

MIRACH ENERGY LIMITED

Financial Statements for the Year Ended 31 December 2011

1(a) An income statement and statement of comprehensive income, or a 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

(Figures for FY2010 have been represented to account for the effects of a change in the functional currency of the Company and the accounts presentation of the Group as explained in paragraph 5. All amounts in this announcement are stated in U.S. Dollars except where otherwise indicated.)

		Group		
		12 months to 31 December		
		FY2011 (Unaudited) USD'000	FY2010 (Represented) USD'000	Change %
	Notes			
Revenue		4,941	1,269	289
Cost of sales		(3,507)	(294)	1,093
Gross profit		1,434	975	47
Other income	1	1,942	396	390
Exploitation and production costs		(626)	-	n.m.
Selling and distribution costs		(293)	(348)	(16)
Administrative expenses		(3,878)	(2,112)	84
Other operating expenses		(1,344)	(216)	522
Loss from operating activities	2	(2,765)	(1,305)	112
Finance income		49	30	63
Finance costs		(663)	-	n.m.
Share of losses of associates (net of tax)		(236)	(334)	(29)
Share of loss of a joint venture (net of tax)		(21)	(36)	(42)
Loss before income tax		(3,636)	(1,645)	121
Income tax (expense)/benefit		(93)	93	n.m.
Net loss for the year		(3,729)	(1,552)	140
Net loss attributable to:				
Equity holders of the company		(3,281)	(1,465)	124
Non-controlling interests		(448)	(87)	415
Net loss for the year		(3,729)	(1,552)	140
Net loss for the year		(3,729)	(1,552)	140
Other comprehensive income:				
Reclassification of currency translation reserves on partial-disposal of a subsidiary		-	14	n.m.
Reclassification of currency translation reserves on partial-disposal of an associate and a joint-venture		87	-	n.m.
Currency translation differences arising from consolidation		116	(284)	n.m.
Other comprehensive income for the year		203	(270)	n.m.
Total comprehensive income for the year		(3,526)	(1,822)	94
Attributable to :				
Equity holders of the company		(3,084)	(1,737)	78
Non-controlling interests		(442)	(85)	420
Total comprehensive income for the year		(3,526)	(1,822)	94

n.m.: not meaningful

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Notes to Consolidated Statement of Comprehensive Income:

1. Other income comprises:

		Group	
		12 months to 31 December	
		FY2011 (Unaudited)	FY2010 (Represented)
	Notes	USD'000	USD'000
Foreign exchange gain		-	208
Gain on partial disposal of an associate	(a)	1,117	-
Gain on partial disposal of a joint venture	(a)	327	-
Forfeited deposit income	(b)	486	187
Others		12	1
		1,942	396

Notes:

(a) In September 2011, the shareholders of PT Kamundan Energy and PT Petroenergy Utama Wiriagar entered into a Conditional Sales and Purchase Agreement to dispose 20% equity interests in PT Kamundan Energy and PT Petroenergy Utama Wiriagar. PT Kamundan Energy was an associate of the Company while PT Petroenergy Utama Wiriagar a joint venture entity of the Company. The gains on such disposals were based on sales proceeds less carrying values attributable to the disposed equity interests in the associate and joint equity, plus the transaction costs incurred. Upon disposal, the Group would retain 33.6% and 40% equity interests in PT Kamundan Energy and PT Petroenergy Utama Wiriagar respectively.

(b) In July 2011, the Company signed a new shares subscription agreement with Mr. Zhang Wei Dong. Pursuant to the terms of the agreement, Mr. Zhang was required to pay a non-refundable deposit of US\$500,000 to the Company to secure the new shares placements. However, the deposit was forfeited by the Company as Mr. Zhang did not execute the subscription of new shares on expiry date in accordance with the shares subscription agreement. The deposit of US\$486,000 net of transaction costs was recorded as other income.

2. Results from operating activities were arrived at after charging:

		Group		
		12 months to 31 December		
		FY2011 (Unaudited)	FY2010 (Represented)	Change
	USD'000	USD'000	%	
Foreign exchange loss	156	-	n.m.	
Other receivables – written off	-	10	n.m.	
Depreciation of property, plant and equipment	98	68	44	
Amortisation of deferred mining expenditures and deferred exploration and development expenditure	948	153	520	
Impairment on deferred mining expenditures and deferred exploration and development expenditures	717	-	n.m.	
Loss on disposal of a subsidiary	-	206	n.m.	
Amortisation of intangible assets	318	-	n.m.	

n.m.: not meaningful

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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

	Notes	Group		Company	
		As at 31 December		As at 31 December	
		2011 (Unaudited)	2010 (Represented)	2011 (Unaudited)	2010 (Represented)
		USD'000	USD'000	USD'000	USD'000
Current assets					
Cash and cash equivalents		10,971	13,688	4,954	4,768
Pledged fixed deposit		2,501	-	-	-
Trade and other receivables		800	357	353	122
Amount due from an associate		14,949	13,861	1,808	1,558
Amounts due from subsidiaries (non-trade)		-	-	15,747	1,860
Inventories		62	138	-	-
Total current assets		29,283	28,044	22,862	8,308
Non-current assets					
Property, plant and equipment		273	235	38	45
Intangible asset	1	10,082	-	-	-
Deferred mining expenditure		-	533	-	-
Exploration and development expenditures		-	71	-	-
Other receivables and prepayments		1,210	1,008	-	1,358
Deferred tax assets		-	93	-	-
Available-for-sale financial assets	2	599	-	319	-
Subsidiaries		-	-	16,890	16,890
Associates	2	5,740	6,376	7,486	8,715
Joint venture	2	-	382	-	-
Total non-current assets		17,904	8,698	24,733	27,008
Total assets		47,187	36,742	47,595	35,316
Equity attributable to equity holders of the company					
Share capital		40,855	40,855	40,855	40,855
Reserves		(9,407)	(7,348)	(17,675)	(14,883)
		31,448	33,507	23,180	25,972
Non-controlling interests		(529)	(87)	-	-
Total equity		30,919	33,420	23,180	25,972
Current liabilities					
Trade and other payables		4,143	3,143	2,444	2,434
Amounts due to subsidiaries (non-trade)		-	-	10,025	6,910
Amount due to non-controlling interests of a subsidiary		179	179	-	-
Total current liabilities		4,322	3,322	12,469	9,344
Non-current liabilities					
Convertible bonds		11,946	-	11,946	-
Total non-current liabilities		11,946	-	11,946	-
Total liabilities		16,268	3,322	24,415	9,344
Total equity and liabilities		47,187	36,742	47,595	35,316

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Notes to Statement of Financial Position:

1. The amount represented the concession rights and costs related to entering into a Joint Operation Agreement ('KSO') by a subsidiary for an oil field in Indonesia. The amount was capitalized as intangible asset.
2. In September 2011, the Group entered into a conditional sales and purchase agreement to dispose its 8.4% and 10% equity interests in PT Kamundan Energy and PT Petroenergy Utama Wiriagar respectively. The remaining interest held by the Group are now treated as investments and reclassified as available-for-sale financial assets as the Company is of the view that the Company no longer exerts significant influence over these two entities.

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

Amount repayable in one year or less, or on demand:

As at 31/12/2011		As at 31/12/2010	
Secured (Unaudited) USD'000	Unsecured (Unaudited) USD'000	Secured (Represented) USD'000	Unsecured (Represented) USD'000
Nil	Nil	Nil	Nil

Amount repayable after one year:

As at 31/12/2011		As at 31/12/2010	
Secured (Unaudited) USD'000	Unsecured (Unaudited) USD'000	Secured (Represented) USD'000	Unsecured (Represented) USD'000
11,946	Nil	Nil	Nil

Details of any collateral:

The Group's secured borrowing comprises 3.0 percent senior secured convertible bonds due on 2014. The convertible bonds are secured on legal charge over the shares of the subsidiaries.

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1(c) A statement of cash flows (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 2011	Year ended 31 December 2010
	(Unaudited)	(Represented)
	USD'000	USD'000
Cash flow from operating activities		
Loss before income tax	(3,636)	(1,645)
Adjustments for:		
Interest expenses	663	-
Interest income	(49)	(30)
Depreciation of property, plant and equipment	98	68
Option expense recognised	50	-
Other receivables – written off	-	10
Loss on disposal of a subsidiary	-	206
Impairment loss on deferred mining expenditures and exploration and development	717	-
Gain on partial disposal of an associate	(1,117)	-
Gain on partial disposal of a joint venture	(327)	-
Amortisation of deferred mining expenditures and exploration and development expenditures	948	153
Amortisation of intangible assets	318	-
Share of losses of associates	236	334
Share of loss of a joint venture	21	36
Operating cash flow before working capital changes	(2,078)	(868)
Changes in operating assets and liabilities:		
Inventories	76	(136)
Trade and other receivables and prepayments	(710)	(944)
Amount due from an associate	(1,088)	(906)
Trade and other payables	1,065	(796)
Cash used in operations	(2,735)	(3,650)
Interest received	49	30
Interest paid	(45)	-
Cash flows used in operating activities	(2,731)	(3,620)
Cash flows from investing activities		
Purchase of property, plant and equipment	(130)	(65)
Purchase of intangible assets	(10,400)	-
Net proceeds from disposal of a subsidiary	-	1,697
Net proceeds from partial disposal of an associate	1,197	-
Net proceeds from partial disposal of a joint venture	397	-
Deferred mining expenditures	(1,060)	(679)
Exploration and development expenditures	-	(80)
Capital advancement to a joint venture	-	(125)
Cash flows (used in)/generated from investing activities	(9,996)	748
Cash flows from financing activities		
Issue of convertible bonds	13,694	-
Transaction cost for issue of convertible bonds	(1,196)	-
Amount due to non-controlling interests of a subsidiary	-	179
Payment convertible bonds interests	(201)	-
Pledged fixed deposit	(2,501)	663
Cash flows generated from financing activities	9,796	842
Net decrease in cash and cash equivalents	(2,931)	(2,030)
Cash and cash equivalents at beginning of the year	13,688	15,646
Effects of exchange rate changes on balances held in foreign currencies	214	72
Cash and cash equivalents at end of the year	10,971	13,688

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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 equity holders of the Company						Non-controlling interests	Total Equity
	Share capital	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated profits /(losses)	Total		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000		
At 1 January 2010 as re-presented	35,913	611	1,105	(1,039)	(7,496)	29,094	-	29,094
Foreign exchange differences as re-presented	-	-	-	-	-	-	2	2
Total comprehensive income for the year as re-presented	-	-	-	(270)	(1,465)	(1,735)	(87)	(1,822)
At 31 December 2010, previously presented	35,913	611	1,105	(1,309)	(8,961)	27,359	(85)	27,274
Effect of change of presentation currency of the Group	4,942	152	236	(121)	939	6,148	(2)	6,146
At 31 December 2010 as re-presented	40,855	763	1,341	(1,430)	(8,022)	33,507	(87)	33,420
At 1 January 2011	40,855	763	1,341	(1,430)	(8,022)	33,507	(87)	33,420
Issue of convertible bonds	-	-	969	-	-	969	-	969
Option expense recognized	-	-	50	-	-	50	-	50
Total comprehensive income for the year	-	-	-	203	(3,281)	(3,078)	(442)	(3,520)
At 31 December 2011	40,855	763	2,360	(1,227)	(11,303)	31,448	(529)	30,919

The Company	Share capital	Statutory/ equity reserves	Accumulated losses	Total
	USD'000	USD'000	USD'000	USD'000
At 1 January 2010 as re-presented	35,913	406	(13,466)	22,853
Total comprehensive income for the year as re-presented	-	-	(771)	(771)
At 31 December 2010, previously presented	35,913	406	(14,237)	22,082
Effect of change of functional and presentation currency of the Company	4,942	61	(1,113)	3,890
At 31 December 2010 as re-presented	40,855	467	(15,350)	25,972
At 1 January 2011	40,855	467	(15,350)	25,972
Issue of convertible bonds	-	969	-	969
Option expense recognized	-	50	-	50
Total comprehensive income for the year	-	-	(3,811)	(3,811)
At 31 December 2011	40,855	1,486	(19,161)	23,180

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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-back, 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.**

On 23 March 2011, the Company entered into two Subscription Agreements with Legend Luso Investment Company Limited and Triple Master Investment Holdings Limited, whereby the Company issued an aggregate of S\$16,900,000 in aggregate principal amount of 3.0 percent senior secured convertible bonds at a conversion price of S\$0.12 for each share. As at 31 December 2011, none of convertible bond was converted.

On 24 March 2011, the Company entered into a Call Option Agreement with Sino Capital Holdings Limited ("SCHL"), whereby the Company granted the Call Option to SCHL to acquire 10,000,000 option shares at an issue price of S\$0.12 for each option share. As at 31 December 2011, none of Call Option was exercised.

There is no change in the Company's issued share capital since 31 December 2010.

- 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 31 December 2011 and 31 December 2010 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.

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5. If 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.

Change in Functional and Presentation Currency

In prior years, the Company record its transactions in Chinese Renminbi (“RMB”) and presented the Group’s and the Company’s financial statements in RMB. In compliance with FRS 21 (The Effects of Changes in Foreign Exchange Rates), the Company has determined that its functional currency is the United States Dollars (“US\$”) and has accordingly changed its functional currency from RMB to US\$ with effect from 1 January 2011 to reflect the economic substance of the underlying circumstances and events relevant to the Company. The underlying change is prospective and has therefore no effect on the Company’s financial results prior to 1 January 2011.

The Company and the Group have also determined that it is more appropriate to present the financial statements of the Company and the Group in US\$ as a substantial part of the Group’s operating activities are in US\$ and it is the functional currency of the Company. Accordingly, the presentation currency of the consolidated financial statements has also been changed from RMB to US\$. Accordingly, the comparative figures for income and expenses in the statement of comprehensive income have been translated at the average exchange rate for the financial year ended 31 December 2010 and the comparative figures for assets and liabilities in the statement of financial position have been translated at the closing rate as at 31 December 2010 respectively.

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 2011 (Unaudited)	Year ended 31 December 2010 (Re-presented)
Earnings per ordinary share of the Group for the financial year based on net loss attributable to equity holders of the Company:		
Basic (USD cents)	(0.43)	(0.19)
Fully diluted (USD cents) (i)	N/A	N/A
Basic earnings per share were based on:		
Net loss for the year (USD'000)	(3,281)	(1,465)
	No. of shares	No. of shares
Shares outstanding at beginning of the year	766,668,356	766,668,356
Weighted average number of new shares issued during the year	-	-
Weighted average number of shares issued during the year (basic and fully diluted)	766,668,356	766,668,356

- (i) No diluted loss per share has been presented for the year ended 31 December 2011 as the exercise of share options and the conversion of outstanding convertible bonds would result in an anti-dilutive effect.

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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 2011 (Unaudited)	31 December 2010 (Re-presented)	31 December 2011 (Unaudited)	31 December 2010 (Re-presented)
Net asset value per ordinary share (USD cents)	4.10	4.37	3.02	3.39
Net asset value (USD'000)	31,448	33,507	23,180	25,972
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.

Revenue Analysis

Revenue (USD'000)	3 months of 4Q 2011	3 month of 4Q 2010	+/(-) % change	Full year ended 31 December 2011	Full year ended 31 December 2010 (Re-presented)	+/(-) % change
Oilfield services	350	252	39	1,631	916	78
Coal mining	624	353	77	3,310	353	838
Total	974	605	61	4,941	1,269	289

In FY2011, Group revenue rose to US\$4.94 million, from US\$1.27 million in FY2010, as result of full year revenue contribution from coal mining production and delivery. Oilfield services recorded revenue of US\$1.63 million in FY2011, compared to US\$0.92 million in FY2010, attributable to technical services provision in Cambodia and EOR in Oman. Coal segment recorded revenue of US\$3.31 million in FY2011 compared to US\$0.35 million in FY2010.

In 4Q2011, the Group recorded total revenue of US\$0.97 million versus US\$0.61 million in 4Q2010. Both Oilfield services and Coal segments revenue increased from US\$0.25 million and US\$0.35 million in 4Q2010 to US\$0.35 million and US\$0.63 million in 4Q2011 respectively.

Cost and Earnings Analysis

In FY2011, the Group's gross profit increased 47% to US\$1.43 million, versus US\$0.98 million in FY2010. The increase was mainly due to higher sales from coal and contribution from EOR.

Other income recorded US\$1.94 million in FY2011 due mainly to gains from the disposals of the equity interests in PT Kamundan Energy and PT Petroenergy Utama Wiriagar and a one-off income from the forfeited deposit for a proposed placing of shares that was not concluded.

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The Group incurred exploitation and production costs of US\$0.63 million attributed to the newly acquired Kampung Minyak ("KM") Oil Field in Indonesia, which was acquired in July 2011.

Selling and distribution costs declined slightly from US\$0.35 million in FY2010 to US\$0.29 million in FY2011.

Administrative costs rose significantly from US\$2.11 million in FY2010 to US\$3.88 million in FY2011, arising from the commencement of the KM Oil Field operation in FY2011, and coal mining activities.

Other operating expenses increased from US\$0.22 million in FY2010 to US\$1.34 million in FY2011. This was mainly attributable to an impairment expense of US\$0.72 million related to deferred mining expenditures and exploration and development expenditure in coal segment and expenses of US\$0.47 million related to the proposed dual listing in London AIM.

There was a finance cost of US\$0.66 million related to coupon interests for the Convertible Bonds issued by the Company in April 2011.

Losses incurred from operating activities increased 112% from US\$1.31 million in FY2010 to US\$2.77 million in FY2011.

Financial Position and Liquidity

Group cash balance stood at US\$10.97 million as at 31 December 2011, versus US\$13.69 million as at 31 December 2010. Besides working capital utilisation, cash expenses were incurred in setting up the KM oil field operations.

The Pledged Fixed Deposit was a bank guarantee of US\$2.5 million pledged in favour of PT Kampung Minyak Energy, a subsidiary of the Group, which would expire in July 2014.

Trade receivables increased from US\$0.07 million at 31 December 2010 to US\$0.59 million at 31 December 2011, mainly attributable to the receivables from coal sales. Other receivables increased from US\$1.29 million at 31 December 2010 to US\$1.42 million at 31 December 2011, mainly due to the cash advancements made for coal mine operations.

Amount due from associate company CPHLC increased from US\$13.86 million at 31 December 2010 to US\$14.95 million at 31 December 2011 and comprised largely of advancement to CPHLC and technical service fee charge for the period.

Inventory decreased from US\$0.14 million at 31 December 2010 to US\$0.06 million at 31 December 2011, caused by low inventory level of coal.

As noted in 3Q2011, the remaining balance amount of PT Petroenergy Utama Wiriagar was reclassified into available-for-sale item after its partial disposal. Decrease in Associates was also due to the partial disposal of PT Kamundan Energy, which had also been reclassified into available-for-sale item.

The provision for impairment loss of US\$0.72 million had written down carrying value of deferred mining expenditure and exploration and development expenditures to a nil value at 31 December 2011, thereby representing their fair values.

Trade payables increased from US\$0.09 million at 31 December 2010 to US\$0.78 million at 31 December 2011, attributable to the increase in payables related to the coal operations. Other payables increased by US\$0.32 million from US\$3.05 million at 31 December 2010 to US\$3.36 million at 31 December 2011.

The non-current liabilities of US\$11.95 million related to the Convertible Bonds and the accrued coupon interests at 31 December 2011.

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Net assets were US\$31.45 million as at 31 December 2011, down from US\$33.51 million as at 31 December 2010 resulting from operating loss for the period and impairment of deferred mining expenditure and exploration and development expenditures related to coal operations.

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 10 November 2011.

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

Demand for oil is constantly growing while supply did not meet the requirements, particularly in Asia. Crude oil prices in the past twelve months was firm despite ongoing economic and debt threats emerging from Euro zone, and forecasted slow down in economic growth in China, and other parts of Asia. In the past twelve months, oil prices traded at a range of US\$75.92 and US\$114.18 per barrel (Source: www.oil-price.net), It appeared that any expected slowdown in global economy did not have a strong negative impact on oil prices, with spikes occurring whenever tensions arose in the middle eastern countries. It is envisaged that the current conflicts in Iran will not end abruptly and is raising panic for the oil importing countries, and keep oil prices strong for a little while.

KM Oil Field

At the Kampung Minyak Oil Field, DQE had embarked on actual well operations and analyses at the end of November 2011 on the first six wells. It is now moving on to re-open another batch of wells and testing their production rates.

Block D

In Cambodia, CPHL Cambodia, the associate that holds interests in Block D, planned to drill 1+2 exploration wells in 2012,

Coal

Coal sales volume in 4Q2011 was similar to 3Q2011, with the limited quota at the loading jetty unresolved. The Company is currently assessing the possibility of loading at another nearby jetty to solve the delivery limitations issue.

Proposed AIM Listing

In relation to the Company's proposed listing on AIM, an announcement was made on 7 February 2012 with regard to the postponement of the proposed placing and dual listing. The Company proposed to allot and issue up to 286,667,000 new shares in connection with the placing. However, the placing could not be concluded on acceptable terms and the Company will continue to assess the economic and capital market conditions.

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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 2011.

13. If the Group has obtained a general mandate from shareholders of IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable as the Group has not obtained a general mandate from shareholders for IPTs.

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PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. 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 sales segment, oilfield services segment and oil exploration and oilfield development segment.

	Software and related services		Coal sales		Oilfield services		Oil exploration and oilfield development		Consolidated	
	2011 USD'000	2010 USD'000	2011 USD'000	2010 USD'000	2011 USD'000	2010 USD'000	2011 USD'000	2010 USD'000	2011 USD'000	2010 USD'000
		(Represented)		(Represented)		(Represented)		(Represented)		(Represented)
Revenue from external customers	-	-	3,310	353	1,631	916	-	-	4,941	1,269
Segment results	(30)	(31)	(1,843)	(425)	(190)	(172)	(1,255)	(369)	(3,318)	(997)
Unallocated operating expense									(1,148)	(472)
Results from operating activities									(4,466)	(1,469)
Finance income									49	30
Finance costs									(663)	-
Deferred tax (expense)/benefit									(93)	93
Loss on disposal of a subsidiary									-	(206)
Gains on partial disposals of an associate and a joint venture									1,444	-
Net loss for the year									(3,729)	(1,552)
Assets and liabilities										
Segment assets	6,649	10,408	1,806	2,101	10,906	10,738	20,438	6,757	39,799	30,004
Unallocated assets									7,388	6,738
Total assets									47,187	36,742
Segment liabilities	46	44	1,240	367	392	197	17	-	1,695	608
Unallocated liabilities									14,573	2,714
Total liabilities									16,268	3,322
Depreciation	11	11	7	3	47	45	20	-	85	59
Unallocated depreciation									13	9
									98	68
Amortisation	-	-	948	153	-	-	318	-	1,266	153
									1,266	153
Impairment loss on deferred assets	717	-	-	-	-	-	-	-	717	-
									717	-
Capital expenditure	-	-	2	26	-	2	122	-	124	28
Unallocated expenditure									6	37
									130	65

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

Please refer to item 8.

17. A breakdown of sales as follows:-

Group	Latest Financial Year 2011 (Unaudited) USD'000	Previous Financial Year 2010 (Represented) USD'000	Change +/(-)%
(a) Sales reported for first half year	3,004	456	559
(b) Operating loss after tax before deducting minority interests reported for first half year	(807)	(896)	(10)
(c) Sales reported for second half year	1,937	813	138
(d) Operating loss after tax before deducting minority interests reported for second half year	(2,922)	(656)	345

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Total Annual Dividend

Group	Latest Full Year 2011 (USD million)	Latest Full Year 2010 (USD million)
Ordinary	Nil	Nil
Preference	Nil	Nil
Total:	Nil	Nil

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to a Director or Chief Executive Officer or Substantial shareholder of the Company.

By Order of the Board

William Chan Shut Li, Chairman of the Board
Lui Che Kin, Director & CFO

28 February 2012