

Doriemus PLC

Half-yearly results for the six month period ended 30 June 2014

I am pleased to present the interim results for the six months ended 30 June 2014.

Overview

The Company has a strong balance sheet with no debt and current assets including cash as at 30 June 2014 amounting to £1,315,000 and eagerly awaits results from the drilling of the HorseHill-1 well in the Weald Basin just north of Gatwick Airport.

The Company has acquired three exciting investments during the year which we believe will enhance future shareholder value.

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 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 new production wells proposed to be drilled on both. We should also know the outcome of the Horse Hill-1 well.

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

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.

Investments

Horse Hill Prospect:

The Company currently has a 10% equity interest in Horse Hill Development Ltd ("HHDL"), a special purpose company, which holds the rights to a 65% participating interest and operatorship, in licences PEDL 137 and PEDL 246 onshore in the UK Weald Basin in Surrey ("Horse Hill Prospect"). Magellan Petroleum Corporation holds the balance of 35%.

HHDL is in the process of drilling the Horse Hill-1 well to an estimated total depth of 8,680 feet to test conventional stacked oil and gas targets. The Marriott 50 rig started drilling on the Horse Hill Prospect, which is located on the northern side of UK Weald Basin near Gatwick Airport, on 22 September 2014 and the drilling is scheduled to be completed during November.

On 29 September 2014, the Company advised that the Horse Hill-1 well has now been drilled to the second casing point at 1,795 feet measured depth ("MD"), and the setting and cementing of a 13 3/8-inch steel casing is now underway. The bottom of the well is currently located in the upper part of the Jurassic and the well has encountered the expected mud gas up to C3 (propane) and mineral fluorescence just above current well depth.

Geological analysis and mud logging from rock cuttings circulated out of the hole indicate that geological markers in the well are slightly shallower than initially prognosed based on seismic and the nearby Collendean – 1 well drilled by ESSO in 1964. The second casing point has been revised up from 1,865 feet MD to reflect this.

The Horse Hill-1 well is located on the northern side of UK Weald Basin near Gatwick Airport and is planned to drill to a Total Depth (“TD”) of 8,680 feet measured depth (“MD”) to test a number of conventional oil and gas targets. The primary oil reservoir targets in this well lie in the Jurassic Portland Sandstone at about 2,200 feet true vertical depth below sea level (“TVD ss”) and the Corallian Sandstone at about 3,440 feet TVD ss. There are also a number of secondary oil targets in the Jurassic aged formations, including the Great Oolite Limestone, estimated to be at 4,530 feet TVD ss. After penetrating the Jurassic the well will be drilled to terminal depth in order to test for Triassic aged formations, which are expected to contain gas.

After setting the 13 3/8-inch casing, a 12 ½-inch hole will be drilled to a depth of approximately 5,900 feet MD where open-hole electric logs will be acquired through the prognosed oil reservoirs before setting a 9 5/8-inch casing. Then an 8 ½-inch hole will be drilled to TD in order to test for Triassic aged formations, which are expected to contain gas.

The Horse Hill-1 well is planned to test a number of conventional stacked oil targets at the proven productive Portland sandstone, Corallian sandstone and Great Oolite limestone levels. Prospective recoverable resources totalling a mean 87 million barrels (“mmbbls”) have been estimated; with an additional mean 164 billion cubic feet (“bcf”) of recoverable prospective resources proposed within the deeper Triassic gas play.

The Company further announced on 4 September 2014 that as a direct result of drilling operations commencing at Horse Hill, HHDL additionally owns a 65% participating interest in the adjacent United Kingdom Petroleum Exploration and Production Licence (“PEDL”) 246.

PEDL 246 covers an area of 43.58 km² (10,769 acre) immediately east of and adjacent to the 99.29 km² (24,525 acre) Horse Hill PEDL 137 located in Surrey, where the Horse Hill-1 well is currently being drilled.

The transfer of the 65% interest in PEDL 246 to HHDL from Magellan Petroleum (UK) Limited, a subsidiary of Magellan Petroleum Corporation, is conditional only on gaining final approval from the UK Secretary of State for Energy and Climate Change.

Brockham Oil Field (10% owned by DOR and operated by Angus Energy):

The Brockham Oil Field (“Brockham”), in the Weald Basin, is held under United Kingdom Production Licence PL 235. Oil production is currently 55 bpod. Brockham’s 28 API oil is regularly trucked and sold to the Perenco Oil Refinery in southern England.

Angus Energy have advised that they are still currently attending to one final permit issue in relation to the planned 450 metre side-track well at Brockham and will update the Company on further news. An appropriate drill rig is on standby to undertake this side-track well, and it is planned to mobilise the rig to site once the new mining waste permit has been issued and after completion of drilling of the Horse Hill-1 well.

In preparation for the expected increase in oil production, post the side-track, Angus Energy has now completed the refurbishment of the 1,200-barrel storage tank facilities.

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 million barrels (gross) Oil In-place (P50 best case).

Lidsey Oil Field (20% owned by DOR and operated by Angus Energy):

The Lidsey Oil Field (“Lidsey”), in the Weald Basin, is held under United Kingdom Production Licence PL 241. Oil production is currently 30 bpod.

Lidsey has a fully permitted and operational 2,000-barrel storage facility and its 38 API oil is regularly trucked and sold to the Perenco Oil Refinery.

In March 2014, the Company announced that RPS had independently assessed that, as at 31 December 2013, the Lidsey Field contained 9.52 million barrels (gross) of P50 best case Oil In-Place.

Drilling of a new Lidsey-2 well has now been postponed until after the completion of drilling of the Horse Hill-1 well.

Financial Results

During the period, the Company made a loss before taxation of £266,000 (6 months ended 30 June 2013: profit £31,000, 12 months ended 31 December 2013: loss £450,000). There was a weighted loss per share of 0.01p (30 June 2013: profit per share 0.002p, 31 December 2013: loss per share 0.02p).

Current assets including cash at 30 June 2014 amounted to £1,315,000 (30 June 2013: £592,000; 31 December 2013: £1,992,000).

Outlook

Your Board is confident that the investments made by the Company are both encouraging and potentially rewarding. We will look to realise this potential over the future years in addition to continuing to review other investment opportunities.

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

Donald Strang Chairman

29 September 2014

For further additional information please contact:

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Glossary:

up to C3 (propane)	- hydrocarbon gas liquids from spectrometry showing the presence of C1 (methane), C2 (ethane) and C3 (propane)
MD	- measured depth
mineral florescence	- light emitted by natural minerals showing, in some circumstances, the presence of hydrocarbons
mud gas	- gases recovered from the drilling fluids (mud)
TD	- total depth
TVDss	- true vertical depth below sea level

**Company Statement of Comprehensive Income
for the six months ended 30 June 2014**

	Six months ended 30 June 2014 (unaudited) £'000	Six months ended 30 June 2013 (unaudited) £'000	Year ended 31 December 2013 (audited) £'000
Revenue	66	100	203
Cost of Sales	(54)	-	-
Gross Profit	12	100	203
Administrative expenses	(178)	(71)	(419)
Share based payment charge	-	-	(236)
(Loss) / profit from operations	(166)	29	(452)
Investment in subsidiary written-off	(100)	-	-
Finance income	-	2	2
(Loss) / profit before income tax	(266)	31	(450)
Income tax expense	-	-	-
(Loss) / profit attributable to the owners of the parent and total comprehensive (expense) / income for the period	(266)	31	(450)
(Loss) / earnings per share (Note 3)			
Basic (loss) / earnings per share	(0.01)p	0.002p	(0.02)p
Diluted (loss) / earnings per share	(0.01)p	0.002p	(0.02)p

**Company Statement of Changes in Equity
for the six months ended 30 June 2014**

	Share Capital (unaudited) £'000	Share Premium (unaudited) £'000	Share Based Payment Reserve (unaudited) £'000	Retained Earnings (unaudited) £'000	Total Equity (unaudited) £'000
At 1 January 2013	9	-		336	336
Dividends on ordinary shares declared and paid	-	-	-	(296)	(296)
Shares issued in period	38	2,360	-	-	2,398
Share issue costs	-	(80)	-	-	(80)
Share based payments	-	-	236	-	236
	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
Shares issued in period	6	536	-	-	542
Share issue costs	-	(30)	-	-	(30)
	6	506	-	-	512
(Loss) for the year and total comprehensive income	-	-	-	(266)	(276)
At 30 June 2014	53	2,786	236	(676)	2,399

**Company Statement of Financial Position
as at 30 June 2014**

	As at 30 June 2014 (unaudited) £'000	As at 30 June 2013 (unaudited) £'000	As at 31 December 2013 (audited) £'000
ASSETS			
Non-current assets			
Intangible assets	1,016	-	1,016
Available for Sale Investment	600	-	-
Total non-current assets	1,616	-	1,016
Current assets			
Subsidiary held for sale	-	100	100
Trade and other receivables	148	186	507
Derivative financial instruments	382	-	400
Cash and cash equivalents	785	306	985
Total current assets	1,315	592	1,992
TOTAL ASSETS	2,931	592	3,008
LIABILITIES			
Current liabilities			
Trade and other payables	(532)	(300)	(855)
Total current liabilities	(532)	(300)	(855)
TOTAL LIABILITIES	(532)	(300)	(855)
NET ASSETS	2,399	292	2,153
Equity attributable to equity holders of the parent			
Share capital	53	30	47
Share premium reserve	2,786	191	2,280
Share based payment reserve	236	-	236
Retained earnings	(676)	71	(410)
TOTAL EQUITY	2,399	292	2,153

**Company Statement of Cash Flows
for the six months ended 30 June 2013**

	Six months ended 30 June 2014 (unaudited) £'000	Six months ended 30 June 2013 (unaudited) £'000	Year ended 31 December 2013 (audited) £'000
Cash flows from operating activities			
Operating (loss) / profit	(166)	31	(450)
Share based payment charge	-	-	236
Finance costs (net)	-	(2)	(2)
Decrease / (increase) in trade and other receivables	359	(16)	(94)
(Decrease) / increase in trade and other payable	(673)	(31)	(16)
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Cash generated by operating activities	(480)	(18)	(326)
Cash flows from investing activities			
Payments for intangible assets	-	-	(390)
Payment for AFS Investment	(250)	-	-
Loans repaid from / (granted) to related parties	-	375	375
Interest received	-	2	2
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Net cash used in investing activities	(250)	377	(13)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	542	212	1,629
Share issue costs	(30)	-	(40)
Income from derivative financial instruments	18	-	-
Dividends paid to owners of the parent	-	(296)	(296)
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Net cash used in financing activities	530	(84)	1,293
Net increase in cash and cash equivalents	(200)	275	954
Cash and cash equivalents at beginning of period	985	31	31
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Cash and cash equivalents at end of period	785	306	985
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Cash and cash equivalents comprise:			
Cash available on demand	785	306	985
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Notes to the half-yearly results

1. Basis of preparation

As permitted IAS 34, 'Interim Financial Reporting' has not been applied to these half-yearly results. The financial information of the Company for the six months ended 30 June 2014 have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRS") and are in accordance with IFRS as issued by the IASB. The condensed interim financial information has been prepared using the accounting policies which will be applied in the Company's statutory financial statements for the year ending 31 December 2014.

The financial information shown in this publication is unaudited and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 December 2013 have been derived from the statutory accounts for 2013. The statutory accounts have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified and did not contain statements under the section 498(2) or 498(3) of the Companies Act 2006.

2. Dividends

	June 2014 £'000	June 2013 £'000	December 2013 £'000
Interim dividend paid	-	(296)	(296)

3. (Loss) / earnings per share

The calculation of the basic and diluted (loss) / earnings per share is based upon

	June 2014	June 2013	December 2013
Basic (loss) / earnings per share (pence)	(0.01)p	0.002p	(0.02)p
Diluted (loss) / earnings per share (pence)	(0.01)p	0.002p	(0.02)p
(Loss) / profit attributable to equity shareholders	£265,982	£31,443	£(450,307)
Weighted average number of shares basic	4,911,104,970	2,016,795,578	2,791,780,820
Weighted average number of shares diluted	5,542,983,423	2,016,795,578	2,929,972,601

4. Availability of the Interim Report

Copies of the report will be available from the Company's registered office and also from the Company's website www.doriemus.co.uk