

25 September 2013

Polemos plc
(the "Company")

Interim results for the six months to 30 June 2013

Polemos plc announces its interim results for the six months to 30 June 2013.

The interim results appear below and a copy will shortly be made available on the Company's website <http://www.polemos.co.uk/>.

For further information, please contact:

Polemos plc

David Lenigas, Executive Chairman
Don Strang, Finance Director

+44 (0)20 7440 0640

N+1 Singer (Nominated Adviser and Broker)

Aubrey Powell / Alex Wright

+44 (0)20 7496 3000

Chairman's statement

Board Re-organisation and Outlook

The current board of Directors of the Company (the "Board") considers that the adoption of the investing policy, which was approved by shareholders on 21 November 2012, was and remains in the best interests of the Company and its shareholders as a whole. Furthermore, as announced on 29 May 2013, the investing policy has now been substantially implemented and the Company has satisfied the requirements of AIM Rule 15 of the AIM Rules for Companies.

The Board acknowledges this exciting period for the Company and continues to evaluate new investment opportunities as they arise. In the short term, the Company has made investments in listed securities with, what the Board believes to be, high levels of liquidity within the natural resources sector.

During the six month period to 30 June 2013, the Company made cash investments in the following quoted Oil & Gas companies, which the Board believes have scope for capital growth and potential dividend returns:

| Company | Number of Shares Purchased | Price per Share |
|---------------------|----------------------------|-----------------|
| Tullow Oil plc | 35,000 | £10.44 |
| Ophir Energy plc | 40,000 | £4.10 |
| Pura Vida Energy NL | 250,000 | AU\$0.39 |

Including commission, dealing fees and stamp duty, the aggregate consideration of these investments was approximately £0.6 million.

As announced on 29 May 2013, the Company continues to review a number of other investment opportunities in accordance with its investing policy and further announcements will be made as appropriate.

The Board considers this approach to be in the best interest of shareholders as it believes that expected returns will be higher than on cash held at the bank. This approach also allows flexibility to evaluate investments in other opportunities within the natural resources sector.

On 3 April 2013, I was appointed as Executive Chairman and Donald Strang moved to the role of Finance Director on the same date.

On 10 July 2013, Spencer Wilson was appointed as a non-executive director. Among other directorship positions held by Mr. Wilson, he is a director of Amara Dhari Investments Limited which, together with Qatar Consulting Company, is interested in approximately 18.18% of the Company's total voting rights.

Financial Results

During the period, the Company made a loss before taxation from continuing operations of £110,000 (6 months ended 30 June 2012: loss £790,000). There was a weighted loss per share from continuing operations of 0.03p (6 months ended 30 June 2012: loss per share of 0.29p).

Cash and cash equivalents at 30 June 2013 amounted to £144,000 (30 June 2012: £1,293,000). The Company also holds available for sale investments of £600,000 (30 June 2012: nil).

Outlook

Your Board is confident that the investments made by the Company during the period are both encouraging and potentially rewarding. We expect to realise this potential over the coming 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.

David Lenigas
Chairman

24 September 2013

Condensed Company Income Statement

For the six months ended 30 June 2013

| | Six months ended 30 June 2013 Unaudited £'000 | Six months ended 30 June 2012 Unaudited £'000 | Year ended 31 December 2012 Audited £'000 |
|---|--|--|--|
| Continuing Operations | | | |
| Revenue | - | 2 | 10 |
| Administrative expenses | (110) | (774) | (319) |
| Charge in relation to share-based payments | - | (21) | (21) |
| Operating loss | (110) | (793) | (330) |
| Finance income | - | 3 | 5 |
| Loss before taxation | (110) | (790) | (325) |
| Taxation | - | - | - |
| Loss for the period from continuing operations | (110) | (790) | (325) |
| Discontinued Operations | | | |
| Profit for the period from discontinued operations | - | 1,898 | 229 |
| (Loss)/profit for the period attributable to equity holders of the parent | (110) | 1,108 | (96) |
| Other Comprehensive Income: | | | |
| (Loss)/profit for the period | (110) | 1,108 | (96) |
| Total comprehensive income for the period attributable to equity holders of the company | (110) | 1,108 | (96) |
| Loss per share | | | |
| Earnings per share – basic and diluted (pence) | (0.03) | 0.29 | (0.02) |
| From continuing operations (pence) | (0.03) | (0.20)] | (0.08) |
| From discontinuing operations (pence) | - | 0.49] | 0.06 |

There were no other items which required reporting in a statement of comprehensive income in the period or comparative periods and accordingly no such statement has been included.

Condensed Company Statement of Financial Position

As at 30 June 2013

| | As at 30 June 2013 Unaudited £'000 | As at 30 June 2012 Unaudited £'000 | As at 31 December 2012 Audited £'000 |
|---|---|---|---|
| Non-current assets | | | |
| Property, plant and equipment | - | - | - |
| Total non-current assets | - | - | - |
| Current assets | | | |
| Available for sale investments | 600 | - | - |
| Assets classified as held for sale | - | 400 | 10 |
| Trade and other receivables | 27 | 743 | 231 |
| Cash and bank balances | 144 | 1,293 | 896 |
| Total current assets | 771 | 2,436 | 1,137 |
| Total assets | 771 | 2,436 | 1,137 |
| Current liabilities | | | |
| Trade and other payables | (109) | (460) | (365) |
| Total current liabilities | (109) | (460) | (365) |
| Net current assets | 662 | 1,976 | 772 |
| Net assets | 662 | 1,976 | 772 |
| Equity | | | |
| Share capital | 19,345 | 19,345 | 19,345 |
| Share premium account | 18,021 | 18,021 | 18,021 |
| Share based payment reserve | 21 | 21 | 21 |
| Retained deficit | (36,725) | (35,411) | (36,615) |
| Equity attributable to equity holders of the parent | 662 | 1,976 | 772 |

Condensed Company Statement of Cash Flows

For the six months ended 30 June 2013

| | Six months ended 30 June 2013 Unaudited £'000 | Six months ended 30 June 2012 Unaudited £'000 | Year ended 31 December 2012 Audited £'000 |
|---|--|--|--|
| Net loss from operating activities | (110) | (793) | (330) |
| Adjustments for non cash items: | | | |
| Discontinued operations – non cash movements | - | - | (309) |
| Share-based payment charge | - | 21 | 21 |
| Operating cash flows before movements in working capital | (110) | (772) | (618) |
| (Increase)/decrease in trade and other receivables | 204 | (607) | (95) |
| Increase/(decrease) in trade and other payables and deferred income | (256) | 309 | 214 |
| Net cash used in operating activities | <u>(162)</u> | <u>(1,070)</u> | <u>(499)</u> |
| Investing activities | | | |
| Interest received | - | 3 | 5 |
| Interest paid | - | - | - |
| Disposal of discontinued operations, net of cash disposed of and expenses | 10 | 1,498 | 528 |
| Purchase of available for sale investments | (600) | - | - |
| Net cash used in investing activities | <u>(590)</u> | <u>1,501</u> | <u>533</u> |
| Net decrease in cash and cash equivalents | <u>(752)</u> | <u>431</u> | <u>34</u> |
| Cash and cash equivalents at beginning of period | 896 | 862 | 862 |
| Cash and cash equivalents at end of period | 144 | 1,293 | 896 |

Condensed Company Statement of Changes in Equity

Unaudited for the six months ended 30 June 2012, audited for the year ended 31 December 2012 and unaudited for the six months ended 30 June 2013.

| | Share capital | Share premium | Share based payment reserve | Retained earnings | Total |
|--|----------------------|----------------------|------------------------------------|--------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Attributable to equity holders of the parent at 1 January 2012 | 19,345 | 18,021 | - | (36,519) | 847 |
| Share based payment charge | - | - | 21 | - | 21 |
| Loss for the half year | - | - | - | 1,108 | 1,108 |
| Attributable to equity holders of the parent at 30 June 2012 | 19,345 | 18,021 | 21 | (35,411) | 1,976 |
| Attributable to equity holders of the parent at 1 January 2012 | 19,345 | 18,021 | - | (36,519) | 847 |
| Share based payment charge | - | - | 21 | - | 21 |
| Loss for the year | - | - | - | (96) | (96) |
| Attributable to equity holders of the parent at 31 December 2012 | 19,345 | 18,021 | 21 | (36,615) | 772 |
| Attributable to equity holders of the parent at 1 January 2013 | 19,345 | 18,021 | 21 | (36,615) | 772 |
| Share based payment charge | - | - | - | - | - |
| Loss for the half year | - | - | - | (110) | (110) |
| Attributable to equity holders of the parent at 30 June 2013 | 19,345 | 18,021 | 21 | (36,725) | 662 |

Notes to the Condensed Company Financial Statements

For the six months ended 30 June 2013

1. General Information

The condensed financial information for the 6 months to 30 June 2013 does not constitute statutory accounts for the purposes of Section 434 of the Companies Act 2006 and has not been audited or reviewed. No statutory accounts for the period have been delivered to the Registrar of Companies.

The condensed financial information in respect of the year ended 31 December 2012 has been produced using extracts from the statutory accounts for that period. Consequently, this does not constitute the statutory information (as defined in section 434 of the Companies Act 2006) for the year ended 31 December 2012, which was audited. The statutory accounts for this period have been filed with the Registrar of Companies. The auditors' report was unqualified and did not contain a statement under Sections 498 (2) or 498 (3) of the Companies Act 2006.

The Report was approved by the Directors on 24 September 2013 and will be available shortly on the Company's website at www.polemos.co.uk.

2. Accounting Policies

Basis of preparation

The financial information has been prepared on the historical cost basis. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement. This statement also includes a summary of the Company's financial position and its cash flows.

Basis of accounting

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union with the exception of International Accounting Standard ('IAS') 34 – Interim Financial Reporting. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements and should be read in conjunction with the Company's 2012 annual financial statements.

3. Loss Per Share

IAS 33 "Earnings per share" requires presentation of diluted earnings / (loss) per share when a company could be called upon to issue shares that would decrease profit or increase loss per share. For a loss making company with outstanding share options, loss per share would only be increased by the exercise of out of money options. Since it seems appropriate to assume that option holders would not exercise out of money options, no adjustment has been made to calculate the diluted loss per share on out of money share options.

Basic and diluted loss per share is calculated on the loss of the Company attributable to equity holders of the parent.

| | 6 months to 30 June 2013 Unaudited £'000 | 6 months to 30 June 2012 Unaudited £'000 | Year ended 31 December 2012 Audited £'000 |
|---|---|---|--|
| (Loss)/profit attributable to equity holders of the Company | (110) | 1,108 | (96) |
| Number of Shares | 000's | 000's | 000's |
| Weighted average number of ordinary shares | 386,907 | 386,907 | 386,907 |
| (Loss)/profit per share – basic and diluted | (0.03p) | 0.29p | (0.02p) |

4. Subsequent events

On 10 July 2013, Spencer Wilson was appointed as a non-executive director. Among other directorship positions held by Mr. Wilson, he is a director of Amara Dhari Investments Limited which, together with Qatar Consulting Company, is interested in approximately 18.18% of the Company's total voting rights. The Company announced on 17 July 2013 that on 16 July 2013, it had granted Mr Wilson, options over a total of 8,000,000 new ordinary shares of 0.01p each in the Company at an exercise price of 0.2 pence per share (the "Options"). These Options vest immediately and will expire on 31 December 2020.