

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(a) A consolidated statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of comprehensive income

	Note	Group			Group		
		3 months ended 30 September 2010	3 months ended 30 September 2009	+ / (-)	9 months ended 30 September 2010	9 months ended 30 September 2009	+ / (-)
		(Unaudited) RMB'000	(Unaudited) RMB'000	Change (%)	(Unaudited) RMB'000	(Unaudited) RMB'000	Change (%)
Continuing operations							
Revenue		1,418	1,686	(16)	4,519	4,447	2
Cost of sales		-	-	-	-	-	-
Gross profit		1,418	1,686	(16)	4,519	4,447	2
Other income	1	1,194	696	72	1,070	1,618	(34)
Selling and distribution costs		(258)	(157)	64	(1,721)	(494)	248
Administrative expenses		(2,075)	(2,179)	(5)	(7,165)	(6,886)	4
Other operating expenses		-	-	-	-	-	-
Results for the period for operating activities	2	279	46	507	(3,297)	(1,315)	151
Interest income		7	3	133	18	7	157
Finance costs		-	(1)	n.m.	(1)	(2)	(50)
Share of losses of associates		(744)	(888)	(16)	(1,723)	(2,106)	(18)
Share of loss of a joint venture		(39)	-	n.m.	(193)	-	n.m.
Loss from continuing operations before income tax		(497)	(840)	(41)	(5,196)	(3,416)	52
Income tax expense		-	-	-	-	-	-
Loss for the period from continuing operations		(497)	(840)	(41)	(5,196)	(3,416)	52
Discontinued Operation							
Loss for the period from discontinued operation		-	(906)	n.m.	(1,400)	(3,029)	(54)
Net loss for the period		(497)	(1,746)	(72)	(6,596)	(6,445)	2

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(a) Consolidated statement of comprehensive income (continues from previous page)

	Note	Group			Group		
		3 months ended 30 September 2010	3 months ended 30 September 2009	Change +/-	9 months ended 30 September 2010	9 months ended 30 September 2009	Change +/-
		(Unaudited) RMB'000	(Unaudited) RMB'000	Change (%)	(Unaudited) RMB'000	(Unaudited) RMB'000	Change (%)
Other comprehensive income :							
Reclassification adjustment: -Disposal of a subsidiary		-	-	-	92	-	n.m.
Currency translation difference arising from consolidation		(816)	(38)	2,047	(1,486)	(54)	2,652
Other comprehensive income for the period		(816)	(38)	2,047	(1,394)	(54)	2,481
Total comprehensive income for the period		(1,313)	(1,784)	(26)	(7,990)	(6,499)	23
Loss attributable to:							
Equity holders of the Company		(494)	(1,746)	(72)	(6,441)	(6,445)	0
Minority interests		(3)	-	n.m.	(155)	-	n.m.
		(497)	(1,746)	(72)	(6,596)	(6,445)	2
Total comprehensive income attributable to:							
Equity holders of the Company		(1,310)	(1,784)	(27)	(7,836)	(6,499)	21
Minority interests		(3)	-	n.m.	(154)	-	n.m.
		(1,313)	(1,784)	(26)	(7,990)	(6,499)	23

n.m.: not meaningful

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

Notes to consolidated statement of comprehensive income:

1. Other income comprises:

	3 months ended	3 months ended	9 months ended	9 months ended
	30 September 2010	30 September 2009	30 September 2010	30 September 2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000
Foreign exchange gain, net	1,193	696	1,065	1,618
Others	1	-	5	-
	1,194	696	1,070	1,618

2. Results for the period from operating activities is arrived at after charging /(crediting):

	Group			Group		
	3 months ended	3 months ended	+ / (-)	9 months ended	9 months ended	+ / (-)
	30 September 2010	30 September 2009		30 September 2010	30 September 2009	
	(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)	
RMB'000	RMB'000	%	RMB'000	RMB'000	%	
Foreign exchange gain, net	1,193	696	71	1,065	1,618	(34)
Depreciation of property, plant and equipment	114	1,607	(93)	322	4,853	(93)
Loss on disposal of a subsidiary	-	-	n.m.	1,400	-	n.m.

n.m.: not meaningful

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of financial position

	Notes	Group		Company	
		30 September 2010	31 December 2009	30 September 2010	31 December 2009
		(Unaudited) RMB'000	(Audited) RMB'000	(Unaudited) RMB'000	(Audited) RMB'000
Current assets					
Cash and cash equivalents		97,246	106,835	37,627	44,602
Pledged fixed deposit		-	4,528	-	4,528
Trade and other receivables		11,618	4,026	1,194	336
Amount due from an associate		90,383	85,566	10,096	8,756
Amounts due from subsidiaries (non-trade)		-	-	16,840	15,291
Inventories		15	323	-	-
Total current assets		199,262	201,278	65,757	73,513
Non-current assets					
Property, plant and equipment		1,523	18,087	317	112
Subsidiaries		-	-	111,863	111,856
Joint venture		1,733	1,926	-	-
Associates		42,233	43,956	42,233	43,956
Total non-current assets		45,489	63,969	154,413	155,924
Total assets		244,751	265,247	220,170	229,437
Equity attributable to equity holders of the company					
Share capital		270,579	270,579	270,579	270,579
Reserves		(44,683)	(36,847)	(112,438)	(107,077)
		225,896	233,732	158,141	163,502
Minority interest		(150)	-	-	-
Total equity		225,746	233,732	158,141	163,502
Current liabilities					
Trade and other payables		17,803	31,515	15,409	19,299
Amounts due to subsidiaries (non-trade)		-	-	46,620	46,636
Amount due to minority interest of a subsidiary		1,202	-	-	-
Total current liabilities		19,005	31,515	62,029	65,935
Total liabilities		19,005	31,515	62,029	65,935
Total equity and liabilities		244,751	265,247	220,170	229,437

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30 September 2010		As at 31 December 2009	
Secured	Unsecured	Secured	Unsecured
(Unaudited) RMB'000	(Unaudited) RMB'000	(Audited) RMB'000	(Audited) RMB'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 30 September 2010		As at 31 December 2009	
Secured	Unsecured	Secured	Unsecured
(Unaudited) RMB'000	(Unaudited) RMB'000	(Audited) RMB'000	(Audited) RMB'000
Nil	Nil	Nil	Nil

Details of any collateral:

Not applicable.

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of cash flows

	Group		Group	
	3 months ended 30 September 2010	3 months ended 30 September 2009	9 months ended 30 September 2010	9 months ended 30 September 2009
	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000
Cash flow from operating activities				
Loss before income tax	(497)	(1,746)	(6,596)	(6,445)
Adjustments for :				
Interest expense	-	1	1	13
Interest income	(7)	(3)	(18)	(9)
Depreciation of property, plant and equipment	114	1,607	322	4,853
Gain on disposal of property, plant and equipment	-	-	-	(45)
Loss on disposal of a subsidiary	-	-	1,400	-
Share option recognized	-	133	-	654
Share of losses of associates	744	888	1,723	2,106
Share of loss of a joint venture	39	-	193	-
Operating cash flow before working capital changes	393	880	(2,975)	1,127
Changes in working operating assets and liabilities :				
Inventories	-	204	-	226
Trade and other receivables	(7,284)	(94)	(8,767)	(49)
Amount due from an associate	(1,163)	(10,896)	(4,817)	(14,638)
Trade and other payables	(2,099)	224	(8,277)	(330)
Amount due from joint venture	848	-	-	-
Amounts due to related companies	-	(624)	-	(624)
Amount due to minority interest of a subsidiary	407	-	1,204	-
Cash used in operations	(8,898)	(10,306)	(23,632)	(14,288)
Interest received	7	3	18	9
Interest paid	-	(1)	(1)	(13)
Cash flows used in operating activities	(8,891)	(10,304)	(23,615)	(14,292)

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(c) Consolidated statement of cash flows (continue from previous page)

	Group		Group	
	3 months ended	3 months ended	9 months ended	9 months ended
	30 September 2010	30 September 2009	30 September 2010	30 September 2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from investing activities				
Purchase of property, plant and equipment	(240)	(520)	(258)	(534)
Proceeds from disposal of property, plant and equipment	-	-	-	207
Investment in a joint venture	-	(2,052)	-	(2,052)
Net cash inflow on disposal of a subsidiary	-	-	11,240	-
Cash flows generated from /(used in) investing activities	(240)	(2,572)	10,982	(2,379)
Cash flow from financing activities				
Pledged fixed deposit	-	4,116	4,528	(1)
Net proceeds from rights issue	-	-	-	39,668
Capital contributions from minority interests of a subsidiary	-	-	2	-
Cash flows generated from financing activities	-	4,116	4,530	39,667
Net increase /(decrease) in cash and cash equivalents	(9,131)	(8,760)	(8,103)	22,996
Cash and cash equivalents at beginning of the period	107,192	104,538	106,835	72,798
Effect of foreign exchange rates changes	(815)	(38)	(1,486)	(54)
Cash and cash equivalents at end of the period	97,246	95,740	97,246	95,740

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) Change in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of changes in equity

Attributable to owners of the equity holders of the Company								
The Group	Share capital	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated profits /(losses)	Total	Minority interests	Total equity
	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000
At 1 January 2009	196,425	5,055	9,497	(6,879)	(18,730)	185,368	-	185,368
Share options reserve recognized	-	-	347	-	-	347	-	347
Total comprehensive income for the period	-	-	-	214	(2,714)	(2,500)	-	(2,500)
At 31 March 2009	196,425	5,055	9,844	(6,665)	(21,444)	183,215	-	183,215
Net proceeds from rights issue	39,668	-	-	-	-	39,668	-	39,668
Transfer of share option reserve	-	-	(1,267)	-	1,267	-	-	-
Share options reserve recognized	-	-	174	-	-	174	-	174
Total comprehensive income for the period	-	-	-	(230)	(1,985)	(2,215)	-	(2,215)
At 30 Jun 2009	236,093	5,055	8,751	(6,895)	(22,162)	220,842	-	220,842
Share options reserve recognized	-	-	133	-	-	133	-	133
Total comprehensive income for the period	-	-	-	(38)	(1,746)	(1,784)	-	(1,784)
At 30 September 2009	236,093	5,055	8,884	(6,933)	(23,908)	219,191	-	219,191
At 1 January 2010	270,579	5,055	8,884	(7,633)	(43,153)	233,732	-	233,732
Minority interest on business combination	-	-	-	-	-	-	2	2
Total comprehensive income for the period	-	-	-	(107)	(2,363)	(2,470)	(80)	(2,550)
At 31 March 2010	270,579	5,055	8,884	(7,740)	(45,516)	231,262	(78)	231,184
Minority interest on business combination	-	-	-	-	-	-	2	2
Total comprehensive income for the period	-	-	-	(472)	(3,584)	(4,056)	(71)	(4,127)
At 30 June 2010	270,579	5,055	8,884	(8,212)	(49,100)	227,206	(147)	227,059
Total comprehensive income for the period	-	-	-	(816)	(494)	(1,310)	(3)	(1,313)
At 30 September 2010	270,579	5,055	8,884	(9,028)	(49,594)	225,896	(150)	225,746

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

Statement of Changes in Equity (continue from the previous page)

The Company	Share capital	Statutory/ equity reserves	Accumulated losses	Total
	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000	(Unaudited) RMB'000
At 1 January 2009	196,425	3,709	(68,041)	132,093
Share options reserves recognized	-	347	-	347
Total comprehensive income for the period	-	-	(1,868)	(1,868)
At 31 March 2009	196,425	4,056	(69,909)	130,572
Net proceeds from rights issue	39,668	-	-	39,668
Transfer of share option reserve	-	(1,267)	1,267	-
Total comprehensive income for the period	-	-	(987)	(987)
Share options reserve recognized	-	174	-	174
At 30 June 2009	236,093	2,963	(69,629)	169,427
Total comprehensive income for the period	-	-	(1,326)	(1,326)
Share options reserve recognized	-	133	-	133
At 30 September 2009	236,093	3,096	(70,955)	168,234
At 1 January 2010	270,579	3,096	(110,173)	163,502
Total comprehensive income for the period	-	-	(1,311)	(1,311)
At 31 March 2010	270,579	3,096	(111,484)	162,191
Total comprehensive income for the period	-	-	(3,494)	(3,494)
At 30 June 2010	270,579	3,096	(114,978)	158,697
Total comprehensive income for the period	-	-	(556)	(556)
At 30 September 2010	270,579	3,096	(115,534)	158,141

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

- 1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. Stated also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There is no change in the Company's issued share capital since 31 December 2009.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The Company does not have any treasury shares. Total number of issued shares as at 30 September 2010 and 31 December 2009 were 766,668,356.

- 1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The same accounting policies and methods of computation in the financial statements have been consistently applied by the Group for the periods presented.

- 5. Whether there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed as well as the reasons for, and the effect of, the change.**

Not applicable.

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	3 months ended 30 September 2010	3 months ended 30 September 2009	9 months ended 30 September 2010	9 months ended 30 September 2009
		(Restated)		(Restated)
Loss per ordinary share of the Group for the financial period based on net loss attributable to equity holders of the Company:				
Basic and fully diluted (RMB cents)	(0.06)	(0.25)	(0.84)	(1.15)
Basic and fully diluted loss per share were based on:				
Net loss for the period(RMB'000)	(494)	(1,746)	(6,441)	(6,445)
	No. of shares	No. of shares	No. of shares	No. of shares
Shares outstanding at beginning of the year	766,668,356	363,700,524	766,668,356	363,700,524
Weighted average number of new shares issued during the period	-	329,467,832	-	191,922,067
Weighted average number of shares issued during the period (basic and fully diluted)	766,668,356	693,168,356*	766,668,358	561,622,591*

* In April 2009, the Company allotted and issued 402,207,937 ordinary shares pursuant to the 3-for-1 rights issue. The weighted average number of shares issued during the 3 months and 9 months ended 30 September 2009 were calculated and restated with a corresponding adjustment factor.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury share of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	30 September 2010	31 December 2009	30 September 2010	31 December 2009
Net asset value per ordinary share (RMB cents)	29.45	30.49	20.63	21.33
Net asset value (RMB'000)	225,746	233,732	158,141	163,502
Issued and fully paid ordinary shares	766,668,356	766,668,356	766,668,356	766,668,356

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

8. **A review of the performance for the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Income Statement

The Group recorded revenue from continuing operations of RMB1.4 million in 3Q2010, comprising mainly oilfield services revenue. This is slightly lower when compared to RMB1.7 million in 3Q2009. Gross profit recorded was slightly lower at RMB1.4 million in 3Q2010 from RMB1.7 million in 3Q2009. There was no cost of sales in oil field services revenue.

Selling and distribution costs increase to RMB0.3 million in 3Q2010 versus RMB0.2 million in 3Q2009 due to increased business development activities relating to the potential acquisition of production oil fields in Indonesia. Administrative expenses were little change from the previous corresponding quarter.

During the period, loss of RMB1.4 million from the divestment of Sha'anbei oil production business that was recorded in 2Q2010 has been reclassified from "other operating expenses" to "Loss from discontinued operation". There was also an increase in foreign exchange gain to RMB1.2 million in 3Q2010, versus RMB0.7 million in 3Q2009.

Subsequently, the Group recorded Loss Attributable to Equity Holders of the Company of RMB0.5 million in 3Q2010 as compared to RMB1.8 million in 3Q2009.

Cash flow, revenue, assets and liabilities

Cash balance for the Group decreased to RMB97.2 million as at 30 September 2010, versus RMB106.8 million recorded at 31 December 2009. The decrease was a result of working capital expenses.

Trade receivables decreased to RMB0.04 million as at 30 September 2010 versus RMB2.9 million recorded at 31 December 2009. Other receivables increased to RMB11.6 million as at 30 September 2010 versus RMB1.1 million recorded at 31 December 2009 mainly due to cash advancement made for the coal production operations in Indonesia.

Trade payables decreased to RMB0.01 million as at 30 September 2010 versus RMB10.3 million recorded at 31 December 2009 as a result of repayment of RMB5.5 million debts and deducting the RMB4.8 million payables related to the divestment of the Sha'anbei oil production business. Other payables also decreased from RMB21.2 million as at 31 December 2009 to RMB17.8 million as at 30 September 2010.

The divestment of the Sha'anbei oil production business led to a significant reduction in property, plant and equipment to RMB1.5 million and total assets to RMB244.8 million as at 30 September 2010.

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders and any variance between it and the actual results.**

The Group did not make any forecast or prospect statement in the last results announcement dated 11 August 2010.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

In October this year, the Group announced the commencement of its first coal venture in East Kalimantan, Indonesia. Mirach Energy and its partners in Indonesia secured the rights to produce and sell coal in an open-pit coal mine in Samarinda, East Kalimantan, on approximately 100 hectares of land. The mine has complete logistical facilities. Currently, production is ongoing and a stock pile is building up at the jetty.

With the commencement of coal production, the Group set to and has secured a one-year contract with a buyer for a minimum delivery of 192,000 metric tonnes of coal. To date, 5,600 tonnes of coal has been delivered in the first week of November and the Group is expecting maiden revenue contribution from the coal venture in 4Q2010. In the meantime, negotiations are also ongoing for other coal delivery contracts.

For the core oil and gas business, the Company is expecting increased business activities in Cambodia and Indonesia. In late October, Mirach Energy's associate company, CPHL Cambodia ("CPHLC"), organised a major event in Phnom Penh to introduce controlled source electromagnetic imaging solutions to the Cambodian National Petroleum Authority and other oil field operators at offshore Cambodia. CPHLC intends to conduct the imaging survey before its exploration drilling. Actual drilling for the exploration wells has been planned for 2Q2011. Prior to that, CPHLC will be engaged in pre-drilling survey and equipment acquisitions.

The Company is also seeking further growth in its mainstay business through potential acquisition of production oil field.

11. Dividend

	(a) Current Financial Period	(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared on the financial period reported:	None	None
(c) Date payable	Not applicable	Not applicable
(d) Book Closure Date	Not applicable	Not applicable

12. **If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend was declared for the 3 months ended 30 September 2010.

MIRACH ENERGY LIMITED

Third Quarter Financial Statement for the Period Ended 30 September 2010

Statement by Directors

Pursuant to Rule 705(4) of the Listing Manual of the SGX-ST

To the best of our knowledge and belief, nothing has come to the attention of the Directors of the Company which may render the Third Quarter Results of the Group for the financial period ended 30 September 2010 to be false or misleading. The financial statements and other information included in this report, present fairly in all material respects the financial condition, results of operations and cash flows of the Group of, and for, the period presented in this report.

By Order of the Board:

William Chan Shut Li Chairman of the Board	Lui Che Kin Director & Chief Financial Officer
---	---

10 November 2010