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DORIEMUS PLC

Annual Report and Financial Statements

Year Ended 31 December 2014

Company Registered Number 03877125

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DORIEMUS PLC

**Annual Report and financial statements
for the year ended 31 December 2014**

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DIRECTORS:	Donald Strang Hamish Harris Grant Roberts
SECRETARY:	Donald Strang
REGISTERED OFFICE:	Suite 3B 38 Jermyn Street London SW1Y 6DN
REGISTERED NUMBER:	03877125
AUDITORS:	Chapman Davis LLP 2 Chapel Court London SE1 1HH
NOMINATED ADVISOR AND BROKER:	Cairn Financial Advisors LLP 61 Cheapside London EC2V 6AX

DORIEMUS PLC
("Doriemus" or "the Company")

Chairman's Statement

I am pleased to present the annual report and accounts for the year ended 31 December 2014.

Overview

Your company has a strong balance sheet with no debt and current assets as of today's date amounting to approximately £1,600,000 of which approximately £1,200,000 is cash.

The Company has acquired three exciting investments which we believe will enhance future shareholder value. During the year the Company disposed of its interest in the TEP Exchange business.

Your board of directors will continue to seek out further investments in the UK "conventional" oil and gas space and work closely with Angus Energy Limited ("Angus Energy") on ways of increasing our oil production from the existing operating fields.

The next financial year should see significant improvements in production at two of Angus Energy's licences, Lidsey and Brockham, with a new crestal production well proposed to be drilled on Lidsey and a sidetrack of an existing well proposed on Brockham. We should also know the outcome of the Horse Hill-1 well test with relation to the commercial viability of the Portland oil discovery and further 'proof of concept' for the Kimmeridge Limestone play.

We will also continue to seek out further investments in line with the Company's investment strategy.

Investments

Investment in Horse Hill Development Limited ("HHDL", 10% interest in HHDL):

In January 2014 the Company announced that it had signed a binding agreement (which was later converted into a definitive agreement and completed) to acquire a 7.5% interest in a special purpose company, Horse Hill Developments Limited ("HHDL") for £450,000, which held the option to become operator and 65% interest holder in two Petroleum Exploration and Development Licences ("PEDL"), PEDL137 and PEDL246, in the northern Weald Basin near to Gatwick Airport.

In March 2014, the Company advised it had acquired a further 2.5% equity interest in HHDL for £150,000, hence taking its interest from 7.5% to 10%.

The PEDL137 licence covers 99.29 square kilometres (24,525 acres) to the north of Gatwick Airport in Surrey and contains the Horse Hill-1 ("HH-1") oil discovery and several other exploration leads. PEDL246 covers an area of 43.58 square kilometres (10,769 acres) and lies immediately adjacent and to the east of PEDL137. In September 2014, HHDL completed the farm-in to the two PEDLs to obtain the planned 65% working interest.

The HH-1 well is located approximately 7.5 kilometres southeast of the producing Brockham oil field and approximately 15 kilometres southwest of the Palmers Wood oil field. The pre-drill primary target reservoir horizons were the Portland Sandstone, which is productive in the nearby Brockham oil field, and the Corallian Formation, which is the producing horizon in the Palmers Wood oil field. Secondary targets for the well included the Triassic, which is productive in the nearby Wessex Basin and has previously tested gas in the Weald Basin, and the Greater Oolite Formation.

On 2 September 2014, the Horse Hill-1 well commenced drilling operations with 20-inch surface casing being set at 84 feet below ground level. By 22 September 2014, the Marriott-50 rig was installed on the well and the drilling of 17 ½-inch hole to intermediate 13 3/8-inch casing depth at 1,795 feet measured depth ("MD") was completed on 28 September 2014. Drilling continued in 12 ½-inch hole and after a further intermediate casing was set at 6,612 feet MD, the well reached total depth at 8,870 feet MD on 4 November 2014.

Evaluation of electric logs and other data collected from the well resulted in the announcement on 24 October 2014 of a conventional Upper Portland Sandstone discovery with a preliminary most likely estimate of 3.1 million barrels ("mmbbls") of gross oil in place in a 102-foot zone. A further 16.8 mmbbls of possible gross un-risked prospective oil in place were estimated in the Lower Portlandian Sandstone, in what was believed at the time to be an untested fault block to the south of the well. Further hydrocarbon indications in the Kimmeridgian Formation were observed and were subject to additional

analysis. The anticipated Triassic reservoir was not found to be present and the well was terminated in older Palaeozoic formations.

In December 2014, after the initial announcement of a Portland discovery, further work, integrating the well results with a vertical seismic profile ("VSP") and electric logs, demonstrated that the Collendean Farm-1 and Horse Hill-1 wells were likely in communication at Portland reservoir level being both part of an overall larger fault block structure. The best estimated gross oil in place at the combined Portlandian Sandstone level was upgraded to 8.2 mmbbls. In May 2015, an independent reserves review by the Xodus Group was released which saw this estimate substantially increased again to 21.0 mmbbls.

The estimated gross oil in place in the Portland Sandstone at the various stages of evaluation is tabulated in Table 1 below.

Table 1: Gross estimated discovered oil initially in place in Portland Sandstone at Horse Hill (mmbbls)

Source	Date	Low (P90)	Best (P50)	High (P10)	Mean
Company Internal estimate	24 October 2014	1.5	3.1	4.8	n/a
Company Internal estimate	17 December 2014	5.7	8.2	12.1	n/a
Xodus Group	11 May 2015	14.3	21.0	30.4	21.8

n/a = not available

A flow test is planned to be performed later in 2015 to test the Portland Sandstones, in order to establish the feasibility of a commercial development of the oil estimated to be in place in the reservoir. Preliminary conceptual field development plans include the possible use of the Company's Brockham field facilities.

During drilling it was also noted that the Kimmeridge limestones and surrounding shale contained oil and elevated gas readings, and following the completion of drilling extensive geochemical analysis was conducted which showed the Kimmeridge formation was mature for oil generation.

Nutech Inc. ("Nutech"), an industry-leading specialist in tight reservoir analysis, was contracted to conduct further detailed petrophysical evaluation of the electric logs. This work resulted in the announcement in April 2015 of a potentially significant play with estimated gross oil in place of over 150 million barrels per square mile at the HH-1 location.

In May 2015 the results of the work by Nutech were subsequently independently verified by Schlumberger, the world's largest and leading oil and gas service company, using their proprietary modelling developed in tight reservoirs in the USA and applied extensively in the USA and elsewhere. Schlumberger's estimate of oil in place in the Kimmeridge, Oxford and Lias shales and limestones is approximately 255 million barrels per square mile (gross) at the HH-1 location. If confirmed, this largely tight resource play in the Kimmeridge opens up large areas of the Weald Basin that may have potential for oil production, not limited to the PEDL137 and PEDL246 licences where Horse Hill is located.

In June 2015, Nutech calculated that the total Jurassic shale plus tight conventional limestone reservoir section in the 55 square miles of PEDL137 and PEDL246 contains a calculated Best Estimate, or P50, oil in place of 9,245 mmbbls. The most significant oil in place within the Jurassic section is contained within the shales and tight conventional limestone reservoir sequences of the Kimmeridge, with a calculated Best Estimate, or P50, total Kimmeridge oil in place of 5,230 mmbbls.

Brockham Oil Field (10% interest operated by Angus Energy):

The Brockham Oil Field ("Brockham"), in the Weald Basin, is held under UK Production Licence PL235. The operator Angus Energy has advised average current production rate of 28 bopd. Water cut is also stable. The operator advised this is less than previously announced due to the suspension of regular well interventions owing to current oil economics and the financial viability thereof. However the operator further advises that they intend to improve rates in future by side-tracking the one of the suspended wells.

Brockham's 28 degrees API oil is trucked and sold to the Fawley Oil Refinery in southern England.

The planned new side-track infill production well at Brockham has been engineered and designed and is a major element of a revised Field Development Plan submitted to, and accepted by, the Oil and Gas Authority ("OGA"). The Field Development Plan includes the proposed side-track, with the target of increasing production by 150 bopd (gross) and accessing similar recoverable volumes as the existing producing well.

In March 2014, the Company announced that RPS Energy Consultants Limited ("RPS") had independently assessed that, as at 31 December 2013, the Brockham Field contains 3.62 mmbbls (gross) oil in place (P50 best case). The Brockham field provides the best and closest analogue producing Portland sandstone field for the HH-1 Portland discovery.

Lidsey Oil Field (20% interest, operated by Angus Energy):

The Lidsey Oil Field ("Lidsey"), in the Weald Basin, is held under UK Production Licence PL 241. The operator Angus Energy has advised that the average current production rate is 22 bopd. Water cut has increased only slightly. They further advised that current production is less than previously announced due to the suspension of regular well interventions and that the initial high flow rates encountered after the re-perforation declined, as expected, after a period of time. No further interventions or hot oil washes to remove wax are planned due to current oil economics and the financial viability thereof.

Lidsey's 36 degree API oil is trucked and sold to the Fawley Oil Refinery.

The operator further advises that they intend to improve rates by drilling Lidsey-2X, which is expected to be 140 ft above Lidsey-1 and will be completed in the Oolite section of the reservoir. Modelling work by Schlumberger suggests that a horizon well will come on at high initial rates but should be limited to 500bopd. The planned new production infill well in the crest of the field has been engineered and designed. A revised Field Development Plan has been submitted to OGA for their approval. The land lease agreement for the production site has been renewed for a further 20 years. The operator will advise all parties in due course as to when they will drill this well, which is likely to be after completion of testing of the Horse Hill-1 well.

In March 2014, the Company announced that RPS had independently assessed that, as at 31 December 2013, the Lidsey Field contained 9.52 mmbbls (gross) of P50, or best case Oil In-Place. The planned infill well is thus targeted to recover similar or greater volumes to the Lidsey-1 producer.

TEP Exchange

The Company announced on 12 September 2014 that the disposal of TEP Exchange ("TEP"), as announced on 18 July 2014, had now completed.

This concludes the transition of the Company from the historical TEP Exchange Group Plc, whose primary business was unsuccessful in the licensing and on-line advertising of TEP's proprietary electronic platform, to a company with a new focus of investing in conventional oil and gas production and exploration activities in the UK.

This disposal technically constitutes a change of business for the purpose of Rule 15 of the AIM Rules for Companies and therefore the Company is, with effect from 12 September 2014, re-classified as an investing company with a focus on natural resources.

Results for the period

Loss for the year to 31 December 2014 amounted to £622,000 (2013: £450,000 loss) which included £155,000 loss (2013:nil) on equity swap settlements to date and £100,000 loss (2013:nil) incurred on the write-off and disposal of TEP subsidiaries.

Total revenue for the period was £130,000 (2013: £203,000).

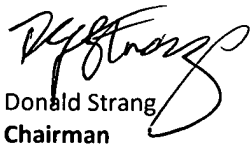
Outlook

Your Board is confident that the investments made by the Company since it changed its investment strategy are both encouraging and potentially very rewarding. We will look to realise this potential over the future years in addition to continuing to review further investment opportunities as they arise.

We believe the Company is now well placed to create meaningful future shareholder value.

We will continue to seek out further investments in line with the Company's investment strategy and will also work closely with Angus Energy on potentially increasing our oil production from the existing operating fields.

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



Donald Strang
Chairman
26 June 2015

Glossary:

bbl	= barrels of oil
bopd	= barrels of oil per day
discovery	= a petroleum accumulation for which one or several exploratory wells have established through testing, sampling and/or logging the existence of a significant quantity of potentially moveable hydrocarbons
electric logs	= tools used within the wellbore to measure the rock & fluid properties of the surrounding formations
flow test	= a flow test or well test involves testing a well by flowing hydrocarbons to surface, typically through a test separator. Key measured parameters are oil and gas flow rates, downhole pressure and surface pressure. The overall objective is to identify the well's capacity to produce hydrocarbons at a commercial flow rate
HH-1	= Horse Hill-1 well
MD	= measure depth
lead	= a potential accumulation that is not yet sufficiently well-defined to represent a viable drilling target
limestone	= a carbonate sedimentary rock predominantly composed of calcite, a mineral form of calcium carbonate, of organic, chemical or detrital origin. Minor amounts of dolomite, chert and clay are common in limestones. Chalk is a form of fine-grained limestone
mean	= or expected value, is the probability-weighted average of all possible values and is a measure of the central tendency either of a probability distribution or of the random variable characterized by that distribution
mmbbls	= million barrels of oil
oil in place	= the quantity of oil or petroleum that is estimated to exist originally in naturally occurring accumulations before any extraction or production
P90	= a 90% probability that a stated volume will be equalled or exceeded
P50	= a 50% probability that a stated volume will be equalled or exceeded
P10	= a 10% probability that a stated volume will be equalled or exceeded
PEDL	= Petroleum Exploration and Development Licence
play	= a set of known or postulated oil or gas accumulations sharing similar geologic properties

DORIEMUS PLC

Corporate Governance Statement

Doriemus PLC is highly committed to high standards of corporate governance. Companies on the Alternative Investment Market of the London Stock Exchange are not required to comply with the Combined Code.

The Board

The Board of Doriemus PLC now consists of two Executive Directors and one Non-Executive Director. 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 Secretary, and to such information as is needed to carry out their duties and responsibilities fully and effectively.

Furthermore, all Directors are entitled to seek independent professional advice concerning the affairs of the Company at its expense. All Directors are subject to election by shareholders at the first annual general meeting following their appointment. In addition, Directors will retire and stand for re-election at least once every three years in accordance with the company's Articles of Association.

The interests of the Directors in the shares and share options of the Company serve to align their interests with the shareholders generally. The Company does not consider this to have an adverse effect on their independence.

Internal controls

The Directors are responsible for the Company's systems of internal control and reviewing its effectiveness. Any such system is designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable assurance against material misstatement or loss.

Internal controls and business risks were monitored in the course of 2014 through regular Board meetings. The key business risks monitored by the Board are set out in the directors' report.

Communication with shareholders

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

The forthcoming 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.

Committees

Audit and Remuneration Committees have been established and in each case comprise G. Roberts (Chairman) and H.Harris. The Directors do not consider that, given the size of the Board, it is appropriate to have a Nominations Committee. The appropriateness of such a committee will, however, be kept under regular review by the Company.

The role of the Remuneration Committee is to review the performance of the executive Directors and to set the scale and structure of their remuneration, including bonus arrangements. The Remuneration Committee also administers and establishes performance targets for the Company's employee share schemes and executive incentive schemes for key management. In exercising this role, the terms of reference of the Remuneration Committee require it to comply with the Code of Best Practice published in the Combined Code.

The Audit Committee is responsible for making recommendations to the Board on the appointment of the auditors and the audit fee, and receives and reviews reports from management and the Company's auditors on the internal control systems in use throughout the Company's year and its accounting policies.

DORIEMUS PLC

Report of the Directors for the year ended 31 December 2014

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2014.

Principal activities and business review

The principal activity of the Company 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 in the mining, and oil & gas sectors.

The Company disposed of all of its subsidiaries during the year, whose activities were the licensing of its proprietary electronic platform and the provision of on-line advertising services for with profit endowment policies utilising its platform. This was seen as a secondary activity to the main focus for the parent company for the future.

A review of the business and future developments is given in the Chairman's statement on pages 1-4.

The Directors have determined that the following key performance indicators are the most effective measures of progress towards achieving the company's objectives.

	2014	2013
	£	£
Turnover	130,000	203,000
(Loss)/profit from operations	(367,000)	(452,000)
Net assets	1,921,000	2,153,000

The key business risks continue to be the risks and uncertainties facing the Company which involve the ability to raise funding in order to finance the acquisition and exploitation of mining, and oil & gas opportunities and the exposure to fluctuating commodity prices.

The directors have a reasonable expectation that the Company has adequate resources to continue its operations for the foreseeable future, and as such they continue to adopt the going concern basis in preparing the accounts.

Results, dividends and events after the end of the reporting period

The statement of comprehensive income is on page 10 and shows the result for the year of £622,000 (loss) (2013: £450,000 loss). No dividends were paid in the year, dividends of £296,000 (0.02p per share) were paid in the prior year on 12 April 2013.

Events after the end of the reporting period have been fully detailed in Note 19 to the financial statements.

Directors and their interests

The Directors who served in office during the year and up to the date of signing the financial statements and their interests in the company's shares are as follows:

Ordinary shares of 0.001p (2013: 0.001p) each held at:

	31 December 2014 or date of resignation		31 December 2013 or date of resignation	
	Number	%	Number	%
D Strang (appointed 25 March 2013)	74,000,000	1.29	74,000,000	1.56
H Harris (appointed 25 March 2013)	74,000,000	1.29	74,000,000	1.56
G Roberts (appointed 25 March 2013)	37,000,000	0.64	37,000,000	0.78
D Roxburgh (resigned 30 September 2014)	-	-	-	-

DORIEMUS PLC

Report of the Directors for the year ended 31 December 2014 (Continued)

Share options

At 31 December 2014, or date of resignation, the following options were held by the Directors:

	Date of grant	Exercise price	Number of options
D Strang	15 November 2013	0.22p	50,000,000
H Harris	15 November 2013	0.22p	50,000,000
G Roberts	15 November 2013	0.22p	20,000,000
D Roxburgh (resigned 30 September 2014)	15 November 2013	0.22p	20,000,000

All options are exercisable up to five years from the date of grant.

Substantial Shareholdings

As at 6 May 2015, the Company had been notified of the following substantial shareholdings in the ordinary share capital:

Name	Number of ordinary shares	Percentage of ordinary shares %
SL Investment Management Limited	948,032,798	12.25
Barclayshare Nominees Limited	507,847,315	6.56
TD Direct Investing Nominees (Europe) Limited	500,317,949	6.46
HSDL Nominees Limited	454,270,971	5.87
Mrs Viktoriia Maslennikova	400,000,000	5.17
Ferlim Nominees Limited	388,666,667	5.02
Hargreaves Lansdown (Nominees) Limited	369,391,241	4.77
HSBC Client Holdings Nominee (UK) Limited	313,253,767	4.05
Beaufort Nominees Limited	301,742,197	3.90
Investor Nominees Limited	269,564,812	3.48
Jim Nominees Limited	267,396,092	3.46

The market price of the company's shares at the end of the financial year was 0.08p; the highest and lowest share prices during the year were 0.25p and 0.06p respectively.

Policy on Payment of Creditors

It is the Company'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 Company 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.

DORIEMUS PLC

Report of the Directors for the year ended 31 December 2014 (Continued)

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 European Union. 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 European Union 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.

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.

Disclosure of information to Auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that ought to have been taken as directors in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Independent Auditors

The auditors, Chapman Davis LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the Board

H Harris
Director



26 June 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DORIEMUS PLC

We have audited the consolidated and parent company financial statements (the "financial statements") of Doriemus PLC for the year ended 31 December 2014 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.ork.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2014 and of the company loss and company's cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

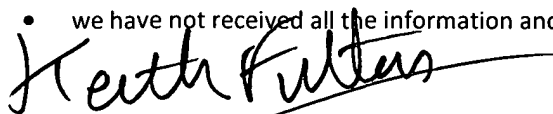
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Keith Fulton (Senior Statutory Auditor)
for and on behalf of Chapman Davis LLP
Chartered Accountants and Statutory Auditors
London

26 June 2015

DORIEMUS PLC

**Statement of Comprehensive Income
for the year ended 31 December 2014**

	Note	2014 £'000	2013 £'000
Revenue	2	130	203
Cost of sales		(83)	-
Gross profit		<u>47</u>	<u>203</u>
Administrative expenses		(414)	(419)
Share based payment charge		-	(236)
(Loss) from operations	4	<u>(367)</u>	<u>(452)</u>
Finance income	5	-	2
(Loss) on equity swap settlements	12	(155)	-
Investment in subsidiaries written-off	10	(100)	-
(Loss) before income tax		<u>(622)</u>	<u>(450)</u>
Income tax expense	6	-	-
(Loss) attributable to the owners of the parent and total comprehensive income for the year		<u>(622)</u>	<u>(450)</u>
Other comprehensive income			
Fair value adjustment of equity swap		(280)	-
Other comprehensive income for the year net of taxation		<u>(280)</u>	<u>-</u>
Total comprehensive income for the period attributable to equity holders of the parent		<u>(902)</u>	<u>(450)</u>
Earnings per share			
Basic earnings per share	7	(0.01)p	(0.02)p
Diluted earnings per share	7	<u>(0.01)p</u>	<u>(0.02)p</u>

The notes form an integral part of these financial statements.

DORIEMUS PLC

**Statement of Changes in Equity
for the year ended 31 December 2014**

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Hedging reserve £'000	Retained earnings / Accumulated losses £'000	Total £'000
At 1 January 2013	9	-	-	-	336	345
Dividends on ordinary shares declared and paid	-	-	-	-	(296)	(296)
Issue of Share capital	38	2,360	-	-	-	2,398
Share issue costs	-	(80)	-	-	-	(80)
Share based payments	-	-	236	-	-	236
Transactions with owners	38	2,280	236	-	(296)	2,258
(Loss) for the year and total comprehensive income	-	-	-	-	(450)	(450)
At 31 December 2013	47	2,280	236	-	(410)	2,153
Issue of Share capital	10	690	-	-	-	700
Share issue costs	-	(30)	-	-	-	(30)
Transactions with owners	10	660	-	-	-	670
(Loss) for the year	-	-	-	-	(622)	(622)
Unrealised (loss) on equity swap	-	-	-	(280)	-	(280)
Total comprehensive loss for the year	-	-	-	(280)	(622)	(902)
At 31 December 2014	57	2,940	236	(280)	(1,032)	1,921

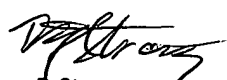
The notes form an integral part of these financial statements.

DORIEMUS PLC

**Statement of Financial Position
at 31 December 2014**

	Note	2014 £'000	2014 £'000	2013 £'000	2013 £'000
Assets					
Non-current assets					
Intangible assets	8		1,051		1,016
Property, plant and equipment	9		-		-
Investments in subsidiary undertakings	10		-		100
Available for sale investments	11		600		-
			<hr/>		<hr/>
			1,651		1,116
Current assets					
Trade and other receivables	13	408		507	
Derivative financial instruments	12	-		400	
Cash and cash equivalents		198		985	
		<hr/>		<hr/>	
Total current assets			606		1,892
			<hr/>		<hr/>
Total assets			2,257		3,008
			<hr/>		<hr/>
Liabilities					
Current liabilities					
Trade and other payables	14	(256)		(855)	
Derivative financial instruments	12	(80)		-	
		<hr/>		<hr/>	
Total current liabilities			(336)		(855)
			<hr/>		<hr/>
Total liabilities			(336)		(855)
			<hr/>		<hr/>
Net assets			1,921		2,153
			<hr/>		<hr/>
Equity attributable to owners of the parent					
Share capital	15		57		47
Share premium account			2,940		2,280
Share based payment reserve			236		236
Hedging reserve			(280)		-
Retained earnings			(1,032)		(410)
			<hr/>		<hr/>
Total equity			1,921		2,153
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2015.


D. Strang
Director

Company registered number 03877125

The notes form an integral part of these financial statements.

DORIEMUS PLC

**Statement of Cash Flows
for the year ended 31 December 2014**

	2014 £'000	2013 £'000
Cash flows from operating activities		
(Loss) before income tax	(622)	(450)
<i>Adjustments for:</i>		
Share based payment charge	-	236
Finance costs (net)	-	(2)
(Loss) on equity swap settlements	155	-
Investment in subsidiaries written-off	100	-
<i>Changes in working capital:</i>		
Trade and other receivables	139	(94)
Trade and other payables	(425)	(16)
Cash generated from operating activities	<u>(653)</u>	<u>(326)</u>
Interest paid	-	-
Net cash generated from operating activities	<u>(653)</u>	<u>(326)</u>
Cash flows from investing activities		
Payments for intangible assets	(35)	(390)
Loans repaid (granted)/repaid from related parties	(214)	375
Interest received	-	2
Payments for AFS investments	(600)	-
Net cash used in investing activities	<u>(849)</u>	<u>(13)</u>
Cash flows from financing activities		
Proceeds from Issuance of ordinary share capital	700	1,629
Share issue costs	(30)	(40)
Dividend paid to owners of the parent	-	(296)
Equity swap settlements receipts	45	-
Net cash used in financing activities	<u>715</u>	<u>1,293</u>
Net (decrease)/increase in cash and cash equivalents	<u>(787)</u>	<u>954</u>
Cash, cash equivalents and bank overdrafts at beginning of year	<u>985</u>	<u>31</u>
Cash and cash equivalents at the end of year	<u><u>198</u></u>	<u><u>985</u></u>
<i>Cash and cash equivalents comprise:</i>		
Cash available on demand	<u>198</u>	<u>985</u>

DORIEMUS PLC

Notes forming part of the financial statements for the year ended 31 December 2014

1 Accounting policies

Background information

Doriemus plc is incorporated and domiciled in Great Britain. The address of Doriemus plc's registered office is Suite 3B, 38 Jermyn Street, London, SW1Y 6DN which is also the Company's principal place of business. Doriemus plc's shares are listed on the AIM of the London Stock Exchange. The Company changed its name from TEP Exchange Group Plc by resolution on 16 July 2013.

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 and the group to all the years presented, unless otherwise stated. These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and EU adopted IFRICs (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by European Union ("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.

As described in the Directors Report on page 6, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Standards, amendments and interpretations to published standards not yet effective

In the current year, the following new and revised Standards and Interpretations have been adopted and have affected the amounts reported in these financial statements.

IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Interpretations Committee) have issued the following standards and interpretations with an effective date after the date of these financial statements:

The following standards have been adopted by the group for the first time for the financial year beginning on or after 1 January 2014 and have a material impact on the Company:

Amendment to IAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the group financial statements.

Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13.

Amendment to IAS 39, 'Financial instruments: Recognition and measurement' on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The Company has applied the amendment and there has been no significant impact on the Company financial statements as a result.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognised. The Company is not currently subjected to significant levies so the impact on the Company is not material.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

1 Accounting policies (Continued)

Adoption of new or amended IFRS (continued)

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the Company.

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statement. None of these is expected to have a significant effect on the consolidated financial statements of the Company, except the following set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The group is yet to assess IFRS 9's full impact.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Company is assessing the impact of IFRS 15.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Revenue

Revenue is generated from one main source of income currently. In the current year, revenue is being generated from the Company's Farm-in interests, on an accrued monthly basis, along with the associated costs. In the prior year, revenue represented fees and commission (exclusive of value added tax) from licensing of the company's proprietary electronic platform and advertising the purchase of with profit endowment policies by market makers registered on the electronic platform. Fees and commission income was recognised when the company's contractual obligations are complete.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

1 Accounting policies (Continued)

Expenses

Expenses are recognised in the period when obligations are incurred and matched against when the related revenue is recognised.

Financial assets

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

Trade and other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at cost, less provision for impairment, if appropriate.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position, and also include amounts due from subsidiary undertakings.

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.

Financial liabilities

The company 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 and deferred shares are classified as equity instruments.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

1 Accounting policies (Continued)

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 employees and directors as part of their remuneration and provided to consultants and advisors hired by the Company from time to time as part of the consideration paid.

Hedging reserve represents the unrealised gains or losses on the company's derivative financial instruments, on fair value revaluation.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are held as non-current assets and are stated at cost less provision for impairment in value.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight line basis over the useful life of the asset as follows:

Computer equipment	-	3 years
Fixtures, fittings and equipment	-	4 years

An item of property, plant and equipment 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 profit or loss in the year the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Intangible assets – Exploration of mineral resources

Acquired intangible assets, which consist of mining rights, are valued at cost less accumulated amortisation.

The company 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 mining development and investment 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 capitalised 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.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

1 Accounting policies (Continued)

Exploration of mineral resources (continued)

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.

Impairment testing of goodwill and other intangible assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management monitors the related cash flows.

Goodwill, other individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life are tested for impairment at least annually.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

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.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

1 Accounting policies (Continued)

Current and deferred income tax (Continued)

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, except 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.

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.

Distribution of dividends

Dividends are recorded in the accounts when they become a legal obligation of the payer. For final dividends, this will be when they are approved by the company. For interim dividends, this will be when they have been paid.

2 Revenue and segmental reporting

The company's current revenue is all generated in the United Kingdom mainly from mining 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 acquisition of the intangible assets as described in note 8, no further segmental analysis is deemed useful to disclose currently. The revenue from this segmental was £130,000 (2013: £3,000)

The company has no other geographical segments.

In the prior year, the company's earned income from the licensing of its electronic platform for trading endowment policies. The revenue from this segment was in 2013 £200,000. This trade was disposed of along with the company's subsidiaries as details in note 10.

Subject to further acquisitions and disposals, the company expects to further review its segmental information during the forthcoming financial year, as it begins to see the full impact of its acquisitions and disposals.

Transactions with related parties are disclosed in note 17.

Doriemus PLC

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

3	Staff and director costs	2014	2013
		£'000	£'000
	Staff costs, including directors, consist of:		
	Fees and remuneration for management services	238	272

The company had no employees other than the directors. No pension contributions were made in respect of the directors (2013: £nil). The key management personnel of the group are the board of directors and their remuneration is disclosed below;

	Fees and salaries	Share basec payment:	Total
2014	£'000	£'000	£'000
D Strang	100	-	100
H Harris	100	-	100
D Roxburgh (resigned 30 September 2014)	8	-	8
G Roberts	30	-	30
	<u>238</u>	<u>-</u>	<u>238</u>
2013			
D Strang (appointed 25 March 2013)	7	84	91
H Harris (appointed (25 March 2013)	7	84	91
D Roxburgh	6	34	40
M Kraus (resigned 25 March 2013)	1	-	1
A Weitz (resigned 25 March 2013)	1	-	1
G Roberts (appointed 25 March 2013)	7	34	41
G Kynoch (resigned 10 October 2013)	7	-	7
	<u>36</u>	<u>236</u>	<u>272</u>

Directors' fees totalling £200,250 have been accrued and remain unpaid as at 31 December 2014. (2013: £29,250)

4	Loss from operations	2014	2013
		£'000	£'000
	Profit from operations is stated after charging:		
	Fees payable to the company's auditor for the audit of: Parent company and consolidated financial statements	12	12
	Fees payable to the company's auditor for other services		
	- The audit of the company's subsidiaries pursuant to legislation	-	4
	- Taxation services		
5	Finance income	2014	2013
		£'000	£'000
	Interest receivable	-	2

Doriemus PLC

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

6 Taxation	2014	2013
	£'000	£'000
Current tax expense:		
UK corporation tax and income tax of overseas operations on profits for the period	-	-
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:		
Loss for the period	(622)	(450)
Standard rate of corporation tax in the UK	21/23%	23/24%
Loss on ordinary activities multiplied by the standard rate of corporation tax	(134)	(105)
Expenses not deductible for tax purposes	-	55
Future income tax benefit not brought to account	134	50
Current tax charge for period	-	-

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

7 Earnings per share

The calculation of the basic and diluted earnings per share is based upon:

	2014	2013
Basic earnings per share (pence)	(0.01) p	(0.02) p
Diluted earnings per share (pence)	(0.01) p	(0.02) p
(Loss)/profit attributable to equity shareholders	(£622,000)	(£450,000)
	Number	Number
Weighted average number of shares - basic	5,229,397,258	2,791,780,820
Weighted average number of shares - diluted	5,614,397,258	2,929,972,601

The diluted number of shares includes 250 million warrants and 140 million share options (2013: 500million warrants and 140million share options) as described in Note 15.

Doriemus PLC

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

8 Intangible assets

	Exploration costs £'000	Total £'000
Cost		
At 1 January 2013	-	-
Additions	1,016	1,016
31 December 2013	1,016	1,016
Additions	35	35
At 31 December 2014	1,051	1,016
Amortisation and impairment		
At 1 January 2013, 31 December 2013, 1 January 2014 and at 31 December 2014	-	-
Net book value		
At 31 December 2014	1,051	1,051
At 31 December 2013	1,016	1,016

On 18 October 2013 the Company entered into an agreement to acquire a 10 % participating interest in the Lidsey Oil Field, in the United Kingdom, with a further 10% acquired on 14 November 2013. Consideration paid for the total 20% interest totalled £630,000. A 10% participating interest in the Brockham Oil Field, in the United Kingdom, was also acquired for a total consideration of £386,000 on 3 December 2013. During 2014, the Company incurred further direct exploration costs in relation to the Brockham and Lidsey Oil Fields.

Impairment Review

At 31 December 2014, the directors have carried out an impairment review and have considered that no impairment write-down is required (2013: £nil). The directors are of the opinion that the carrying value is stated at fair value.

9 Property, plant and equipment

	Computer equipment £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 January 2013, 31 December 2013, and at 1 January 2014	173	66	239
Disposals	(173)	(66)	(239)
At 31 December 2014	-	-	-
Accumulated depreciation			
At 1 January 2013, 31 December 2013, and at 1 January 2014	173	66	239
Eliminated on disposal	(173)	(66)	(239)
At 31 December 2014	-	-	-
Net book value			
At 31 December 2014	-	-	-
At 31 December 2013	-	-	-

Doriemus PLC

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

10 Investments in subsidiary undertakings

	2014 £'000	2013 £'000
At 1 January	100	100
Write-off of subsidiary investments	(100)	-
At 31 December	<u>-</u>	<u>100</u>

On 12 September 2014 the Company completed the disposal of TEP Exchange Ltd ("TEP") and all related subsidiaries, for a consideration of £1. This concluded the transition of the Company from the historical TEP Exchange Group Plc, whose primary business was unsuccessful in the licensing and on-line advertising of TEP's proprietary electronic platform, to a company with a new focus of investing in conventional oil and gas production and exploration activities in the UK. All intercompany balances between the Company and TEP Exchange Ltd were paid off prior to the Disposal.

Prior to the completion of the disposal of TEP Exchange Ltd, the Company wrote down the carrying value of TEP to zero, thus incurring a £100,000 write-off of investments in the income statement during the year.

At 31 December 2014, the Company held no investments in subsidiary undertakings.

11 Available for sale financial assets

	2014 £'000	2013 £'000
Investment in unlisted securities		
Valuation at 1 January	-	-
Additions at cost	600	-
Valuation at 31 December	<u>600</u>	<u>-</u>
 The available for sale investments splits are as below:		
Non-current assets - unlisted	<u>600</u>	<u>-</u>
	<u>600</u>	<u>-</u>

On 13 January 2014, the Company completed the acquisition of a 7.5% shareholding in Horse Hill Developments Ltd ("HHDL"), a company incorporated in England & Wales, with investments in the UK, for a total cash consideration of £450,000. On 3 March 2014, the Company increased their holding in HHDL to 10%, with a 2.5% shareholding purchase for a consideration of £150,000. The Company currently holds a 10% shareholding in HHDL.

Available-for-sale investments comprise investments in unlisted which are not traded on any stock market throughout the world, and are held by the Company as a mix of strategic and short term investments.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

12 Derivative Financial Instrument

On 10 December 2013, the Company announced that it had entered into an equity swap agreement ("the Equity Swap Agreement") with YAGM over 400,000,000 of the Subscription Shares ("the Swap Shares"). In return for a payment by the Company to YAGM of £400,000 ("the Initial Escrowed Funds"), twelve monthly settlement payments in respect of such payment were to be made by YAGM to the Company, or by the Company to YAGM, based on a formula related to the difference between the prevailing market price (as defined in the Equity Swap Agreement) of the Company's ordinary shares in any month and a 'benchmark price' that is 10% above the Subscription Price. Thus the funds received by the Company in respect of the Swap Shares are dependent on the future price performance of the Company's ordinary shares.

The Initial Escrowed Funds was deposited into an escrow account ("the Escrow Account") and the subsequent monthly settlement payments will be managed through the Escrow Account under the terms of the Equity Swap Agreement.

YAGM may elect to terminate the Equity Swap Agreement and accelerate the payments due under it in certain circumstances. The Company may pause a monthly payment under the Equity Swap Agreement once in each six month period.

YAGM has agreed that it and its affiliates will refrain from holding any net short position in respect of the Company's ordinary shares and has agreed restrictions on the volume of ordinary shares in the Company that it can trade from time to time until the expiry or if earlier termination of the Equity Swap Agreement.

By 31 December 2013 nil shares had been closed out for net proceeds of £nil. The remaining balance has been fair valued at 31 December 2013, which has not resulted in any fair value adjustment based on the benchmark price and formula of the arrangement, with any unrealised gain credited to reserve and highlighted in other comprehensive income.

During the year ended 31 December 2014, 6 monthly settlements under the Swap Agreement had been received or paid to YAGM, this resulted in total net receipts to the Company of £45,000 against the total base monthly settlements for these 6 months of £200,000, thus the Company incurring a realised loss of £155,000 charged to the income statement. The company agreed to extend the term of the Swap, deferring the monthly settlements to recommence in July 2015. Thereafter 6 monthly settlements will be due through to December 2015.

	2014	2013
	£'000	£'000
Fair Value as at 1 January	400	-
Cost of equity swap arrangement	-	400
Settled during the year	(40)	-
Fair value adjustment to 31 December	(280)	-
Fair Value carried forward as at 31 December	<u>(80)</u>	<u>400</u>

Doriemus PLC

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

13 Trade and other receivables

	2014	2013
	£'000	£'000
Trade receivables	16	108
Amounts due from subsidiary undertakings	-	150
Other loans	190	-
Other receivables	200	244
Prepayments and accrued income	2	5
	<u>408</u>	<u>507</u>

At the year end, there were no receivables which are past due or impaired.

14 Trade and other payables

	2014	2013
	£'000	£'000
Trade payables	12	35
Other payables	24	-
Amounts due to subsidiary undertakings	-	174
Creditors for taxation and social security	-	10
Accrued liabilities and deferred income	220	636
	<u>256</u>	<u>855</u>

Doriemus PLC

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

15 Share capital

	Ordinary Shares Number	Nominal Value £'000
Ordinary shares of 0.001p each		
Allotted, called up and fully paid		
As at 31 December 2012	849,999,999	9
15 March 2013 – Placing for cash at 0.0135p per share	1,479,999,999	15
15 March 2013 – Warrants exercised at 0.002p per share	630,000,000	6
4 October 2013 – Placing for cash at 0.04p per share	500,000,000	5
18 October 2013 – Shares issued for non-cash consideration	100,000,000	1
1 November 2013 – Placing for cash at 0.09p per share	400,000,000	4
14 November 2013 – Shares issued for non-cash consideration	100,000,000	1
3 December 2013 – Shares issued for non-cash consideration	130,000,000	1
11 December 2013 – Placing for cash at 0.2p per share	550,000,000	5
As at 31 December 2013	4,739,999,998	47
2 May 2014 – Placing for cash at 0.10p per share	500,000,000	5
16 June 2014 – Warrants exercised at 0.04p per share	105,000,000	1
30 September 2014 – Warrants exercised at 0.04p per share	395,000,000	4
As at 31 December 2014	5,739,999,998	57

Dividends Paid

During the year ended 31 December 2014, the Company paid no dividends. On 12 April 2013 the Company paid a dividend of 0.02p to shareholders. Total dividend paid £296,000.

Capital Management

The Company's capital comprises the ordinary shares 0.001p (2013: 0.001p) each, as shown above.

The Company'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 Company sets the amount of capital it requires in proportion to risk. The Company 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 Company 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 Company has as at 31 December 2014, 140,000,000 (2013: 140,000,000) share options issued through its share schemes. During the year no share options were issued. (2013: 140,000,000) All the share options in issue have an exercise price of 0.022p per share, and are exercisable up to 14 November 2018.

Dorionus PLC

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

15 Share capital (continued)

Warrants in issue

As at 1 January 2013, shareholders had the option of up to 4,500,000,000 subscription warrants for each subscription share, exercisable at 0.002p per ordinary share. The warrants were only exercisable if the Company (and its wholly owned subsidiaries) met certain performance criteria over the three financial years ending 31 December 2013. The Company would also have had to declared, made and paid dividends of at least £250,000 to all shareholders before the warrants could be exercised. The warrants may only be exercised together as a whole and not in part. However, 3,870,000,000 of the warrant shares were waived in recognition of a reduced ongoing recurring income stream, and on 15 March 2013, 630,000,000 of the 4,500,000,000 subscription warrants were therefore exercised.

On 4 October 2013 subscribers to the share issue were awarded one warrant per share at an exercise price of 0.04 pence, resulting in the issue of 500,000,000 warrants. All of these warrants expire on 30 September 2014. All of these warrants were exercised during the year ended 31 December 2013.

On 2 May 2014, 250,000,000 subscription warrants were issued, each with an exercise price of 0.11p per share, and an expiry date of 2 May 2015.

As at 31 December 2014, 250,000,000 warrants remained outstanding. (2013: 500,000,000)

16 Share based payments

The expense recognised for employee services received during the period is shown in the following table:

	2014	2013
	£'000	£'000
Expenses arising from equity settled share-based payments;		
Share options issued and vested	-	236

Share options held by directors, employees and third parties are as follows:

Grant date	Expiry date	Exercise price	Outstanding as at 31 December 2014
		£	Number
15 November 2013	14 November 2018	0.0022	140,000,000

A modified Black-Scholes model has been used to determine the fair value of the share options on the date of grant. The fair value is expensed to the income statement on a straight line basis over the vesting period, which is determined annually. The model assesses a number of factors in calculating the fair value. These include the market price on the date of grant, the exercise price of the share options, the expected share price volatility of the Company's share price, the expected life of the options, the risk free rate of interest and the expected level of dividends in future periods.

The inputs into the model for the 15 November 2013 issue were as follows:

	2013
Granted	
Weighted average share price	0.18p
Expected volatility	166%
Expected life	5 years
Risk-free rate	2.3%
Expected dividend yield	0%

Doriemus PLC

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

17 Related party transactions

During the year ended 31 December 2014, the company earned fees of £nil (2013: £200,000) from SL Investment Management Limited ("SL"), a major shareholder in the company. At the end of the year SL owed the company £nil (2013: £105,000).

These fees related predominantly to amounts earned from a licence agreement with SL, allowing SL to develop and exploit the TEP Exchange platform and software. The trade and subsidiaries which the company disposed of in September 2014. (Note 10). As such SL is no longer considered a related party after the disposal date.

During the year the company was charged £nil (2013: £100,000) by SL. At the end of the year the company owed SL £nil (2013: £7,443).

On 10 October 2013, Mr G Kynoch resigned as a director of the company, and as such the agreement with Drumduan Associates, to provide the services of G Kynoch to act as a non-executive director and chairman of the company also was terminated. The fees paid to Drumduan during the year amounted to £nil. (2013: £7,500).

During the year ended 31 December 2014, there are no further related party transactions to disclose.

18 Financial instruments

Financial risk management

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

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

- interest rate risk;
- liquidity risk;
- credit risk.
- market risk.

Interest rate risk

The company borrows only in sterling at both fixed and floating rates of interest. At the year end, all borrowings were at variable rates.

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and overdrafts as well as funding from shareholders.

Credit risk

The company has no significant concentration of credit risk.

Market risk

The company's current exposure to market risk is fundamentally linked to its own share price, as a result of the currently active equity swap arrangement.

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 company and to identify and manage financial risk.

Principal financial instruments

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

Doriemus PLC

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

18 Financial Instruments (Continued)

Financial assets

	2014 £'000	2013 £'000
Trade receivables	16	108
Amount due from subsidiary undertakings	-	150
Other receivables	200	244
Other loans	190	-
Derivative financial instrument – equity swap arrangement	-	400
Cash and cash equivalents	198	986
Total financial assets classified as loans and receivables	604	1,887

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 2014 and 2013 the carrying amounts of financial assets approximate to their fair values.

Financial liabilities

	2014 £'000	2013 £'000
Trade payables - current	12	35
Other payables	24	-
Amounts due to subsidiary undertakings	-	174
Accrued liabilities	220	636
Derivative financial instrument – equity swap arrangement	80	-
Creditors for taxation and social security	-	10
Total financial liabilities measured at amortised cost	336	855

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 2014 and 2013.

All financial assets and liabilities are due in less than 1 year.

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

Liquidity risk

Liquidity risk arises from the company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

Short term liquidity risk is managed by preparing forecasts together with obtaining and reviewing the adequacy of banking facilities. There is currently no long term liquidity risk.

Market operational and pricing risks

The company operates only in the United Kingdom. The company's only revenue is derived from income from its farm-in agreements. The level of income is entirely dependent on the production and operation of the oil fields by its existing operator. And the subsequent exposure to the movement in oil price in the market.

**Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)**

18. Financial Instruments (Continued)

Credit risk

The company's maximum exposure to credit risk is £200,000 in respect of the equity swap arrangement with YAGM, a shareholder of the company. No collateral is held as security. The credit qualities of financial assets that are neither past nor impaired are considered to be good, as they are primarily trade receivables and cash held with the Bank of Scotland. There are no financial assets which are past due or impaired.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "AA" are accepted.

Cash flow interest rate risk

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

Currency risk

The company is not directly exposed to currency risk as its assets, liabilities, revenue and expenditure are denominated in Sterling.

19 Events after the end of the reporting period

On 12 March 2015, the company completed a share placement at 0.06p per share, raising £1.2 million gross proceeds on the issue of 2,000,000,000 ordinary shares.

20 Commitments and contingencies

The directors have confirmed that there were no contingent liabilities or capital commitments which should be disclosed at 31 December 2014.

21 Ultimate controlling party

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