26 January 2016

Andalas Energy and Power Plc

('ADL' or the 'Company')

Half Yearly Report

Andalas Energy and Power Plc, the AIM listed investing company, is pleased to announce its half yearly report for the six months ended 31 October 2015.

Highlights:

- Initiated strategy to build a significant energy company to capitalise on Indonesia's strong domestic demand fundamentals and an attractive pricing environment – changed name to "Andalas Energy and Power Plc" post period end to reflect this change of strategy
- Implemented farm-in strategy with stringent investment criteria to ensure high quality assets are pursued: screened over 70 individual opportunities, carried out a detailed assessment of 17 high graded targets and completed due diligence on four
- Lodged farm-in offers for three assets which are currently being considered by the existing owners
- Secured an exclusive agreement post period end to negotiate a material interest in the Siak project, which currently produces approximately 1,700 bopd gross
- Assembled a leading team of industry professionals to execute the defined strategy alongside local partners
    - The Board and operational teams have been strengthened and the team now boasts over 250 years of oil & gas experience of which 70 years have been spent in Indonesia.

The Report and Accounts will be available from the Company's registered office at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP and on the Company's website www.andalasenergy.co.uk shortly.

CEO of Andalas Energy and Power, Mr David Whitby, said "ADL has already achieved a number of significant milestones as we implement our defined strategy to build a significant energy company focussed in Indonesia. From the outset we needed to differentiate ourselves from the crowd by blending deep country knowledge with a commitment to identifying and implementing investment decisions which have the potential to still deliver shareholder value despite low commodity prices. Our expert team who have evaluated numerous opportunities in Indonesia and have subsequently lodged offers to farm-in to three high quality projects in addition to securing an exclusive agreement to negotiate a material interest in the currently producing Siak project.

"Importantly we have identified and developed relationships with local partners – which is critical to executing a successful investment strategy. I believe we are ideally placed to weather the current turbulence we are experiencing in the global markets, and furthermore, we can use this volatility to our advantage in securing high quality assets on competitive terms**."**

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CHIEF EXECUTIVE'S STATEMENT

I was appointed CEO in June 2015 to build a company focused on oil and gas production and gas to power projects in Sumatra, Indonesia. Since then I am pleased to report that much progress has been made towards achieving this goal. From a standing start we now have a highly experienced and first rate team in place, both at the corporate and operational level on the ground in Indonesia; we have screened and carried out due diligence on multiple opportunities that match our criteria; lodged offers to farm-in to three projects, which remain live today; and secured an exclusive agreement to negotiate a material interest in the Siak project, which currently produces approximately 1,700 bopd. We have even found time to change our name to Andalas Energy and Power which more fully reflects our vision for the Company.

I do not doubt that Indonesia represents a major opportunity to generate significant value for shareholders. The country is the seventh largest producer of LNG in the world and the 28th in terms of oil production. To date, 128 basins have been identified and the government estimates that the country's remaining reserves total 7.9bn bbls and 159 TCF of gas. Within Indonesia, Sumatra is the engine room of the oil and gas industry with in excess of 70 oil companies operating in the region, including Pertamina, the national oil company, ConocoPhillips, Caltex and ExxonMobil. Indonesia's gas industry meanwhile benefits from strong domestic demand and an attractive pricing environment. Importantly, industry standard infrastructure, equipment, and services are readily available across the country. Combining these numerous advantages, Indonesia's oil and gas credentials are clear.

To be an active and successful participant in Indonesia's energy sector requires a clearly defined strategy and a top notch team at both the corporate and operational level to execute it. I believe we have both. Our strategy is two pronged: targeting short-term cash flow from existing oil production; and also targeting value-add opportunities, particularly those focused on the Indonesian gas market. We are focused on building a balanced portfolio of onshore projects in Indonesia, specifically in Sumatra, and our preference is to secure these via farm-in rather than outright acquisition in order to preserve our investment cash for investment in field development. Where possible, we look to take a leading role in the operations of our assets and target immediate value through a combination of optimising existing production; realising undeveloped or historically bypassed opportunities; and exploration, appraisal and development work. We are particularly focused on acquiring a working interest of around 30-40% in fields which have the potential to produce 1,000 barrels a day or more, but we will still consider other assets if we believe them to be a good fit with the investing strategy and to have sufficient potential revenue and profits.

From my extensive experience in Indonesia, having a strong presence in the region is key. Not only does this help facilitate the establishment of key partnerships, but it also enables us to enter multiple data rooms and conduct site visits to locations in Sumatra as part of the screening and due diligence process. We have therefore moved quickly to put in place a first rate team of industry professionals which has considerable experience both around the world and also specifically in Indonesia's oil and gas industry. In Muhamad Slamet, we have a Country Manager who has previously held senior roles with multinational and local companies operating in the Indonesian energy sector and is highly experienced in government and community relations, general management, procurement and logistics. Slamet is supported by Didiek Sumasdi (Vice President of Geoscience), and Greg Mawhinney (Vice President of Operations), both of whom are highly experienced oil and gas professionals with direct experience in Indonesia.

The core team of industry professionals we have put in place has over 250 years of combined experience in 35 countries worldwide and importantly has in excess of half a century of direct experience in Indonesia. We now have an in-country network which provides us with a strong competitive advantage as we look to secure our first assets in Indonesia. I do not believe I am alone in holding this view, as already the team's expertise and professionalism has been recognised by a number of local government entities, with whom we are in discussions over potential joint venture opportunities.

We have already screened over 70 individual opportunities and carried out a detailed assessment of 17 high graded targets and completed due diligence on four which meet our investment criteria: onshore, active producing fields close to infrastructure, with potential to significantly increase oil production. This has resulted in us lodging farm-in offers for three assets which are currently being considered by the existing owners.

As mentioned earlier we see the gas and power market in Indonesia as an opportunity that should form part of our long-term balanced asset portfolio. With this in mind, we signed an agreement with PT Akar Golindo (PTAG) to assess the technical and commercial opportunities for monetising gas in and around the Tuba Obi East oil and gas concession ('TOE') in the South Sumatran Basin. We are currently undertaking a technical evaluation of TOE's gas production potential as well as surrounding undeveloped gas discoveries. TOE serves as a readymade example of what we are looking for: the block holds multiple oil and gas discoveries; there is existing production; gas productivity has been tested and proven in two different reservoir zones but remains undeveloped; additional prospectivity has been identified; and undeveloped gas tested discoveries exist in surrounding blocks. Potential sale routes for the gas which we are currently evaluating include selling gas directly to the Singapore market, the Duri steam-flood project, or other buyers via the major transmission gas pipeline, which is approximately 18 kilometres away. Alternatively there is the opportunity to monetise the gas via the construction and operation of an independent power plant, selling electricity into the Sumatran power grid.

Post period end, we entered into an exclusivity agreement with BUMD PT Riau Petroleum ("PTRP"), an Indonesian oil and gas company established by the Provincial Government and four local Regencies in the Riau Province of Indonesia. This grants us the exclusive right to negotiate a joint venture with PTRP to jointly acquire from a wholly owned subsidiary of Pertamina, a participation interest in the Production Sharing Contract ("PSC") for the Siak block, which currently produces approximately 1,700 barrels of oil per day ("bopd") from the Central Sumatran Basin. PTRP is entitled by law to acquire a participation interest of at least 10% in Siak from which over 50 million barrels have been recovered to date. Siak has an excellent location, being adjacent to the Chevron operated Rokan PSC from which 11 billion barrels of oil have been recovered since 1952. In our view, to have secured an exclusive agreement with the Provincial Government to negotiate an interest in what we believe is some of the best on-shore acreage in Indonesia today, highlights the quality of our team and importantly bodes well for the future.

Financial Review

The Group generated a loss in the period of US$1,890,000 (30 April 2015: US$122,000, 31 October 2014: US$463,000 profit). Including in the loss for the period was an amount of $348,000 (30 April 2015: US$Nil, 31

October 2014: US$Nil) in respect of share consideration and options granted to Corsair Petroleum (Singapore) Pte Ltd ("Corsair") in respect of the agreement entered into between Corsair and Andalas to pursue oil and gas opportunities in Indonesia.

During the period the Group incurred significant expenditure in performing due diligence work on a number of assets in Indonesia that has resulted in an increase in the costs of the business in the period under review. This work has ongoing value to the Group, however because the Group had not secured an asset at the reporting date these due diligence costs are required to be expensed as pre-licence costs.

The Group held a cash balance of US$1,182,000 at 31 October 2015 (US$354,000 at 30 April 2015, 31 October 2014: US$319,000).

Outlook

The six months under review have not only seen much progress made on the corporate front, but also a continuation of the highly volatile oil price environment that still dominates today's markets. Predicting the direction of the oil price is a thankless task, however as an acquirer of assets we are in the enviable position of being able to pursue only those opportunities which we believe have the potential to generate attractive returns and shareholder value, even at depressed oil prices. In addition, with oil at US$30 per barrel we are finding existing owners are increasingly receptive to our team's proposals for their assets. We believe that in partnership with these owners we can significantly enhance production and recoverable reserves, and more expertly develop additional already de-risked opportunities. The prospect of growing production in today's markets is an enticing prospect for the owners of the assets we are pursuing. As a result we are highly confident we will secure our first asset in the near term, which will set us on the road to production and cash flows and also the readmission of our shares to trading on AIM.

I would like to thank the management team and all our advisers for their hard work and advice over the last six months and especially to the shareholders, who after all are the owners of Andalas, for their continued support and patience, as we work to build an Indonesian focused energy and power company.

David Whitby
Chief Executive Officer

Consolidated Statement of Comprehensive Income
For the six months ended 31 October 2015

	(Unaudited) 6 Months to 31 October 2015 US$'000	(Unaudited) 6 Months to 31 October 2014 US$'000	(Audited) 12 Months to 30 April 2015 US$'000
Net gain from financial assets at fair value through profit or loss	-	682	219
Other administration expenses	(1,841)	(161)	(303)
Operating (Loss)/ Profit	(1,841)	521	(84)
Interest income	2	-	1
Interest expense and other charges	(5)	-	-
Foreign exchange loss	(46)	(58)	(39)
(Loss)/ Profit before taxation	(1,890)	463	(122)
Taxation	-	-	-
(Loss)/ Profit after tax attributable to owners of the parent	(1,890)	463	(122)
Total comprehensive (loss)/income for the period attributable to owners of the parent	(1,890)	463	(122)
Basic and diluted (loss)/ earnings per share (US dollars)	(0.003)	0.002	(0.001)

Consolidated Statement of Financial Position
At 31 October 2015

	(Unaudited) 31 October 2015 US$'000	(Unaudited) 31 October 2014 US$'000	(Audited) 30 April 2015 US$'000
Non-current assets			
Financial assets at fair value through profit or loss	179	738	179
Total non-current assets	**179**	**738**	**179**
Current assets			
Trade and other receivables	34	13	22
Cash and cash equivalents	1,182	319	354
Total current assets	**1,216**	**332**	**376**
Total assets	**1,395**	**1,070**	**555**
Current liabilities			
Trade and other payables	(111)	(14)	(43)
Total liabilities	**(111)**	**(14)**	**(43)**
Net assets	**1,284**	**1,056**	**512**
Equity attributable to the owners of the parent:			
Share premium	6,124	3,616	3,616
Retained deficit	(4,840)	(2,560)	(3,104)
Total equity	**1,284**	**1,056**	**512**

Consolidated Statement of Changes in Equity
For the six months ended 31 October 2015

	Share Premium US$'000	Retained Deficit US$'000	Total Equity US$'000
Balance at 1 May 2014 (audited)	3,855	(3,023)	832
Profit for the period	-	463	463
Total comprehensive income for the period	-	463	463
Transactions with equity owners of the parent			
Share cancellation	(239)	-	(239)
Balance at 31 October 2014 (unaudited)	3,616	(2,560)	1,056
Loss for the period	-	(585)	(585)
Total comprehensive loss for the period	-	(585)	(585)
Transactions with equity owners of the parent			
Share based payments	-	41	41
Balance at 30 April 2015 (audited)	3,616	(3,104)	512
Loss for the period	-	(1,890)	(1,890)
Total comprehensive loss for the period	-	(1,890)	(1,890)
Transactions with equity owners of the parent			
Share based payments	-	154	154
Proceeds from share issue	2,487	-	2,487
Consideration shares	194	-	194
Share issue costs	(173)	-	(173)
Balance at 31 October 2015 (unaudited)	6,124	(4,840)	1,284

Consolidated Statement of Cash Flows
For the six months ended 31 October 2015

	(Unaudited) 6 Months to 31 October 2015	(Unaudited) 6 Months to 31 October 2014	(Audited) 12 Months to 30 April 2015
	US$'000	US$'000	US$'000
Cash flows from operating activities			
(Loss)/Profit for the period	(1,890)	463	(122)
Adjustments for:			
Interest income	(2)	-	(1)
Interest expense	5	-	-
Exchange differences	46	58	39
Share based payment expense	348	-	41
Realised gain on sale of investments at fair value through profit or loss	-	-	(219)
Unrealised gain from financial assets at fair value through profit or loss	-	(682)	-
Changes in working capital:			
Change in trade and other receivables	(12)	19	9
Change in trade and other payables	68	(33)	(4)
Net cash flows used in operating activities	(1,437)	(175)	(257)
Cash flows from investing activities			
Proceeds on sale of investments	-	397	551
Interest received	2	-	1
Net cash flows generated from investing activities	2	397	552
Cash flows from financing activities			
Interest expense paid	(5)	-	-
Proceeds from issue of ordinary shares	2,487	-	-
Cost of share issue	(173)	-	-
Net cash flows from financing activities	2,309	-	-
Net increase in cash and cash equivalents	874	222	295
Cash and cash equivalents at start of period	354	97	97
Effect of exchange rate fluctuations on cash balances	(46)	-	(38)
Cash and cash equivalents at end of period	1,182	319	354

Notes to the consolidated interim financial information
For the six months ended 31 October 2015

1. General information

The Company was incorporated on 19 September 2006 in the Isle of Man as a public limited company. The address of its registered office is IOMA House, Hope Street, Douglas, Isle of Man. The Company is listed on the AIM of the London Stock Exchange.

Clean Energy Brazil plc re-registered under the 2006 Isle of Man Companies Act and changed its name to CEB Resources plc on 29 November 2013 and again to Andalas Energy and Power plc on 2 December 2015.

2. Basis of preparation

Andalas Energy and Power plc (the "Company") is presenting unaudited financial statements as of and for the six months ended 31 October 2015. The consolidated interim financial statements of the Company for the six months ended 31 October 2015 comprise the result of the Company and its wholly owned subsidiary (together referred to as the "Group").

The consolidated interim financial information for the period 1 May 2015 2015 to 31 October 2015 is unaudited. The comparatives for the full year ended 30 April 2015 do not represent the Company's full accounts for that year although they were derived from them. The auditor's report on those financial statements was unqualified. It does not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2015 Annual Report.

The financial information contained in this interim report does not constitute full accounts, which are available from the company's website www.andalasenergy.co.uk. The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The consolidated interim financial statements have been prepared using the accounting policies which will be applied in the Group's financial statements for the year ended 30 April 2016. As allowed under the AIM rules the consolidated financial information has not been prepared in accordance with IAS 34.

The same accounting policies, presentation and methods of computation are followed in the interim consolidated financial statements as were applied in the Group's latest annual audited financial statements except that in the current financial year, the Group has adopted a number of revised Standards and Interpretations. However, none of these has had a material impact on the Group's reporting. In addition, the IASB has issued a number of IFRS and IFRIC amendments or interpretations since the last annual report was published. It is not expected that any of these will have a material impact on the Group but the Group continue to assess the potential implications of IFRS 9.

The interim consolidated financial statements were approved by the board and authorised for issue on 26 January 2016.

3. Investments at fair value through profit or loss

	31 October 2015 US$'000	31 October 2014 US$'000	30 April 2015 US$'000
Fair value at beginning of period	179	751	751
Investments received as consideration	-	1,099	1,099
Sale of investments	-	(955)	(1,890)
Realised price movement on fair value of investments	-	-	219
Unrealised price movement on fair value of investments	-	(157)	-
Fair value at period end	**179**	**738**	**179**

On 18 December 2013 the Company entered an Option Agreement with ASX-listed company Balamara to farm into its Peelwood concession located in NSW, Australia. Under the agreement the Company, could earn into 49% of Peelwood. This option was partly exercised on 28 January 2014 earning the Company 20% of the concession at a cost of AUD 200,000 or US$179,000. Further rights to exercise options have now lapsed. The investment remains valued at the cost of AUD at the year-end, being the Directors best estimate of fair value.

4. (Loss)/Earnings per share

The basic and diluted (Loss)/Earnings per share is calculated by dividing the (loss)/profit for the period attributable to ordinary shareholders by the weighted average number of shares outstanding during the period:

	6 months ended 31 October 2015	6 months ended 31 October 2014	Year ended 30 April 2015
(Loss)/Earnings attributable to ordinary shareholders of the Company ($'000s)	(1,890)	463	(122)
Weighted average number of shares in issue ('000s)	637,033	239,381	238,480
Basic (loss)/earnings per share	($0.003)	$0.002	($0.001)

In accordance with International Accounting Standard 33 'Earnings per share', no diluted earnings per share is presented as the Group is loss making.

5. Related party transactions

	6 months ended 31 October 2015 US$'000	6 months ended 31 October 2014 US$'000	Year ended 30 April 2015 US$'000
Corsair Petroleum (Singapore) Pte Ltd	-	-	-
	-	-	-

On 5 June 2015, Andalas and Corsair entered into an agreement ("Assignment") pursuant to which Andalas agreed, amongst other things, to undertake and fund due diligence in respect of certain oil and gas concessions in Indonesia with a view to making an investment. Initially, for administrative convenience, Andalas and Corsair agreed to structure the funding of the due diligence expenditures as loans ("Loans") to Corsair and, accordingly, advances pursuant to that arrangement were made on 8 May (US$25,000), 10 June (US$250,000) and 15 July 2015 (US$225,000).

On 19 August 2015, Andalas incorporated a subsidiary, Corvette Energy (Singapore) Pte Ltd ("Corvette"). On 26 January 2016, Andalas, Corsair and Corvette entered into a novation agreement pursuant to which the Loans were extinguished and the benefit of the loaned moneys was transferred to Corvette with effect from 30 October 2015.

6. Share based payment

The following is a summary of the share options and warrants outstanding and exercisable as at 31 October 2015, 30 April 2015 and 30 April 2014 and the changes during each period:

	Number of options and warrants	Weighted average exercise price (Pence)
Outstanding and exercisable at 1 May 2014 and 31 October 2014	**43,250,464**	**1.389**
Options granted to Directors	**20,000,000**	**0.175**
Options granted to consultants	**5,000,000**	**0.175**
Outstanding and exercisable at 30 April 2015	**68,250,464**	**0.945**
Options granted as consideration	**34,344,865**	**0.400**
Outstanding and exercisable at 31 October 2015	**102,595,329**	**0.762**

The above has been expressed in pence and not cents due to the terms of the options and warrants. The following share options or warrants were outstanding and exercisable in respect of the ordinary shares:

Grant Date	Expiry Date	1 May and 31 October 2014	Issued	30 April 2015	Issued	31 Oct 2015	Exercise Price
Warrants							
07.12.2013	07.12.2018	10,839,750	-	10,839,750	-	10,839,750	2.00 p
24.01.2014	24.01.2019	26,410,714	-	26,410,714	-	26,410,714	1.00 p
Options							
07.12.2013	07.12.2018	6,000,000	-	6,000,000	-	6,000,000	2.00 p
04.02.2015	04.02.201	-	25,000,000	25,000,000	-	25,000,000	0.175p
05.06.2015	05.06.201	-	-	-	34,344,865	34,344,865	0.40p
		43,250,464	25,000,000	68,250,464	34,344,865	102,595,329	

The new options and warrants have been valued using the Black-Scholes valuation method and the assumptions used are detailed below. The expected future volatility has been determined by reference to the historical volatility:

Grant date	Share price at grant	Exercise price	Volatility	Option life	Dividend yield	Risk-free investment rate	Fair value per option
Current period							
05-06-15	0.4p	0.4p	124%	3 years	0%	3%	0.448 cents
Prior period							
04-02-15	0.175p	0.175p	119%	2 years	0%	2.5%	0.162 cents

The Group recognised $153,954 (30 April 2015: $40,509, 31 October 2014: $Nil) relating to equity-settled share based payment transactions during the period arising from Option or Warrant grant, of which $153,954 (30 April 2015: $Nil, 31 October 2014: $Nil) was expensed as a pre-licence acquisition cost with $Nil being expensed in relation to Directors and consultants services (30 April 2015: $40,509, 31 October 2014: $Nil) There are no unvested options at the period end therefore a further $Nil (30 April 2015: $Nil, 31 October 2014: $Nil) is to be recognised in the subsequent financial period, in relation to the above issue of options. Note 7 includes details of additional share consideration paid in the period.

For the share options and warrants outstanding as at 31 October 2015, the weighted average remaining contractual life is 2.52 years (30 April 2015: 2.98 years, 31 October 2014: 4.18 years).

7. Share capital

All shares are fully paid and each ordinary share carries one vote. No warrants have been exercised at the reporting date.

Allotted, called-up and fully paid:	Number	Pence per share	Share premium $'000s
Balance at 30 April 2014	252,714,627		3,855
14/07/2014 – Share Cancellation*	(20,000,000)	0.715	(239)
Balance at 31 October 2014	**232,714,627**		**3,616**
14/04/2015 – YAGM settlement*	29,182,675	0.167	-
Balance at 30 April 2015	**261,897,302**		**3,616**
06/05/2015 – equity placing	50,000,000	0.200	152
Cost of issue	-	-	(9)
05/06/2015 – equity placing	375,000,000	0.400	2,335
Cost of issue	-	-	(164)
11/06/2015 – consideration shares*	31,250,000	0.400	194
Balance at 31 October 2015	**718,147,302**		**6,124**

On 11 June 2015 the Company issued 31,250,000 shares as consideration to Corsair for the assignment to Andalas of an interest in certain opportunities in Indonesia, the consideration was valued at 0.4pence per share and the amount expensed totalled $194,125. The Company has the obligation to issue a further 93,750,000 shares subject to further milestones being achieved but as at the reporting date the Company had not recorded these as a liability. On 14 July 2014 the Company sold its investment in Carbon Investments to Balamara in conjunction with this the 20,000,000 ordinary shares previously issued were cancelled and returned to the Company.

* Non-cash item per the consolidated cash flow statement

8. Events after the reporting date

On 24 December 2015 the Company announced that it had signed an exclusivity agreement with BUMD PT Riau Petroleum to negotiate a joint venture to seek to acquire an interest in the producing Siak PSC, Indonesia.