

MIRACH ENERGY LIMITED

Full Year Financial Statement for the Year Ended 31 December 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

		Group		
		Year ended 31 December 2010	Year ended 31 December 2009	+ / (-)
	Notes	(Unaudited) RMB'000	(Audited) RMB'000	Change (%)
Continuing Operations				
Revenue		8,642	7,679	13
Cost of sales		(2,002)	(2,887)	(31)
Gross profit		6,640	4,792	39
Other income	1	2,698	617	337
Selling and distribution costs		(2,344)	(746)	214
Administrative expenses		(14,410)	(10,162)	42
Other operating expenses		(66)	(1,391)	(95)
Results from operating activities	2	(7,482)	(6,890)	9
Finance income		205	567	(64)
Finance costs		-	(4)	n.m.
Share of losses of associates		(2,271)	(5,310)	(57)
Share of loss of a joint venture		(245)	(125)	96
Loss from continuing operations before income tax		(9,793)	(11,762)	(17)
Deferred income tax benefit		626	-	n.m.
Loss from continuing operations		(9,167)	(11,762)	(22)
Discontinued Operation				
Loss from discontinued operation	2	(1,400)	(13,928)	(90)
Net loss for the year		(10,567)	(25,690)	(59)

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Consolidated Statement of Comprehensive Income (continue from previous page)

	Notes	Group		
		Year ended 31 December 2010	Year ended 31 December 2009	+ / (-)
		(Unaudited) RMB'000	(Audited) RMB'000	Change (%)
Other comprehensive income :				
Reclassification adjustment :				
-Disposal of a subsidiary		92	-	n.m.
Currency translation difference arising from consolidation		(1,933)	(754)	156
Other comprehensive income for the year		(1,841)	(754)	144
Total comprehensive income for the year		(12,408)	(26,444)	(53)
Loss attributable to:				
Equity holders of the Company		(9,976)	(25,690)	(61)
Non-controlling interests		(591)	-	n.m.
		(10,567)	(25,690)	(59)
Total comprehensive income attributable to:				
Equity holders of the Company		(11,817)	(26,444)	(55)
Non-controlling interests		(591)	-	n.m.
		(12,408)	(26,444)	(53)

n.m.: not meaningful

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Notes to consolidated statement of comprehensive income:

1. Other income comprises:

	Year ended 31 December 2010	Year ended 31 December 2009
	(Unaudited) RMB'000	(Audited) RMB'000
Foreign exchange gain, net	1,420	588
Forfeited deposit income*	1,272	-
Others	6	29
	2,698	617

* In February 2010, the Group signed a Memorandum of Understanding ("MOU") with Vitar International Holdings Limited ("Vitar"). Under the MOU Vitar would participate in the exploration and production activities in PT Kamundan Energy and PT Petroenergy Utama Wiriagar. A performance deposit was paid by Vitar. Pursuant to the MOU terms, the deposit was forfeited by the Group due to non-performance of the MOU terms by Vitar upon the MOU expiry date.

2. Results from continued and discontinued operating activities is arrived at after charging/(crediting):

	Group		
	Year ended 31 December	Year ended 31 December	Change
	(Unaudited) 2010	(Audited) 2009	+ /(-)%
	RMB'000	RMB'000	
Depreciation of property, plant and equipment	460	6,460	(93)
Amortization of deferred mining expenditures and deferred exploration and development expenditures	1,043	-	n.m.
Allowance for doubtful trade and non-trade receivables	-	623	n.m.
Write down of other receivable	66	-	n.m.
Impairment loss on inventories	-	940	n.m.
Loss on disposal of property, plant and equipment	-	3	n.m.
Impairment loss on property, plant and equipment	-	10,390	n.m.
Loss on disposal of a subsidiary #	1,400	-	n.m.

n.m.: not meaningful

On 15 January 2010, the Company signed a Sale and Purchase Agreement to dispose of its 100% equity interest of Xi'an Quanbin Oilfield Technology Co. Ltd ("XQB"). The disposal was completed in April 2010 and a loss on disposal of subsidiary was recorded.

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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.

Statement of Financial Position

	Group		Company	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
	(Unaudited) RMB'000	(Audited) RMB'000	(Unaudited) RMB'000	(Audited) RMB'000
Current assets				
Cash and cash equivalents	90,654	106,835	31,576	44,602
Pledged fixed deposit	-	4,528	-	4,528
Trade and other receivables	8,310	4,026	814	336
Amount due from an associate	91,799	85,566	10,317	8,756
Amounts due from subsidiaries (non-trade)	-	-	19,988	15,291
Inventories	917	323	-	-
Total current assets	191,680	201,278	62,695	73,513
Non-current assets				
Property, plant and equipment	1,559	18,087	295	112
Deferred mining expenditures	3,533	-	-	-
Deferred exploration and development expenditure	469	-	-	-
Other receivables	729	-	1,325	-
Deferred tax assets	615	-	-	-
Subsidiaries	-	-	111,863	111,856
Joint venture	2,527	1,926	-	-
Associates	42,225	43,956	42,225	43,956
Total non-current assets	51,657	63,969	155,708	155,924
Total assets	243,337	265,247	218,403	229,437
Equity attributable to equity holders of the Company				
Share capital	270,579	270,579	270,579	270,579
Reserves	(48,664)	(36,847)	(114,058)	(107,077)
	221,915	233,732	156,521	163,502
Non-controlling interests	(576)	-	-	-
Total equity	221,339	233,732	156,521	163,502
Current liabilities				
Trade and other payables	20,813	31,515	16,121	19,299
Amounts due to subsidiaries (non-trade)	-	-	45,761	46,636
Amount due to non-controlling interests of a subsidiary	1,185	-	-	-
Total current liabilities	21,998	31,515	61,882	65,935
Total equity and liabilities	243,337	265,247	218,403	229,437

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

Amount repayable in one year or less, or on demand

As at 31/12/2010		As at 31/12/2009	
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 31/12/2010		As at 31/12/2009	
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.

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Full Year Financial Statement for the Year Ended 31 December 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	
	Year ended 31 December 2010	Year ended 31 December 2009
	(Unaudited) RMB'000	(Audited) RMB'000
Cash flow from operating activities		
Loss before income tax	(11,193)	(25,690)
Adjustments for:		
Interest expenses	-	15
Interest income	(205)	(569)
Depreciation of property, plant and equipment	460	6,460
Write down of other receivable	66	-
Amortisation of deferred mining expenditures and deferred exploration and development expenditures	1,043	-
Allowance for doubtful other receivables	-	623
Loss on disposal of property, plant and equipment	-	3
Loss on disposal of a subsidiary	1,400	-
Impairment loss on property, plant and equipment	-	10,390
Allowance for impairment loss on inventories	-	776
Share option recognized	-	654
Share of losses of associates	2,271	5,310
Share of loss of a joint venture	245	125
Operating cash flow before working capital changes	(5,913)	(1,903)
Changes in working operating assets and liabilities:		
Inventories	(903)	1,049
Trade and other receivables	(5,523)	(224)
Balance with related companies	-	(624)
Balance with director	-	(500)
Amount due from an associate	(6,004)	(26,061)
Trade and other payables	(5,266)	(7,185)
Cash used in operations	(23,609)	(35,448)
Interest received	205	569
Interest paid	-	(15)
Cash flows used in operating activities	(23,404)	(34,894)

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1(c) Consolidated Statement of Cash Flows (continue from the previous page)

	Group	
	Year ended 31 December 2010	Year ended 31 December 2009
Cash flows from investing activities		
Purchase of property, plant and equipment	(432)	(537)
Net proceeds from disposal of a subsidiary	11,240	-
Deferred exploration and development expenditures	(527)	-
Deferred mining expenditures	(4,499)	-
Deposit	(729)	-
Capital advancement to a joint venture	(838)	-
Investment in associates	-	(3,298)
Investment in a joint venture	-	(2,051)
Proceeds from disposal of property, plant and equipment	-	257
Cash flows generated from / (used in) investing activities	4,215	(5,629)
Cash flows from financing activities		
Pledged fixed deposits	4,528	531
Net proceeds from rights issue	-	39,668
Net proceeds from share placement exercise	-	34,486
Amount due to non-controlling interests of a subsidiary	1,185	-
Capital contributions from non-controlling interests of a subsidiary	2	-
Cash flows generated from financing activities	5,715	74,685
Net (decrease)/increase in cash and cash equivalents	(13,474)	34,162
Cash and cash equivalents at beginning of year	106,835	72,798
Effects of exchange rate changes on balances held in foreign currency	(2,707)	(125)
Cash and cash equivalents at end of year	90,654	106,835

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Full Year Financial Statement for the Year Ended 31 December 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

The Group	Attributable to owners of the parent company						Non-controlling interests	Total equity
	Share capital	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated profits /(loss)	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2009	196,425	5,055	9,497	(6,879)	(18,730)	185,368	-	185,368
Net proceeds from rights issue	39,668	-	-	-	-	39,668	-	39,668
Net proceeds from share placement	34,486	-	-	-	-	34,486	-	34,486
Transfer of share option reserve	-	-	(1,267)	-	1,267	-	-	-
Share options reserve recognized	-	-	654	-	-	654	-	654
Total comprehensive income for the year	-	-	-	(754)	(25,690)	(26,444)	-	(26,444)
As at 31 December 2009	270,579	5,055	8,884	(7,633)	(43,153)	233,732	-	233,732
As at 1 January 2010	270,579	5,055	8,884	(7,633)	(43,153)	233,732	-	233,732
Issue of share capital of a subsidiary	-	-	-	-	-	-	4	4
Foreign exchange differences	-	-	-	-	-	-	11	11
Total comprehensive income for the year	-	-	-	(1,841)	(9,976)	(11,817)	(591)	(12,408)
As at 31 December 2010	270,579	5,055	8,884	(9,474)	(53,129)	221,915	(576)	221,339

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

The Company	Share capital	Statutory/ equity reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2009	196,425	3,709	(68,041)	132,093
Net proceeds from rights issue	39,668	-	-	39,668
Net proceeds from share placement	34,486	-	-	34,486
Transfer of share option reserve	-	(1,267)	1,267	-
Share options reserves recognized	-	654	-	654
Total comprehensive income for the year	-	-	(43,399)	(43,399)
As at 31 December 2009	270,579	3,096	(110,173)	163,502
As at 1 January 2010	270,579	3,096	(110,173)	163,502
Total comprehensive income for the year	-	-	(6,981)	(6,981)
As at 31 December 2010	270,579	3,096	(117,154)	156,521

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- 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 share as at 31 December 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2009, as well as the applicable Financial Report Standards which became effective for the financial year beginning on or after 1 January 2010. The adoption of those new and revised FRSs has no material effect on the current financial statements for the current year.

- 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.**

Please refer to paragraph 4 above.

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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.

	Year ended 31 December 2010	Year ended 31 December 2009
Loss per ordinary share for the year based on net loss attributable to equity holders of the company:		
Basic and fully diluted (RMB cents) (Note 1)	(1.30)	(4.21)
Note 1:		
Basic and fully diluted loss per share were based on:		
Net loss for the year (RMB'000)	(9,976)	(25,690)
	No. of shares	No. of shares
Shares outstanding at beginning of the year	766,668,356	290,960,419
Weighted average number of new shares issued during the year	-	319,525,762
Weighted average number of shares issued during the year (basic and fully diluted)	766,668,356	610,486,181

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	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
Net asset value per ordinary shares (RMB cents)	28.94	30.49	20.42	21.33
Net asset value (RMB'000)	221,915	233,732	156,521	163,502
Issued and fully paid ordinary shares	766,668,356	766,668,356	766,668,356	766,668,356

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.

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Revenue Analysis

Revenue (RMB'000)	Year ended 31 December 2010	Year ended 31 December 2009	+/(-) % change
Oilfield services	6,236	7,679	(19)
Coal mining	2,406	-	n.m.
Total	8,642	7,679	13

In FY2010, the Group recorded total revenue for continuing operations of RMB8.6 million, versus RMB7.7 million in FY2009. Oilfield services recorded revenue of RMB6.2 million in FY2010, compared to RMB7.7 million in FY2009, derived from technical services provision in Cambodia.

The Group's coal segment recorded its maiden revenue contribution of RMB2.4 million from production at the open-pit coal mine at Samarinda, East Kalimantan of Indonesia. Coal production commenced in November and total volume of coal produced and delivered for FY2010 was approximately 15,820 tonnes.

Production volume was way below our planned production due to the prolonged and heavy rain that started from mid November 2010. Like many coal mines in Indonesia, our working area was flooded at that time and the hauling roads were slippery and affected the hauling activities. To prepare for future heavy rain, we had since made improvements to the hauling road to better accommodate all weather conditions during early of FY2011.

Loss for the Group's discontinued operation in FY2010 was RMB1.4 million versus RM13.9 million in FY2009. The loss was attributed from the divestment of XQB which held Shaanbei oil production contract.

Cost and Earnings Analysis

In FY2010, the Group's gross profit for continuing operations increased 39% to RMB6.6 million, versus RMB4.8 million in FY2009. The increase was due to the absence of cost of sales from oilfield services and contribution from new coal segment revenue.

Other income increased to RMB2.7 million due mainly to foreign exchange gain and an one-off collection pursuant to a forfeited deposit income from Vitar.

Selling and distribution costs rose significantly from RMB0.7 million to RMB2.3 million while administrative costs rose from RMB10.2 million to RMB14.5 million, as a result of the commencement of the coal mining operations in August 2010.

Losses incurred from operating activities increased 9% from RMB6.9 million to RMB7.5 million. This was due to lower than planned production volume at the coal mine which was impacted by prolonged rainfall in the period. Subsequently, lower than planned quantity of coal delivered could not cover the costs incurred during the period.

Losses from continuing operations decreased to RMB9.2 million in FY2010 from RMB 11.8 million in FY2009 as lower losses were recorded at its associate companies in Cambodia and Indonesia.

Net loss for the financial year was RMB10.6 million in FY2010, versus RMB25.7 million in FY2009 which had included a loss of RMB13.9 million from discontinued operations.

Financial Position and Liquidity

Group cash balance stood at RMB90.6 million as at 31 December 2010, versus RMB106.8 million as at 31 December 2009 as some amount of cash was spent on setting up the coal mine operations as well as utilised for working capital. During the period, the previously pledged deposit of RMB4.5 million was relinquished.

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Trade receivables decreased from RMB2.9 million at 31 December 2009 to RMB0.5 million at 31 December 2010, mainly due to the divestment of XQB. Other receivables increased from RMB1.1 million at 31 December 2009 to RMB7.8 million at 31 December 2010, mainly due to the cash advancements made for coal mine operations.

The amount due from associate company CPHLC increased from RMB85.6 million at 31 December 2009 to RMB91.8 million at 31 December 2010 and comprised largely advancement to CPHLC and technical service fee charge for the period.

Inventory increased from RMB0.3 million at 31 December 2009 to RMB0.9 million at 31 December 2010, mainly due to the coal inventory.

As noted in 3Q2010, the divestment of the Shaanbei oil production business led to a significant reduction in property, plant and equipment, which stood at RMB1.6 million at 31 December 2010.

Deferred mining expenditure and Deferred exploration and development expenditures of coal segment were RMB3.5 million and RMB0.5 million at 31 December 2010 respectively.

Trade payables decreased from RMB10.3 million as at 31 December 2009 to RMB0.6 million at 31 December 2010, attributable to the repayment and deduction of payables related to the discontinued Shaanbei operations. Other payables decreased by RMB1 million from RMB21.2 million at 31 December 2009 to RMB20.2 million at 31 December 2010.

Total assets were RMB243.3 million as at 31 December 2010, down from RMB265.2 million as at 31 December 2009 resulting from operating loss for the period and impairment of assets related to disposal of discontinued operations.

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

The Group did not make any forecast or prospect statement in the last results announcement dated 10 November 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.

Trends and competitive position of industry:

Operating in the exploration and production of oil and gas, we are exposed to the strengths and weaknesses of oil and gas prices, albeit a less direct impact as we have not begun production of oil. Nevertheless, oil prices have been firm and rising recently, with Nymex Crude hitting above US\$90 per barrel in February 2011. Such strength in oil prices is likely to persist with continued strong GDP growth in China. The protests ongoing in various middle-eastern countries has also fuel further rise in oil prices. Additionally, natural gas prices have also risen to attractive levels in recent months. We believe the sustained oil prices plus continued keen demand is likely to have a positive impact on our business development.

Current factors and events:

EOR

In December 2010, the Company announced a strategic Cooperation Framework Agreement with China Petroleum Chemicals Company to develop overseas EOR market. This cooperation agreement provided the Company with access to a world leading oilfield chemical specialist engaging in chemical research, development, production and sales. At the same time, the Company also partnered EOR Research Center, Research Institute of Petroleum Exploration and

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Development of PetroChina, in an EOR service contract with Medco LLC to jointly provide laboratory EOR studies and processes including water flooding, polymer flooding, thermal recovery and ASP flooding to four oilfields in Oman. With these agreements and contracts, the Company is set to record its first EOR revenue in 2011.

Cambodia

In Cambodia, CPHLC has announced that it planned to conduct Controlled Source Electromagnetic Imaging program for at the offshore oilfield. This has not taken place yet as CPHLC is still awaiting comments and approval from Cambodian authority.

Coal

At the open-pit coal mine in Samarinda, East Kalimantan, production of coal has been negatively impacted by unprecedented rainfall in the months of November 2010 to February 2011. As a result, coal production and delivery during those months were negatively affected. Rainfall has since abated from end February 2011 and production and delivery of coal has improved. Since the beginning of this year, 10,738 tonnes of coal has been delivered.

In order to improve on the hauling conditions, the Group has started to make improvement to the hauling road by laminating the road and drilling them to provide for better drainage of rain water. These would help to stabilize hauling in all weather conditions.

Additionally, the Group has signed a second contract in January 2011 to deliver 16,000 tonnes of coal per month to a new buyer.

Convertible Bonds Issue

The Company has announced a Convertible Bonds would be issued to raise S\$16.9 million in January 2011. The Definitive Agreement of the proposed Convertible Bonds is still being finalised. When successfully completed, the use of proceeds from the issue will be deployed for the acquisition and development 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/recommended, a statement to that effect.

No dividend was declared for the year ended 31 December 2010.

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13 (a) **Segmented revenue and results for operating or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

The Group operates four operating segments, software and related services segment, Coal segment, oilfield services segment and oil exploration and oilfield development segment

	Software and related services		Coal		Oilfield services		Oil exploration and oilfield development		Consolidated		Discontinued operation	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue from external customers	-	-	2,406	-	6,236	7,679	-	-	8,642	7,679	-	11,096
Segment results	(210)	(31)	(2,891)	-	(1,168)	(422)	(2,516)	(5,435)	(6,785)	(5,888)	-	(14,774)
Unallocated operating expense									(3,213)	(6,437)	-	855
Results from operating activities									(9,998)	(12,325)	-	(13,919)
Finance income									205	567	-	2
Finance costs									-	(4)	-	(11)
Deferred tax expense									626	-	-	-
Loss on disposal									-	-	(1,400)	-
Net loss for the year									(9,167)	(11,762)	(1,400)	(13,928)
Assets and liabilities												
Segment assets	68,929	68,958	13,918	-	71,116	73,933	44,752	45,882	198,715	188,773	-	18,137
Unallocated assets									44,622	58,337	-	-
Total assets									243,337	247,110	-	18,137

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Operating segments of the Group (continue from previous page)

	Software and related services		Coal		Oilfield services		Oil exploration and oilfield development		Consolidated		Discontinued operation	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment liabilities	290	290	2,429	-	1,306	6,469	-	-	4,025	6,759	-	5,436
Unallocated liabilities									17,973	19,320	-	-
Total liabilities									21,998	26,079	-	5,436
Depreciation	72	-	22	-	307	319	-	-	401	319	-	6,070
Unallocated depreciation									59	71	-	-
									460	390	-	6,070
Amorisation	-	-	1,043	-	-	-	-	-	1,043	-	-	-
Unallocated Amortisation									-	-	-	-
									1,043	-	-	-
Capital expenditure	-	-	175	-	15	25	-	-	190	25	-	507
Unallocated expenditure									242	5	-	-
									432	30	-	507

14. In review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 8.

MIRACH ENERGY LIMITED

Full Year Financial Statement for the Year Ended 31 December 2010

15. A breakdown of sales.

Group	Latest Year 2010	Previous Year 2009	+ / (-) % Change
	(Unaudited) RMB'000	(Unaudited) RMB'000	
(a) Sales for first half year*	3,101	2,761	12
(b) Loss after tax*	(6,099)	(4,699)	29
(c) Sales for second half year*	5,541	4,918	13
(d) Loss after tax*	(4,468)	(20,991)	(79)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend

	Latest Full Year 2010 (RMB million)	Latest Full Year 2009 (RMB million)
Ordinary	Nil	Nil
Preference	Nil	Nil
Total :	Nil	Nil

17. Interested Person Transactions

No interested person transactions were entered into during the year ended 31 December 2010..

By Order of the Board

William Chan Shut Li
Chairman of the Board

Lui Che Kin
Director & CFO

28 February 2011