair value measurements
The fair value of the Group's and Company's financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. IFRS 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

i) Quoted prices in active markets for identical assets or liabilities (level 1)
ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (level 2); and
iii) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

	Fair value hierarchy as at 31 December 2021			
	Level 1 AUD'000	Level 2 AUD'000	Level 3 AUD'000	Total AUD'000
Financial investments	-	-	7	7
Trade and other receivables	-	-	358	358
	-	-	365	365

	Fair value hierarchy as at 31 December 2020			
	Level 1 AUD'000	Level 2 AUD'000	Level 3 AUD'000	Total AUD'000
Financial investments	-	-	459	45
Trade and other receivables	-	-	1,005	1,005
	-	-	1,464	1,464
Net liabilities held for sale	-	-	(457)	(457)
	-	-	(457)	(457)

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

21 Events after the end of the reporting period

On 9 January 2022, Doriemus L15 Pty Ltd, a subsidiary, was deregistered.

No other matter or circumstance has arisen that has significantly affected or may significantly affect the Group's operations in future financial years, or the results of those operations in future financial years, or the Group's state of affairs in future financial years.

22 Commitments and contingencies

The Directors have confirmed that there were no contingent liabilities or capital commitments which should be disclosed at 31 December 2021. No provision has been made in the financial statements for any amounts in relation to any capital expenditure requirements of the Group's farm-in agreements, and such costs are expected to be fulfilled in the normal course of the operations of the Group.

23 Ultimate controlling party

There is not considered to be an ultimate controlling party of the parent company.

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Securities Exchange in respect of listed public companies only.

1. Shareholding as at 7 March 2022

(a) Distribution of Equity Shareholders

	Shares (including CDIs)		Options (unlisted)	
Category (size of holding)	**Number of Shareholders**	**Number of Shares**	**Number of option holders**	**Number of options**
1 – 1,000	172	70,317	-	-
1,001 – 5,000	166	395,958	-	-
5,001 – 10,000	34	243,661	-	-
10,001 – 100,000	52	1,472,218	-	-
100,001 and over	11	118,173,951	11	17,125,000
Total	435	120,356,105	11	17,125,000

(b) Number of Shareholders with Less than a Marketable Parcel

330

(c) Voting Rights

The Company is incorporated under the legal jurisdiction of England and Wales. To enable companies such as the Company to have their securities cleared and settled electronically through CHESS, Depositary Instruments called CHESS Depositary Interests (**CDIs**) are issued. Each CDI represents one underlying ordinary share in the Company (**Share**). The main difference between holding CDIs and Shares is that CDI holders hold the beneficial ownership in the Shares instead of legal title. CHESS Depositary Nominees Pty Limited (**CDN**), a subsidiary of ASX, holds the legal title to the underlying Shares.

Pursuant to the ASX Settlement Operating Rules, CDI holders receive all of the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on ASX.

CDIs will be held in uncertificated form and settled/transferred through CHESS. No share certificates will be issued to CDI holders. Each CDI is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

If holders of CDIs wish to attend and vote at the Company's general meetings, they will be able to do so. Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company as an issuer of CDIs must allow CDI holders to attend any meeting of the holders of Shares unless relevant English law at the time of the meeting prevents CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders have the following options:

(a) instructing CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Company's Share Registry prior to the meeting; or

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

(b) informing the Company that they wish to nominate themselves or another person to be appointed as CDN's proxy with respect to their Shares underlying the CDIs for the purposes of attending and voting at the general meeting; or

(c) converting their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI holder wishes to sell their investment on ASX it would be necessary to convert the Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See above for further information regarding the conversion process.

As holders of CDIs will not appear on the Company's share register as the legal holders of the Shares, they will not be entitled to vote at Shareholder meetings unless one of the above steps is undertaken.

As each CDI represents one Share, a CDI Holder will be entitled to one vote for every CDI they hold.

Proxy forms, CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI holders by the Company.

These voting rights exist only under the ASX Settlement Operating Rules, rather than under the Companies Act 2006 (England and Wales). Since CDN is the legal holder of the applicable Shares and the holders of CDIs are not themselves the legal holder of their applicable Shares, the holders of CDIs do not have any directly enforceable rights under the Company's articles of association.

As holders of CDIs will not appear on our share register as the legal holders of shares of ordinary shares they will not be entitled to vote at our shareholder meetings unless one of the above steps is undertaken.

(d) 20 Largest Shareholders as at 7 March 2022

No.	Shareholder	CDIs	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,128,847	9.18
2	INYATI FUND PTY LTD	9,681,818	8.77
3	MR JAY EVAN DALE HUGHES <INKESE FAMILY A/C>	6,500,000	5.89
4	CITICORP NOMINEES PTY LIMITED	4,466,227	4.05
5	FLUE HOLDINGS PTY LTD <BROMLEY SUPERANNUATION A/C>	3,782,418	3.43
6	ALEXANDER HOLDINGS (WA) PTY LTD	3,000,000	2.72
7	BRISQUE PTY LTD <L&M SHEEHY FAMILY A/C>	3,000,000	2.72
8	MR MARK JOHN BAHEN + MRS MARGARET PATRICIA BAHEN <MJ BAHEN SUPER FUND A/C>	2,909,091	2.64
9	S3 CONSORTIUM HOLDINGS PTY LTD <NEXTINVESTORS DOT COM A/C>	2,749,999	2.49
10	BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	2,349,174	2.13
11	6466 INVESTMENTS PTY LTD	2,213,021	2.01
12	PHEAKES PTY LTD <SENATE A/C>	2,022,728	1.83
13	ALR INVESTMENTS PTY LTD <ALR SUPERANNUATION FUND A/C>	1,754,325	1.59
14	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,700,968	1.54
15	TORLOK PTY LTD <TORLOK SUPER FUND A/C>	1,634,889	1.48
16	KOBIA HOLDINGS PTY LTD	1,600,000	1.45
17	MR ANTHONY DE NICOLA + MRS TANYA LOUISE DE NICOLA <DE NICOLA FAMILY S/F A/C>	1,500,000	1.36
18	GETMEOUTOFHERE PTY LTD <SINKING SHIP SUPER FUND A/C>	1,454,545	1.32
19	NAUTICAL HOLDINGS WA PTY LTD <ABANDON SHIP S/F A/C>	1,454,545	1.32
20	OCEAN VIEW WA PTY LTD <DANIEL WISE SUPERFUND A/C>	1,427,573	1.29
		65,330,168	**59.21**

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

(e) Substantial Shareholders as at 7 March 2022

To the best of Doriemus' knowledge, the names of all Substantial Holders and the number of equity securities in which each Substantial Holder has a relevant interest (within the meaning of section 608 of the Corporations Act) is as follows:

No.	Shareholder	CDIs	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,128,847	9.18
2	INYATI FUND PTY LTD	9,681,818	8.77
3	MR JAY EVAN DALE HUGHES <INKESE FAMILY A/C>	6,500,000	5.89
		26,310,665	**23.84**

2. Name of Joint Company Secretaries

Donald Strang and Jessamyn Lyons

3. Principal Registered Offices

Australia
Level 3
35 Outram Street
West Perth WA 6005
Telephone +61 (0) 6245 2050

United Kingdom
c/o Hill Dickinson
The Broadgate Tower
20 Primrose Street
London
EC2A 2EW
Telephone +44 (0) 7897 584 153

4. Registers of Securities

The Company operates a certificated principal register of Shares in the UK branch and an uncertificated issuer sponsored sub-register of CDIs and an uncertificated CHESS sub-register of CDIs in Australia.

The Company's uncertificated issuer sponsored sub-register of CDIs and uncertificated CHESS sub-register of CDIs is maintained by Computershare as per the below. The branch register is the register of the legal title (and will reflect legal ownership by CDN of the Shares underlying the CDIs with the Shares held by CDN recorded on the branch register of Shares in Australia). The two uncertificated sub-registers of CDIs combined make up the register of beneficial title of the Shares underlying the CDIs.

The Register of Securities is held at:

Australia
Computershare Investor Services Limited
Level 11
172 St Georges Terrace
PERTH WA 6000
Telephone number: +61 (0) 9323 2000

United Kingdom
Computershare Investor Services PLC
The Pavilions, Bridgwater Road
Bristol, BS99 6ZZ
United Kingdom
Telephone number: +44 (0) 370 702 0003

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

5. Securities Exchange Listing

Quotation has been granted for all the CDIs of the Company on the Australian Securities Exchange Limited. The Company is not listed on any other exchange.

6. Unquoted Securities

Doriemus has 17,125,000 options on issue, which are exercisable over 17,125,000 ordinary shares as follows:

Grant date	Expiry date	Exercise price	Outstanding as at 31 December 2021
			Number
29 September 2017	28 September 2022	GBP £0.1918/AUD $0.325	11,125,000
02 September 2021	02 September 2026	AUD $0.10	6,000,000
		Total	**17,125,000**

No single person holds 20% or more of the equity securities in an unquoted class.

7. Restricted Securities

There are no restricted securities on issue.

8. On Market Buy-Back

There is no current on-market buy-back of our securities.

9. Section 611 (7) Corporations Act

There are no issues of securities approved for the purposes of Item 7 of section 611 of the Corporations Act which have not yet been completed.

10. Place of Incorporation

Doriemus is incorporated in the jurisdiction of England and Wales with company number 03877125.

Doriemus is registered as a foreign company in Australia with registered number 619 213 437.

11. Summary of licences as at 7 March 2022

Asset	Country	Doriemus Interest	Status	Operator	Licence Area
Horse Hill* PEDL 137	UK	4% shareholding in HHDL (representing a 2.6% attributable interest in PEDL137)	Exploration	HHDL	99.3km^2
Horse Hill* PEDL 246	UK	4% shareholding in HHDL (representing a 2.6% attributable interest in PEDL 246)	Exploration	HHDL	43.4km^2
Isle of Wight PEDL331	UK	5% participating interest in PEDL 331	Exploration	UKOG	199.8km^2
GGO EL 2015/13	Greenland	1.4% shareholding in GGO (representing a 1.3% interest in EL 2015/13)	Exploration	GGO	2.572 km^2
GGO EL 2015/14	Greenland	1.4% shareholding in GGO (representing a 1.3% interest in EL 2015/14)	Exploration	GGO	2.923 km^2

CORPORATE GOVERNANCE STATEMENT

Doriemus PLC is committed to high standards of corporate governance. The Company is listed on the Australian Securities Exchange ("ASX") and advise that copy of our corporate governance statement is disclosed in the corporate governance section of the Company's website www. Doriemus.co.uk (together with the various Corporate Governance policies of the Company). This corporate governance statement relates to the financial year ended 31 December 2021 and has been approved by the Board.

A Corporate Governance summary discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication 'Corporate Governance Principles and Recommendations (4th Edition)' (**Recommendations**). The Recommendations are not mandatory, however, the Recommendations that will not be followed have been identified and reasons have been provided for not following them.

As a company registered in England and Wales, the Company is not required to comply with the provisions of the Governance Code or the Corporate Governance Code for Small and Mid-Size Quoted Companies 2013 published by the Quoted Companies Alliance. However, the Board recognises the importance of sound corporate governance and intends that the Company will comply with the provisions of the Governance Code, the QCA Guidelines and the ASX Corporate Governance Principles and Recommendations insofar as they are appropriate given the Company's size and stage of development.

A summary of the key risks for the Company are set out below.

Communication with shareholders

The Board recognises it is accountable to shareholders for the performance and activities of the Company.

The 2022 Annual General Meeting of the Company will provide an opportunity for the Chairman to present to the shareholders a report on current operations and developments and enable the shareholders to express their views about the Company's business.

The Board

The Board of Doriemus PLC currently consists of two Non-Executive Directors and one Executive Director (Technical). The composition of the Board ensures no one individual or Group of persons dominates the decision making process.

The Board is responsible to the shareholders for setting the direction of the Company through the establishment of strategic objectives and key policies. The Board meets on a regular basis and considers the strategic direction, approves major capital expenditure, and any other matters having a material effect on the Company. Presentations are made to the Board on the activities and both the Executive and Non-Executive Directors undertake visits to operations.

All Directors have access to management, including the Company Secretaries, and to such information as is needed to carry out their duties and responsibilities fully and effectively.

The composition and tenure of the Board as of 31 December 2021, as well as each member's independence status during 2021, was as follows:

Director	Director Position	Tenure[1]	Independence	Audit & Risk Committee	Remuneration & Nomination Committee
Keith Coughlan[2]	Non-Executive Chairman	2.5 years	Yes		
Donald Strang	Non-Executive Director	8.5 years	Yes	x	x
Gregory Lee	Executive Technical Director	4.3 years	No		

NOTES:

1 – Calculated as of 31 December 2021.

2 – Mr Coughlan was appointed to the Board on 19 June 2019.

CORPORATE GOVERNANCE STATEMENT

Takeover regulations

Doriemus plc is not subject to Chapters 6, 6A, 6B or 6C of the *Corporations Act* 2001 (Cth), or Corporations Act, dealing with the acquisitions of shares (including substantial shareholdings and takeovers). Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares (including acquisitions and takeovers) does not apply to the Company given it is incorporated in England and Wales. Instead, the Company is subject to the application of the City Code on Takeovers and Mergers in the UK (the "City Code") and further detailed below.

Mandatory bid

The Company is subject to the application of the City Code. Under Rule 9 of the City Code, any person who acquires an interest in shares which, taken together with shares in which he or persons acting in concert with him are interested, carry 30% or more of the voting rights in the Company will normally be required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert is interested in shares which in aggregate carry 30% of the voting rights of the Company but which do not carry more than 50% of the voting rights in the Company, a general offer will normally be required to be made if he or any person acting in concert with him acquires an interest in any other shares in the Company. An offer under Rule 9 must be in cash, normally at the highest price paid within the preceding 12 months for any interest in shares of the same class acquired in the Company by the person required to make the offer or any person acting in concert with him.

Squeeze-out

Under the Companies Act 2006 (England and Wales), if an offeror were to make an offer to acquire all of the shares in the Company not already owned by it and were to acquire 90% of the shares to which such offer related it could then compulsorily acquire the remaining 10%. The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their shares and then, six weeks later, it would deliver a transfer of the outstanding shares in its favour to the Company which would execute the transfers on behalf of the relevant members, and pay the consideration to the Company which would hold the consideration on trust for outstanding members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

Sell-out

The Companies Act 2006 (England and Wales) also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in the Company and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% of the shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any member notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his/her rights, the offerors are entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

Key risks

Our business faces many risks. We believe the risks described below are the material risks that we face. However, the risks described below may not be the only risks that we face. Additional unknown risks or risks that we currently consider immaterial, may also impair our business operations. If any of the events or circumstances described below actually occur, our business, financial condition or results of operations could suffer, and the trading price of our Shares / CDIs could decline significantly. The Board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound.

There can be no guarantee that the Company will deliver on its business strategy, that the Company will generate any revenue. Investors should note that past performance is not a reliable indicator of future performance. If any of the risks referred to in this annual report were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the options and the underlying CDIs and/or the level of dividends or distributions (if any) received from the CDIs could decline significantly.

CORPORATE GOVERNANCE STATEMENT

The risks referred to below are not to be taken as exhaustive. Where relevant, the risks below assume completion of the Offer has occurred. The specific risks considered below, and other risks and uncertainties not currently known to the Company, or that are currently considered immaterial, may materially and adversely affect the Company's business operations, its financial performance and the value and market price of its shares and or underlying CDIs.

General risks

A summary of the major general risks is set out below.

(a) **Trading Price of Shares and CDIs** -The Company's operating results, economic and financial prospects and other factors will affect the trading price of its shares and CDIs. In addition, factors that in the future may impact specifically on the share prices of listed companies identified as being part of or involved in the oil and gas sector may impact likewise on the price of the Company's securities. In particular, the share / CDI prices for many companies including Doriemus, have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy and trading on the market. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(b) **Political conditions and government regulations** - Although political conditions in the UK and Australia are generally stable (See risk factor 'Withdrawal of the UK from the European Union below), changes may occur in their political, fiscal and legal systems, which might adversely affect the ownership or operation of the Company's interests including, inter alia, changes in exchange rates, exchange control regulations, expropriation of oil and gas rights, changes in government and in legislative, fiscal and regulatory regimes. The Company's strategy has been formulated in the light of the current regulatory environment and likely future changes. Although the Directors believe that the Company's activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules, laws and regulations will not be enacted, or that existing or future rules and regulations will not be applied in a manner which could serve to limit or curtail exploration, production or development of the Company's business or have an otherwise negative impact on its activities. Amendments to existing rules, laws and regulations governing the Company's operations and activities, or increases in or more stringent enforcement, implementation or interpretation thereof, could have a material adverse impact on the Company's business, results of operations and financial condition and its industry in general in terms of additional compliance costs.

(c) **Withdrawal of the UK from the European Union** - Following the British government's decision to invoke Article 50 on 29 March 2017 (and consequent changes to the exit date) the UK left the European Union (EU) on 31 January 2020 (Brexit). Although the UK Companies Act 2006 (CA 2006) and related secondary legislation are influenced by European legislation, there are no current proposals for a significant review or amendment in the short term and the amendments to UK company law that came into effect at the end of the implementation period are intended principally to remove any provisions solely derived from European legislation which are no longer required. The UK Government also published an updated guidance Accounting for UK companies effective from 1 January 2021 in relation to the changes required to the corporate reporting regime from 2021. Brexit had a minimal impact on the Group's operations in the year and the directors will continue to monitor its impact on the Company going forward.

CORPORATE GOVERNANCE STATEMENT

General risks

(d) **Commodity prices** - Historically, commodity prices have fluctuated and are affected by numerous factors beyond the Company's control, including global demand and supply, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, the cost of freight, international economic trends, currency exchange fluctuations, expectations for inflation, speculative activity, consumption patterns and global or regional political events. The aggregate effect of these factors is impossible to predict. Fluctuations in commodity prices, over the long term, may adversely impact the returns from the Company's investments. International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Sustained downward movements in oil and gas prices could render less economic, or wholly uneconomic, some or all of the exploration and the existing, and potential future, oil production related activities to be undertaken in respect of those assets in which the Company has an interest. Any material decline in oil and gas prices could result in a reduction of the Company's net production revenue and overall value. The economics of producing from some wells may change as a result of lower prices, which could result in a reduction in the volumes produced from the Company's assets. The operators and other owners of the assets in which the Company holds interests might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in the Company's net production revenue causing a reduction in its acquisition and development activities. A substantial material decline in prices from historical average prices could also reduce the Company's ability to borrow future funds.

(e) **Force majeure events -** Events may occur within or outside the UK or Australia that could impact upon the global and Australian economies, the operations of the Company and the price of the CDIs. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events or occurrences that can have an adverse effect on the demand for oil and gas products and the Company's ability to conduct business.

(f) **Greenhouse gas emissions** - Many participants in the oil and gas sector are subject to current and planned legislation in relation to the emission of carbon dioxide, methane, nitrous oxide and other so called "greenhouse gases". Failure by the operator of any investments of the Company to comply with existing legislation or any future legislation could adversely affect the Company's profitability. Future legislative initiatives designed to reduce the consumption of hydrocarbons could also have an impact on the ability to market the oil and gas produced from the Company's investments and/or the prices which can be obtained from them. These factors could have a material adverse effect on the Company's business, results of operations, financial condition or prospects.

(g) **Technological developments** - the operators of the oil and gas licences in which the Company is a participant or may acquire in the future or the Company itself may not be able to keep pace with technological developments in the oil and gas industry. The oil industry is characterised by rapid and significant technological advancements and introductions of new products and services using new technologies. As others use or develop new technologies, the Company may be placed at a competitive disadvantage, and competitive pressures may force the operators of the Company's investments to implement those new technologies at substantial cost.

(h) **Material facts or circumstances not revealed in the due diligence process** - Prior to making or proposing any investment, the Company will undertake legal, financial and commercial due diligence on potential investments to a level considered reasonable and appropriate by the Company on a case-by-case basis. However, these efforts may not reveal all material facts or circumstances that would have a material adverse effect upon the value of the investment. In undertaking due diligence, the Company will need to utilise its own resources and may be required to rely upon third parties to conduct certain aspects of the due diligence process. Further, the Company may not have the ability to review all documents relating to the proposed investee company and assets. Any due diligence process involves subjective analysis and there can be no assurance that due diligence will reveal all material issues related to a potential investment. Any failure to reveal all material facts or circumstances relating to a potential investment may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

CORPORATE GOVERNANCE STATEMENT

General risks

(i) **Currency and foreign exchange** - The Company's business may be carried out in the future in currencies other than Pounds Sterling. Principal operations are expected to involve transactions in either Pounds Sterling or US dollars. To the extent that there are fluctuations in exchange rates, this may have an impact on the figures consolidated in the Company's accounts, which could have a material impact on the Company's financial position or result of operations, as shown in the Company's accounts going forward. The proceeds of the Offer will be received in Australian dollars, while the Company's functional currency is Pounds Sterling. As the Company is not currently hedging against exchange rate fluctuations it will be at risk of any adverse movement in the Pounds Sterling-Australian dollar exchange rate between the pricing of the Offer and the closing of the Offer.

(j) **Trading** - The price at which the CDIs may trade and the price which investors may realise for their CDIs will be influenced by a large number of factors, some specific to the Company and some which may affect quoted companies generally. These factors could include the performance of the Company's operations, large purchases or sales of Shares or CDIs, liquidity (or absence of liquidity) in its Shares or CDIs, currency fluctuations, legislative or regulatory changes (including changes in the tax regime in the jurisdiction in which the Company or its investments operate), additions or departures of key personnel at the Company, adverse press, newspaper and other media reports and general economic conditions. In addition, stock markets from time to time suffer significant price and volume fluctuations that affect the market price for securities, and which may be unrelated to the Company's performance. The value of the CDIs may therefore fluctuate and may not reflect their underlying asset value.

(k) **Forward looking statements -** This annual report contains forward-looking statements that involve risks and uncertainties. The Company's results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Company, which are described above and elsewhere. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

(l) **Force Majeure events –** Force majeure events may occur within or outside the countries in which the Company operates that could impact upon the operations of the Company and the price of the Shares CDIs. The events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, pandemic or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Group's services and its ability to conduct business. The Company has only a limited ability to insure against some of these risks.

Specific Risks

(a) **Early-stage development of the Assets** - The assets in which the Company has an interest are at an early stage of development. The oil and gas interests of the Company detailed in this annual report are only at the exploration or appraisal stage and there can be no assurance that they will eventually produce oil to income generating levels. If income generating levels of oil are not produced from the Company's assets, the Company's revenue potential will be materially and adversely impacted.

CORPORATE GOVERNANCE STATEMENT

Specific Risks

(b) **Licensing, planning permission and other consents -** The development of the Company's current and future assets may be dependent on the receipt and maintenance of planning permissions from relevant local authorities as well as other necessary consents such as environmental permits, leases and regulatory consents including, in particular, the grant and maintenance of appropriate permissions from, amongst others, the OGA (Authorisations). The Company is not the operator of any of the licences that it holds interests in. As a result, obtaining the necessary consents and approvals will be largely dependent on the operators of the licences taking the necessary actions to obtain such Authorisations. Obtaining such Authorisations may be costly exercises, and they may not be granted, may be withdrawn, may be challenged by local authorities, third parties and activists, or made subject to limitations. Onshore oil and gas operations in the UK have also recently been subject to extensive planning and environmental approval procedures, the outcomes of which have often been uncertain. Unforeseen circumstances or circumstances beyond the control of the Company may also lead to commitments given to licencing authorities not being discharged on time. The failure by the operators of the licences to gain the necessary Authorisations on a timely basis or gain them on terms or at a cost acceptable to the Company may limit the Company in its ability to extract value from its assets and could have a material adverse effect on the Company's business, results of operations, financial position and prospects.

(c) **No guarantee of success of any drilling programmes and the costs involved may be greater, and the returns lower, than estimated -** The Company will not generate any material income from its asset base fields unless there is a successful completion of drilling programmes. There is no guarantee that this drilling will be successful. These investments also have a limited operating history upon which to base estimates of proven and probable oil reserves and future cash operating costs. For early-stage projects, estimates of proven and probable oil reserves and cash operating costs are, to a large extent, based upon the interpretation of geological data and feasibility studies which derive estimates of cash operating costs based upon anticipated recoveries, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns may differ materially from those estimated which may adversely impact the Company's financial position, revenue potential and ability to invest in other investments.

(d) **Reliance on partners and operators-** The Company only has minor interest in its portfolio of assets and is accordingly heavily reliant on its partners for the majority portion of the operating and development funding required to exploit these oil fields. Various other participating parties are also responsible for the payment of the costs to operate the oil fields. Any failure or delay in the provision of such funding by Angus Energy or the payment of such costs by any of the other participating parties could cause a material delay in the exploitation of these oil fields and as a result adversely affect the Company's ability to implement its stated strategy and consequentially its financial position and revenue potential. The Operators of these fields are also responsible for adhering to the work programs in respect of those fields in the form approved by the OGA. A failure to adhere to such work programs could result in the rescission of the permission by the OGA, which could result in the Company losing its interest in these licences, which would adversely impact the Company and as a result adversely affect the Company's ability to implement its stated strategy and consequentially its financial position and revenue potential.

CORPORATE GOVERNANCE STATEMENT

Specific Risks

(e) **Over-run of drilling programme and costs -** It may not be possible for the operators of the Company's assets, to adhere to agreed drilling schedules. This may impact the Company as a participant in the fields, and its future plans. The final determination of whether to drill any scheduled or budgeted wells will depend on a number of factors including:

(1) results of the exploration efforts and the acquisition, review and analysis of seismic data, if any;
(2) availability of sufficient capital resources for the drilling of the prospects;
(3) approval of the prospects by other participants after additional data has been compiled;
(4) economic and industry conditions at the time of drilling, including prevailing and anticipated processes for oil and natural gas and the availability and prices of drilling rigs and crews; and
(5) availability of leases, licence options, farm-outs, other rights to explore and permits on reasonable terms for the prospects.

Although the relevant Operators, will at the time identify or budget for drilling prospects, it will require the approval of all or a requisite majority of the participants in these licences. It may not be possible to drill those prospects within the expected timeframe, or at all, and the drilling schedule, once agreed, may vary from its expectations because of future uncertainties and rig availability and access to drilling locations. In addition, there is a risk that no commercially productive oil or gas reservoirs will be discovered. If any of those circumstances occur, they would adversely impact the Company's revenue potential and financial position.

(f) **Exploration and development risks -** Oil and gas exploration is a speculative investment and involves a high degree of risk. There is no guarantee that exploration and development of the company's asset portfolio, or any other oil and gas projects or interests that the Company has, or may acquire in the future, can be profitably exploited. Oil and gas exploration, development and production activities are capital intensive and inherently uncertain in their outcome. The Company's projects may involve unprofitable efforts, either from dry wells or from wells that are productive but do not produce sufficient net revenues to return a profit after development, operating and other costs. Drilling, developing, and operating projects involve a number of risks, many of which are beyond the control of the Company, which may delay or adversely impact the exploration, development and production activities that the Company has an interest in.

These delays and potential impacts could result in the activities being delayed or abandoned and substantial losses could be incurred, all of which could adversely impact the Company. The oil industry historically has also experienced periods of rapid cost increases. Increases in the cost of exploration, production and development would affect the Company's ability to invest in additional assets, and also meet its funding obligations in respect of the assets it has an interest in.

(g) **Development -** the Company's ability to achieve any production, development, operating cost and capital expenditure estimates in a timely manner cannot be assured. Possible future development of oil and gas exploration at any of the Company's projects is subject to a number of risk factors including, but not limited to, unfavorable geological conditions, failing to receive the necessary approvals from all relevant authorities and parties, unseasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from any third parties providing essential services. In the event that the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions and other accidents. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in drilling, increased production costs and other monetary losses and possible legal liability to the owner or operator of a mine. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past drilling activities in an area for which it was not responsible.

CORPORATE GOVERNANCE STATEMENT

Specific Risks

(h) **Potential disposal of the Company's historic UK assets -** in the normal course of business of the Company's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, relating to personal injuries, property damage, property taxes, land rights, the environment and contractual disputes. The outcome of any future litigation cannot be predicted with certainty. There can be no guarantee that the Company will be able to dispose of these assets on favourable terms or at all. Should the Company be unable to dispose of these assets any litigation or dispute in relation to these assets in the future may have a material adverse effect on the Company's assets, liabilities, business, financial condition and results of operations.

(i) **Oil and natural gas prices volatility -** the Company's prospects and the market price of its quoted securities be influenced by the price obtained from time to time for oil, natural gas and petroleum products. Oil and gas prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for oil and gas, forward selling by producers and production cost levels, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

(j) **Funding risk -** Although the Directors believe that, on completion of the Offer, the Company will have sufficient working capital to carry out its short-term objectives, there can be no assurance that each objective can be met without further financing, or if further financing is necessary, that financing can be obtained on favourable terms or at all. In addition, the Company may require capital in addition to the amount being sought in the Offer to continue exploring and appraising its existing assets following the completion of the existing work program budgets. As and when further funds are required, either for the existing assets or for acquisitions, the Company will consider raising additional capital from both the issue of equity securities and/or debt finance if appropriate. There is no assurance that the Company will be able to access and secure additional funding on reasonable terms or at all**.**

(k) **Reliance on key personnel -** The Company's success depends in part on the Directors being able to identify potential investment and/or acquisition opportunities, and to implement the Company's business strategy. The loss of the services of any of the Directors could materially and adversely affect the Company. In addition, although the Company and the Directors will evaluate the risks inherent in a particular investment, they cannot offer any assurance that a proper discovery, or a complete assessment of all significant risk factors associated with the investment, can be made.

(l) **Resource estimation risk -** There are inherent risks in the estimation of contingent resources including the estimates included in this annual report. There is a risk that such estimations will not convert into reserves, or any actual production may significantly vary from such estimations, which may adversely impact the Company's revenue potential and financial position.

(m) **Rehabilitation cost risk -** In relation to the Company's historic and future planned exploration programs, issues could arise with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In most of these instances, the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time. While the Company has received no firm claims or advices, it remains possible that such claims could arise and could materially adversely affect the financial position and performance of the Company. Additionally, the Company estimates abandonment and rehabilitation costs based on current understandings. There is no guarantee that actual costs will not be higher than are currently estimated. Regulators may also, over time, impose higher standards for these activities which may increase the associated costs. This may adversely affect the financial position and performance of the Company.

CORPORATE GOVERNANCE STATEMENT

Specific Risks

(n) **Potential acquisitions -** As part of its business strategy, the Company may make acquisitions or significant investments in which it believes there is scope to improve the underlying value of the Company and to further its strategic goals. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions as well as risks such as access to additional capital. There are also inherent risks with acquisitions, including that the acquired assets do not fulfil the acquisition criteria. Acquisitions may change the Company's future capital and operating expenditure requirements, and hence funding requirements. Acquisitions can give rise to liabilities. It is possible that operational and financial underperformance of the acquired assets including additional costs and/or liabilities may negatively impact on the financial performance of the Company and potentially impact member returns.

(o) **Joint venture partners -** Financial failure or default by any participant in a joint venture to which the Company is a party may have a material adverse effect on the Company insofar as it may have to bear that share of the joint venture costs which would otherwise have been borne by the relevant participant in the joint venture.
The Company will also be required in future to negotiate agreements with additional third parties. These agreements may include but are not limited to contracts with service providers, product sales agreements, joint venture agreements, agreements with landowners, access to third party facilities and permit terms with regulators. If the outcomes of these negotiations are not favourable to the Company, then the Company's financial performance may be adversely impacted.

(p) **Litigation -** While the Company currently has no material outstanding litigation or dispute, there can be no guarantee that the current or future actions of the Company or of the other parties which have interests in the same assets as the Company will not result in litigation since there have been a number of cases where the rights and privileges of natural resource companies have been the subject of litigation. The oil and gas industries, as with all industries, may be subject to legal claims including personal injury claims, both with and without merit, from time to time. The Directors cannot preclude that such litigation may be brought against the Company or its assets in the future.