DORIEMUS PLC
(formerly TEP Exchange Group PLC)

Annual Report and Financial Statements

Year Ended 31 December 2013

Company Registered Number 03877125

DORIEMUS PLC

Annual Report and financial statements for the year ended 31 December 2013

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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 2013.

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

Investments

<u>Horse Hill Prospect</u>:

Doriemus has a direct 10.0% interest in Horse Hill Development Ltd ("HHDL"), a special purpose company that owns a 65% participating interest and operatorship of the Horse Hill Petroleum Exploration and Development Licence No. 137 (PEDL 137) located in Surrey, United Kingdom.

Angus Energy Limited (“Angus Energy”), the major shareholder of HHDL and the operator of PEDL 137 has provided the Company with the following update on the proposed Horse Hill-1 well planned for completion by the end of August 2014.

- All tenders are now out for the site construction and long lead items for the well.
- The contracts for the drill rig and key service providers are in the final stages of negotiation.
- Permitting is currently on track for a spud date in July 2014.
- The depth of Horse Hill-1 well has been set to 8,512 feet to test conventional stacked oil and gas targets.

As previously announced on 13 January 2014, the Horse Hill-1 well is designed to test a number of conventional stacked oil and gas targets which the board believes could contain up to an estimated 671 million stock barrels ("MMSTB") oil in place with an estimated total mean recoverable prospective resources of 87 MMSTB and additional prospectivity of 456 Bcf gas in place (Mean 164+ Bcf recoverable prospective resource) in the proposed Triassic gas play.

On 16 June 2014, the Company was advised that that site construction has now commenced for the proposed Horse Hill-1 well. The well is expected to spud in July 2014 and is targeting a number of conventional stacked oil and gas targets.

<u>Brockham Oil Field (10% owned by DOR and operated by Angus Energy):</u>

The Brockham Oil Field (“Brockham”), in the Weald Basin, is held under United Kingdom Production Licence PL 235. Oil production was recently increased from 42 bopd to 84 bopd after a successful work-over programme in January 2014 and production has only slightly tapered off to its current levels of about 66 bopd. Brockham’s 28 API oil is regularly trucked and sold to the Perenco Oil Refinery in southern England.

The planned 450 metre side-track well at Brockham, designed to increase overall production from the field, as previously announced on 25 April 2014, has been temporarily delayed by up to 13 weeks due to the UK Environmental Agency having recently requested that the operator, Angus Energy, must apply for a new mining waste permit. Angus Energy is currently attending to obtaining this additional permit.

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.

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 was 25 bopd, prior to a re-completion programme completed in November and December 2013, which resulted in a temporary boost in oil production. Production has steadily declined to 36 bopd and Angus Energy formally advised the partners in Lidsey that a new re-completion was being planned to re-perforate virgin oil zones in the Lidsey-1 well in order to again increase production.

On 11 June 2014, the Company announced that work had started on the second stage well intervention on the producing Lidsey-1 well. Results of this work will be announced shortly.

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 proposed Horse Hill-1 well.

TEP Exchange:

The TEP Exchange is a web-based exchange for Traded Endowment Policies (TEP), enabling instant deals between Market Makers (buyers) and IFAs (Sellers). This unique environment provides an efficient and user-friendly link between buyers and sellers in the TEP market. The TEP Exchange does not buy or sell endowments, but rather facilitates the trading of TEPs through an exchange platform.

The market demand for traded endowment policies was extremely depressed and Company continued to work closely with market makers in anticipation of increasing demand for policies. The board continues to maintain strong controls over the TEP exchange cost base but are mindful to explore other opportunities for the Company.

Background Events

During the financial year, there has been a period of considerable change for the Company. The uncertainty surrounding the future demand and supply of traded endowment policies resulted in the Board considering the strategic direction of the Company.

As a consequence of the strategic review by the Board, in March 2013 three new Directors being Donald Strang, Hamish Harris and Grant Roberts were appointed simultaneously with the re-capitalisation of the Company together with the adoption by the Board of the new investment policy approved by shareholders at a general meeting on 15 March 2013.

The new investing policy was set out in detail in the circular issued by the Company on 21 February 2013 whereby the Company would be able to maintain its interest in the TEP business but also seek to maximise shareholder value by drawing on the experience and expertise of the three new Directors in identifying accretive opportunities.

In line with the new investing policy the Company changed its name to Doriemus Plc on 16 July 2013.

The board has raised approximately £2.36 million to strengthen the Company's balance sheet and which provides funds to be invested according to the Company's new investing policy.

New investing policy

The Company's new investing policy is to invest in and/or acquire companies and/or projects within the natural resources sector with potential for growth. The Company will also consider opportunities in other sectors as they arise if the Board considers there is an opportunity to generate an attractive return for Shareholders. Investments may be considered in all regions to the extent that the Board considers that valuable opportunities exist and returns can be achieved. In selecting investment opportunities, the Board will focus on businesses, assets and/or projects that are available at attractive valuations and hold opportunities to unlock embedded value.

The Board will seek to invest in businesses where it may influence the business at a board level, add their expertise to the management of the business, and utilise their significant industry relationships and access to finance. The ability to work alongside a strong management team to maximize returns through revenue growth will be something the Board will focus upon.

The Company's interests in a proposed investment and/or acquisition may range from a minority position to full ownership. The proposed investments may be either quoted or unquoted, may be in companies, partnerships, earn-in joint ventures, debt or other loan structures, joint ventures or direct interests in projects. The Board may focus on investments where intrinsic value can be achieved from the restructuring of investments or merger of complementary businesses. The Board expects that investments will typically be held for the medium to long term, although short term disposal of assets cannot be ruled out if there is an opportunity to generate an attractive return for Shareholders.

Results for the period

Loss for the year to 31 December 2013 amounted to £(598,000) (2012: £591,000 operating profit).

Total revenue for the period was £235,000 (2012: £916,000).

On 21 February 2013 the Company announced that an interim dividend for the 2013 accounting period of 0.02p per share would be paid to shareholders on 12 April 2013 and the dividend was duly paid.

Outlook

Your Board considers that the adoption of the new Investing Policy is in the best interests of the Company and its Shareholders as a whole. The Board acknowledges this exciting period for the Company as it proceeds to implement its new investment strategy and has already commenced acquiring new investments and continues to evaluate further investment opportunities as they arise.

We believe the Company is now best placed to move forward and to enhance 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 ways of potentially increasing our oil production from the existing operating fields.

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

I look forward to reporting further progress over the next period and beyond.

Donald Strang
Chairman
26 June 2014

Glossary:

API	American Petroleum Institute measure of the gravity of oil
bopd	Barrels of oil per day

DORIEMUS PLC

Corporate Governance Statement

Doriemus PLC is highly committed to high standards of corporate governance and the company is supportive of the provisions set out in Section 1 of the Combined Code on Corporate Governance laid out in the Financial Conduct Authority Listing Rules.

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 two Non-Executive Directors. 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 group'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 2013 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 2013

The Directors present their report together with the audited consolidated financial statements of the Group and Company for the year ended 31 December 2013.

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's subsidiaries activities during the year 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 is 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 1-3.

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

	2013	**2012**
	£	**£**
Turnover	235,100	915,886
(Loss)/profit from operations	(600,396)	581,751
Net assets	2,019,045	358,625

The key business risks continue to be the depressed market for traded endowment policies, and liquidity risk, although the liquidity risk has been reduced due to the quarterly income from the licence agreement which is in place with SL Investment Management Limited. The risk is managed through close control of the cost base.

The directors have a reasonable expectation that the Group and the Company have adequate resources to continue their 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 consolidated statement of comprehensive income is on page 10 and shows the result for the year of £598,091 (loss) (2012: £590,759 profit). Dividends of £296,000 (0.02p per share) (2012: £255,000 (0.03p per share)) were paid 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 (2011: 0.001p) each held at:

	31 December 2013 or date of resignation		31 December 2012	
	Number	**%**	Number	%
M Kraus (resigned 25 March 2013)	-	-	22,034,698 (*)	2.59
A Weitz (resigned 25 March 2013)	-	-	10,000,000 (**)	1.18
G Kynoch (resigned 10 October 2013)	-	-	468,241	0.06
D Roxburgh	-	-	-	-
D Strang (appointed 25 March 2013)	74,000,000		-	-
H Harris (appointed 25 March 2013)	74,000,000		-	-
G Roberts (appointed 25 March 2013)	37,000,000		-	-

* Of these shares, M Kraus holds 3,125,000 ordinary shares. The remaining shares are held by the M Kraus Family Foundation pursuant to the terms of which M Kraus and members of his family are potential beneficiaries.

** PINVEX Limited holds 10,000,000 ordinary shares in the company, and A Weitz has a 50% shareholding in PINVEX Limited.

Share options

At 31 December 2013 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	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 26 June 2014, 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	828,032,798	15.49
Barclayshare Nominees Limited	411,392,409	7.70
HSDL Nominees Limited	404,492,791	7.57
Hargreaves Lansdown (Nominees) Limited	392,402,758	7.34
TD Direct Investing Nominees (Europe) Limited	352,535,862	6.60
HSBC Client Holdings Nominee (UK) Limited	192,374,216	3.60
Close Horizons Limited	186,833,333	3.50
State Street Nominees Limited	166,666,667	3.12

The market price of the company's shares at the end of the financial year was 0.20p; the highest and lowest share prices during the year were 0.25p and 0.04p respectively.

Group Policy on Payment of Creditors

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

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

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 group and parent 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 group and the company and of the profit or loss of the group 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 the group 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 2014

DORIEMUS PLC

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 2013 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Parent Company 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 7, 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
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's loss and group's and parent company's cash flows for the year then ended;

- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;

- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and

- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 2014

DORIEMUS PLC

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2013

	Note	2013 £	2012 £
Revenue	2	**235,100**	915,886
Cost of sales		**(12,681)**	-
Gross profit		**222,419**	915,886
Administrative expenses		**(586,904)**	(334,135)
Share based payment charge		**(235,911)**	-
(Loss)/profit from operations	4	**(600,396)**	581,751
Finance income	5	**2,305**	9,008
Finance expense	6	**-**	-
(Loss)/profit before income tax		**(598,091)**	590,759
Income tax expense	7	-	-
(Loss)/profit attributable to the owners of the parent and total comprehensive income for the year		**(598,091)**	590,759

Earnings per share

	Note	2013	2012
Basic earnings per share	9	(**0.02)p**	0.07p
Diluted earnings per share	9	(**0.02)p**	0.05p

The notes on pages 17 to 32 form part of these financial statements.

DORIEMUS PLC

Consolidated Statement of Changes in Equity
for the year ended 31 December 2013

	Share capital	Share premium	Share based payment reserve	Retained earnings/ Accumulated losses	Total
	£	£	£	£	£
At 1 January 2012	2,267,480	4,032,678	-	(6,277,292)	22,866
Capital reduction and cancellation of share premium	(2,258,980)	(4,032,678)	-	6,291,658	-
Dividends on ordinary shares declared and paid	-	-	-	(255,000)	(255,000)
Transactions with owners	(2,258,980)	(4,032,678)	-	6,036,658	(255,000)
Profit for the year and total comprehensive income	-	-	-	590,759	590,759
At 1 January 2013	8,500	-	-	350,125	358,625
Dividends on ordinary shares declared and paid	-	-	-	(296,000)	(296,000)
Issue of Share capital	38,900	2,359,700	-	-	2,398,600
Share issue costs	-	(80,000)	-	-	(80,000)
Share based payments	-	-	235,911	-	235,911
Transactions with owners	38,900	2,279,700	235,911	(296,000)	2,258,511
(Loss) for the year and total comprehensive income	-	-	-	(598,091)	(598,091)
At 31 December 2013	**47,400**	**2,279,700**	**235,911**	**(543,966)**	**2,019,045**

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

Retained earnings / accumulated losses represent cumulative gains and losses of the group 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.

The notes on pages 17 to 32 form part of these financial statements.

DORIEMUS PLC

Company Statement of Changes in Equity
for the year ended 31 December 2013

	Share capital	Share premium	Share based payment reserve	Retained earnings / Accumulated losses	Total
	£	£	£	£	£
At 1 January 2012	2,267,480	4,032,678	-	(7,912,654)	(1,612,496)
Capital reduction and cancellation of share premium	(2,258,980)	(4,032,678)	-	6,291,658	-
Dividends on ordinary shares declared and paid	-	-	-	(255,000)	(255,000)
Transactions with owners	(2,258,980)	(4,032,678)	-	6,036,658	(255,000)
Dividend received from subsidiary	-	-	-	1,500,000	1,500,000
Profit for the year and total comprehensive income	-	-	-	712,247	712,247
At 1 January 2013	8,500	-	-	336,251	344,751
Dividends on ordinary shares declared and paid	-	-	-	(296,000)	(296,000)
Issue of Share capital	38,900	2,359,700	-	-	2,398,600
Share issue costs	-	(80,000)	-	-	(80,000)
Share based payments	-	-	235,911	-	235,911
Transactions with owners	38,900	2,279,700	235,911	(296,000)	2,258,511
(Loss) for the year and total comprehensive income	-	-	-	(450,307)	(450,307)
At 31 December 2013	**47,400**	**2,279,700**	**235,911**	**(410,056)**	**2,152,955**

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.

The notes on pages 17 to 32 form part of these financial statements.

DORIEMUS PLC

Consolidated Statement of Financial Position
at 31 December 2013

	Note	2013 £	2013 £	2012 £	2012 £
Assets					
Non-current assets					
Intangible assets	10		**1,016,000**		-
Property, plant and equipment	11		-		-
Total non-current assets			**1,016,000**		-
Current assets					
Trade and other receivables	14	**387,515**		426,794	
Derivative financial instruments	13	**400,000**		-	
Cash and cash equivalents		**986,885**		80,951	
Total current assets			**1,774,400**		507,745
Total assets			**2,790,400**		507,745
Liabilities					
Current liabilities					
Trade and other payables	15	**(771,355)**		(149,120)	
Total current liabilities		**(771,355)**		(149,120)	
Total liabilities			**(771,355)**		(149,120)
Net assets			**2,019,045**		358,625
Equity attributable to owners of the parent					
Share capital	16		**47,400**		8,500
Share premium account			**2,279,700**		-
Share based payment reserve			**235,911**		-
Retained earnings			**(543,966)**		350,125
Total equity			**2,019,045**		358,625

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2014.

H Harris
Director

Company registered number 03877125

The notes on pages 17 to 32 form part of these financial statements.

DORIEMUS PLC

Company Statement of Financial Position
at 31 December 2013

	Note	2013 £	2013 £	2012 £	2012 £
Assets					
Non-current assets					
Intangible assets	10		**1,016,000**		-
Property, plant and equipment	11		**-**		-
Investments in subsidiary undertakings	12		**100,006**		100,006
			1,116,006		100,006
Current assets					
Trade and other receivables	14	**506,937**		544,374	
Derivative financial instruments	13	**400,000**		-	
Cash and cash equivalents		**985,147**		31,421	
Total current assets			**1,892,084**		575,795
Total assets			**3,008,090**		675,801
Liabilities					
Current liabilities					
Trade and other payables	15	**(855,135)**		(331,050)	
Total current liabilities		**(855,135)**		(331,050)	
Total liabilities			**(855,135)**		(331,050)
Net assets			**2,152,955**		344,751
Equity attributable to owners of the parent					
Share capital	16		**47,400**		8,500
Share premium account			**2,279,700**		-
Share based payment reserve			**235,911**		-
Retained earnings			**(410,056)**		336,251
Total equity			**2,152,955**		344,751

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2014.

H Harris
Director

Company registered number 03877125

The notes on pages 17 to 32 form part of these financial statements.

DORIEMUS PLC

Consolidated Statement of Cash Flows
for the year ended 31 December 2013

	2013 £	2012 £
Cash flows from operating activities		
(Loss)/profit before income tax	**(598,091)**	590,759
Adjustments for:		
Share based payment charge	**235,911**	-
Finance costs (net)	**(2,305)**	(9,008)
Changes in working capital:		
Inventories	**-**	3,525
Trade and other receivables	**(91,721)**	(23,338)
Trade and other payables	**82,235**	(55,868)
Cash generated from operations	**(373,971)**	506,070
Interest paid	-	-
Net cash generated from operating activities	**(373,971)**	506,070
Cash flows from investing activities		
Payments for intangible assets	**(390,000)**	-
Loans repaid from/(granted) to related parties	**375,000**	(250,000)
Interest received	**2,305**	6,288
Net cash used in investing activities	**(12,695)**	(243,712)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	**1,628,600**	-
Share issue costs	**(40,000)**	-
Dividend paid to owners of the parent	**(296,000)**	(255,000)
Net cash used in financing activities	**1,292,600**	(255,000)
Net increase in cash and cash equivalents	**905,934**	7,358
Cash, cash equivalents and bank overdrafts at beginning of year	**80,951**	73,593
Cash and cash equivalents at the end of year	**986,885**	80,951
Cash and cash equivalents comprise:		
Cash available on demand	**986,885**	80,951

DORIEMUS PLC

Company Statement of Cash Flows
for the year ended 31 December 2013

	2013 £	2012 £
Cash flows from operating activities		
(Loss)/profit before income tax	**(450,307)**	712,247
Adjustments for:		
Share based payment charge	**235,911**	-
Finance costs (net)	**(2,305)**	(9,008)
Changes in working capital:		
Trade and other receivables	**(93,563)**	4,452
Trade and other payables	**(15,915)**	(1,739,860)
Cash generated from operating activities	**(326,179)**	(1,032,169)
Interest paid	**-**	-
Net cash generated from operating activities	**(326,179)**	(1,032,169)
Cash flows from investing activities		
Payments for intangible assets	**(390,000)**	-
Loans repaid from/(granted) to related parties	**375,000**	(250,000)
Interest received	**2,305**	6,288
Dividends received	**-**	1,500,000
Net cash used in investing activities	**(12,695)**	1,256,288
Cash flows from financing activities		
Proceeds from Issuance of ordinary share capital	**1,628,600**	-
Share issue costs	**(40,000)**	-
Dividend paid to owners of the parent	**(296,000)**	(255,000)
Net cash used in financing activities	**1,292,600**	(255,000)
Net increase/(decrease) in cash and cash equivalents	**953,726**	(30,881)
Cash, cash equivalents and bank overdrafts at beginning of year	**31,421**	62,302
Cash and cash equivalents at the end of year	**985,147**	31,421
Cash and cash equivalents comprise:		
Cash available on demand	**985,147**	31,421

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 consolidated financial statements have been prepared under the historical cost convention.

As described in the Directors Report on page 5, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group 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.

IFRS 13 Fair Value Measurement

The Company has applied IFRS13 for the first time in the current year. IFRS13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. IFRS13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, IFRS13 includes extensive disclosure requirements.

IFRS13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard.

In accordance with these transitional provisions, the Company has not made any new disclosures required by IFRS13 for the 2012 comparative period. Other than the additional disclosures, the application of IFRS13 has not had any impact on the amounts recognised in the consolidated financial statements.

Amendments to IAS1 Presentation of Financial Statements
(as part of the Annual Improvements to IFRSs 2009; 2011 Cycle issued in May 2012)

The Annual Improvements to IFRSs 2009; 2011 have made a number of amendments to IFRSs. The amendments that are relevant to the Company are the amendments to IAS1 regarding when a statement of financial position as at the beginning of the preceding period (third statement of financial position) and the related notes are required to be presented. The amendments specify that a third statement of financial position is required when a) an entity applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position. The amendments specify that related notes are not required to accompany the third statement of financial position.

This has no impact for the 2013 financial statements.

1 Accounting policies (Continued)

Adoption of new or amended IFRS (continued)

Amendments to IFRS7 Disclosures

The Company has applied the amendments to IFRS7 Disclosures–Offsetting Financial Assets and Financial Liabilities for the first time in the current year. The amendments to IFRS7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

As the Company does not have any offsetting arrangements in place, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the financial statements.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS9	Financial Instruments
IFRS10	Consolidated Financial Statements
IFRS12	Joint Arrangements
IAS27 (revised)	Investment Entities
IAS28 (revised)	Investments in Associates and Joint Ventures
IAS32 (revised)	Offsetting Financial Assets and Financial Liabilities
IAS36 (revised)	Recoverable Amount Disclosures for Non Financial Assets
IAS39 (revised)	Novation of Derivatives and Continuation of Hedge Accounting

IFRIC Interpretation21 Levies

The directors do not expect that the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Company in future periods, except as that IFRS9 will impact both the measurement and disclosures of Financial Instruments.

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

The directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Company in future periods, however, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

Basis of consolidation

Where the company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the company and its subsidiaries ("the group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. Uniform accounting policies are adopted across the group.

Revenue

Revenue is generated from two sources of income currently. In the current and prior years, revenue has represented fees and commission (exclusive of value added tax) from licensing of the group’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 is recognised when the group's contractual obligations are complete. Income has also been generated from the maturity of an endowment policy. In the current year, revenue is also being generated from the Company’s Farm-in interests, on an accrued monthly basis, along with the associated costs.

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 group 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 group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Those of the company 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 group classifies its financial liabilities into one of the following categories, depending on the purpose for which the liability was acquired:

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

Share capital

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

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.

1 Accounting policies (Continued)

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 – Licences

Licences are recognised as an intangible asset at historical cost and are carried at cost less accumulated amortisation and accumulated impairment losses. The licences have a finite life and no residual value and are amortised over the life of the licence.

Exploration of mineral resources

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

The Group applies the full cost method of accounting for exploration and evaluation costs, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. All costs associated with 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 Group'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.

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 Group 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.

1 Accounting policies (Continued)

Current and deferred income tax (Continued)

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

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, expect where the timing of the reversal of the temporary difference is controlled by the group 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.

Deferred Income

License fees received in advance are recorded as deferred income on the balance sheet, and the income released to the comprehensive income as services are provided.

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 group’s current revenue is all generated in the United Kingdom mainly from the licensing of its electronic platform for trading endowment policies. The group also earns fees from advertising the purchase of with profit endowment policies by market makers registered on the electronic platform. The revenue from this segment was £219,587.

The group has no other geographical segments.

The group’s other operating segment is mining, 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 10. The revenue from this segmental was £15,513.

Subject to further acquisitions and disposals, the Group 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.

3 Staff and director costs

Group	2013 £	2012 £
Staff costs, including directors, consist of:		
Fees and remuneration for management services	**235,911**	28,338

The group had no employees other than the executive director. No pension contributions were made in respect of the directors (2012: £nil). The key management personnel of the group are the board of directors and their compensation is disclosed below;

	Fees and salaries	Share based payments	Total
2013	**£**	**£**	**£**
D Strang (appointed 25 March 2013)	6,750	84,254	91,004
H Harris (appointed (25 March 2013)	6,750	84,254	91,004
D Roxburgh	6,750	33,702	40,452
M Kraus (resigned 25 March 2013)	900	-	900
A Weitz (resigned 25 March 2013)	900	-	900
G Roberts (appointed 25 March 2013)	6,750	33,701	40,451
G Kynoch (resigned 10 October 2013)	7,500	-	7,500
	36,300	235,911	272,211
2012	**£**	**£**	**£**
D Roxburgh	12,138		
M Kraus	3,600	-	
A Weitz	3,600	-	
G Kynoch	9,000	-	
	28,338	-	28,338

4 Profit from operations

Group	2013 £	2012 £
Profit from operations is stated after charging:		
Fees payable to the company's auditor for the audit of:		
Parent company and consolidated financial statements	**12,000**	9,000
Fees payable to the company's auditor and its associates for other services:		
- The audit of the company's subsidiaries pursuant to legislation	**3,835**	5,700
- Taxation services	**-**	-

5 Finance income

Group	2013 £	2012 £
Interest receivable	**2,305**	9,000

6 Finance expense

Group	2013 £	2012 £
Interest payable on other borrowings	**-**	-

7 Income tax expense

No liability to corporation tax arises on the results for the year due to the utilisation of losses brought forward.

The tax assessed for the year varies from the standard rate of corporation tax in the UK. The differences are explained below:

	2013 £	2012 £
(Loss)/profit on ordinary activities before income tax	**(598,091)**	590,759
(Loss)/profit on ordinary activities before income tax multiplied by the standard rate of UK corporation tax of 23.5% (2012: 24.5%)	**(140,551)**	144,736
Unutilised tax losses	**140,551**	(144,736)
Current year income tax charge	**-**	-

At 31 December 2013 the group had a deferred income tax asset of £1,488,491 (2012: £1,123,479) in respect of losses which has not been recognised in these financial statements.

8 (Loss)/profit for the year attributable to the members of Doriemus PLC

	2013 £	2012 £
Dealt with in financial statements of the parent company	**(450,307)**	712,247

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

9 Earnings per share

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

	2013	2012
Basic earnings per share (pence)	**(0.02) p**	0.07 p
Diluted earnings per share (pence)	**(0.02) p**	0.05 p
(Loss)/profit attributable to equity shareholders	**(£598,091)**	£590,759
	Number	**Number**
Weighted average number of shares - basic	2,791,780,820	849,999,999
Weighted average number of shares - diluted	2,929,972,601	1,100,273,972

The diluted number of shares includes 500 million warrants and 140 million share options (2012: 630million warrants) as described in Note 15.

10 Intangible assets

Group and Company	Exploration costs £	Total £
Cost		
At 1 January 2012, 31 December 2012, 1 January 2013	-	-
Additions	1,016,000	1,016,000
At 31 December 2013	**1,016,000**	**1,016,000**
Amortisation and impairment		
At 1 January 2012, 31 December 2012, 1 January 2013 and at 31 December 2013	**-**	**-**
Net book value		
At 31 December 2013	1,016,000	1,016,000
At 31 December 2012	-	-

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 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.

Impairment Review
At 31 December 2013, the directors have carried out an impairment review and have considered that no impairment write-down is required (2012: £nil). The directors are of the opinion that the carrying value is stated at fair value.

11 Property, plant and equipment

Group and Company	Computer equipment £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2012, 31 December 2012, 1 January 2013 and 31 December 2013	**173,446**	**65,474**	**238,920**
Accumulated depreciation			
At 1 January 2012, 31 December 2012, 1 January 2013 and at 31 December 2013	**173,446**	**65,474**	**238,920**
Net book value			
At 31 December 2013	-	-	-
At 31 December 2012	-	-	-

12 Investments in subsidiary undertakings - Company

	2013 £	2012 £
Subsidiary undertakings - shares at cost and net book value	**100,006**	100,006

The following were subsidiary undertakings held directly by the Company at the end of the year:

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
TEP-Exchange Limited	England	100%	Advertising services to the traded endowment policy market
TEP-Exchange Interim Portfolio Limited	England	100%	Trading of traded endowment policies
TEP Transfer Limited	England	100%	Dormant
Interactive Intelligence Limited	England	100%	Dormant
Interactive Intelligence UK Limited	England	100%	Dormant
Property Exchange Systems Limited	England	100%	Dormant
E-X Group Limited	England	100%	Dormant
Electronic Market Place Limited	England	100%	Dormant
Endowment Exchange (UK) Limited	England	100%	Dormant
Traded Endowment Exchange Limited	England	100%	Dormant
E-TEP Limited	England	100%	Dormant

13 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.

13 Derivative Financial Instrument (continued)

	2013	2012
	£	£
Fair Value as at 1 January	**-**	-
Cost of equity swap arrangement	**400,000**	-
Settled during the year	**-**	-
Fair value adjustment to 31 December	**-**	-
Fair Value carried forward as at 31 December	**400,000**	-

14 Trade and other receivables

	2013 Group £	**2012 Group £**	**2013 Company £**	**2012 Company £**
Trade receivables	**108,410**	2,720	**107,832**	2,720
Amounts due from subsidiary undertakings	-	-	**150,000**	150,000
Other receivables	**244,000**	376,000	**244,000**	376,000
Prepayments and accrued income	**35,105**	48,074	**5,105**	15,654
	387,515	426,794	**506,937**	544,374

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

Included in amounts due from subsidiary undertakings is an amount of £150,000 (2012: £150,000) in respect of an unsecured loan to TEP-Exchange Limited and is subject to a tripartite agreement with Doriemus plc (the lender) and the Financial Conduct Authority. Interest can be demanded by Doriemus plc and if so demanded will be calculated at the annual rate of 5% above the London Inter-Bank Offered Rate for deposits of pounds sterling.

15 Trade and other payables

	2013 Group £	**2012 Group £**	**2013 Company £**	**2012 Company £**
Trade payables	**125,238**	44,018	**34,891**	44,018
Other payables	**-**	3,500	**-**	3,500
Amounts due to subsidiary undertakings	-	-	**174,127**	182,259
Creditors for taxation and social security	**9,972**	25,772	**9,972**	25,773
Accrued liabilities and deferred income	**636,145**	75,830	**636,145**	75,500
	771,355	149,120	**855,135**	331,050

For the amounts owing to subsidiary undertakings, there are no scheduled repayment terms, no interest is charged, and no security is held.

15 Share capital

	Ordinary Shares Number	Nominal Value £
Ordinary shares of 0.001p each		
Allotted, called up and fully paid		
As at 1 January 2012, and as at 31 December 2012	**849,999,999**	8,500
15 March 2013 – Placing for cash at 0.0135p per share	1,479,999,999	14,800
15 March 2013 – Warrants exercised at 0.002p per share	630,000,000	6,300
4 October 2013 – Placing for cash at 0.04p per share	500,000,000	5,000
18 October 2013 – Shares issued for non-cash consideration	100,000,000	1,000
1 November 2013 – Placing for cash at 0.09p per share	400,000,000	4,000
14 November 2013 – Shares issued for non-cash consideration	100,000,000	1,000
3 December 2013 – Shares issued for non-cash consideration	130,000,000	1,300
11 December 2013 – Placing for cash at 0.2p per share	550,000,000	5,500
As at 31 December 2013	**4,739,999,998**	**47,400**

During the year ended 31 December 2012, TEP Exchange Group Plc effected a court and shareholder approved capital reduction by way of cancellation of its deferred shares (225,897,991,731 of 0.001p each, £2,258,980) and cancellation of its share premium account (£4,032,678).

Dividends Paid

On 12 April 2013 the Company paid a dividend of 0.02p (2012: 0.03p per share), to shareholders. Total dividend paid £296,000. (2012: £255,000)

Capital Management

The group's capital comprises the ordinary shares 0.001p (2012: 0.001p) each, as shown above.

The group's objectives when maintaining capital are:

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

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

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.

15 Share capital (continued)

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 remain outstanding and exercisable at 31 December 2013.

Share Options

The Company has as at 31 December 2013, 140,000,000 (2012: nil) share options issued through its share schemes, all issued during the year. (2012: nil)

16 Share based payments

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

	2013	2012
Expenses arising from equity settled share-based payments;	**£**	£
Share options issued and vested	**235,911**	-

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

Grant date	Expiry date	Exercise price	**31 December 2013**
		£	**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:

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

17 Related party transactions

During the year end 31 December 2012. Doriemus Plc received a dividend of £1.5m from TEP Exchange Limited, a wholly owned subsidiary. No dividend was received during the year ended 31 December 2013.

During the year ended 31 December 2013, the group earned fees of £219,550 (2012: £902,189) from SL Investment Management Limited ("SL"), a major shareholder in the group. At the end of the year SL owed the group £105,000.
These fees relate predominantly to amounts earned from a licence agreement with SL, allowing SL to develop and exploit the TEP Exchange platform and software.

During the year the group was charged £100,000 (2012: £124,000) by SL. At the end of the year the group owed SL £7,443 (2012: £2,400).

17 Related party transactions (continued)

At 31 December 2013, the Group has loaned SL £nil (2012: £375,000). The loan was fully repaid on 2 April 2013. The total quarterly licence fees payable to the company was reduced from £250,000 to £50,000 in the year, and in addition, SL now has the right to terminate the licence agreement upon giving 30 days prior written notice to the company.

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 £7,500 in (2012: £9,000).

18 Financial instruments

Financial risk management

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

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

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

Interest rate risk
The group 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 group'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 its largest shareholder.

Credit risk
The group has no significant concentration of credit risk. The main operating subsidiary has strict verification procedures in place prior to credit being advanced to customers and there are systems in place to ensure that there is a regular monitoring of each customer's credit levels.

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

Principal financial instruments

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

Financial assets	**2013 Group £**	**2012 Group £**	**2013 Company £**	**2012 Company £**
Trade receivables	**108,410**	2,720	**107,832**	2,720
Amount due from subsidiary undertakings	**-**	-	**150,000**	150,000
Other receivables	**244,000**	376,000	**244,000**	376,000
Cash and cash equivalents	**986,885**	80,951	**985,147**	31,421
Total financial assets classified as loans and receivables	**1,338,295**	459,671	**1,486,979**	560,141

18 Financial Instruments (Continued)

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 2013 and 2012 the carrying amounts of financial assets approximate to their fair values.

Financial liabilities	**2013 Group £**	**2012 Group £**	**2013 Company £**	**2012 Company £**
Trade payables - current	**125,238**	44,018	**34,891**	44,018
Other payables	**-**	3,500	**-**	3,500
Amounts due to subsidiary undertakings	**-**	-	**174,127**	182,259
Accrued liabilities	**636,145**	75,830	**636,145**	75,500
Creditors for taxation and social security	**9,972**	25,772	**9,972**	25,773
Total financial liabilities measured at amortised cost	**771,355**	149,120	**855,135**	331,050

To the extent trade and other payables are not carried at fair value in the consolidated statement of financial position, book value approximates to fair value at 31 December 2013 and 2012.

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

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

Liquidity risk

Liquidity risk arises from the group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the group 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 group operates only in the United Kingdom. The group’s only revenues are derived from fee and commission income chargeable to customers. The level of fees and commission is entirely dependent upon the level of activity in the traded endowment policy market.

Credit risk

Credit risk represents the loss that the Company would incur if the counterparty failed to perform its contractual obligations. The group is exposed to credit risk in respect of fees and commission income chargeable to companies with whom it had a contractual relationship and interest receivable from its investments. Credit risk is mitigated through regular credit review of counterparties. As these counterparties are regulated by the Financial Conduct Authority, the credit reviews allow for the fact that they are subject to the regulatory capital requirements.

The group’s maximum exposure to credit risk is £50,000 plus VAT, on the net quarterly licence fee agreement, and £400,000 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 from FSA regulated businesses and cash held with the Bank of Scotland. There are no financial assets which are past due or impaired.

18. Financial Instruments (Continued)

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

Currency risk

The group 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 13 January 2014, the Company announced it had signed a Binding Term Sheet to acquire an initial 7.5% interest in Horse Hill Development Ltd, a special purpose company that holds the rights to a 65% participating interest and operatorship in the highly prospective UK onshore Horse Hill Oil Field in the Weald Basin. The cost of the initial 7.5% is £450,000.

On 3 March 2014, the Company announced it had increased its interest to 10% in Horse Hill Development Ltd (as above) for a total consideration of £150,000.

On 2 May 2014, the Company raised £500,000 through the subscription for 500,000,000 ordinary shares at 0.10p per share. Furthermore, each Subscription Share carries a half warrant which entitles the holder to subscribe for one new ordinary share in the Company for every one full warrant held at 0.11 pence per share up to 2 May 2015.

On 16 June 2014, the Company issued 105 million new ordinary shares pursuant to a notice of exercise of warrants at an exercise price of 0.04p.

20 Commitments and contingencies

Doriemus plc has committed to providing support to its 100% subsidiary TEP Exchange Interim Portfolio Limited in order that it can meet its obligations as they fall due.

The directors have confirmed that there were no contingent liabilities or capital commitments which should be disclosed at 31 December 2013.