



Mirach Energy Limited

10 November 2014

3Q2014/ 9M2014 Results Announcement

Singapore Hong Kong Beijing Jakarta Phnom Penh

P&L Overview

	3Q2014	3Q2013		9M2014	9M2013	
	USD'000	USD'000	%	USD'000	USD'000	%
Revenue	408	1,740	-77	1,247	4,856	-74
Cost of sales	-	-	n.m.	-	-	n.m.
Gross profit	408	1,740	-77	1,247	4,856	-74
Other income	-	-	-	68	208	-67
Selling and distribution expenses	-51	-4	n.m.	-64	-55	16
Administrative expenses	-1,314	-758	73	-3,529	-2,160	63
Other operating expenses	-916	-655	40	-2,368	-1,318	80
(Loss) / Profit from operating activities	-1,873	323	n.m.	-4,646	1,531	n.m.
Finance income	16	16	-	45	45	-
Finance costs	1,001	4,112	-76	1,001	4,598	-78
Share of loss of an associate	-42	-54	-22	-120	-135	-11
Loss before income tax	-2,900	-3,827	-24	-5,722	-3,157	81
Income tax	-	-	-	-	-	-
Loss for the period	-2,900	-3,827	-24	-5,722	-3,157	81

P&L Overview

Net loss increased USD2.6 million in 9H2014 due to:

- Advisory service fee of USD4.14 million recorded in 9M2013 but not repeated in 9M2014
- Administrative and other operating expenses increase by USD2.42 million in 9M2014 due to depreciation of oil and gas properties and increase in production costs
- Partial offset by USD3.30 million decrease in finance cost due to once-off interest expense incurred upon redemption of the convertible bonds in 9M2013

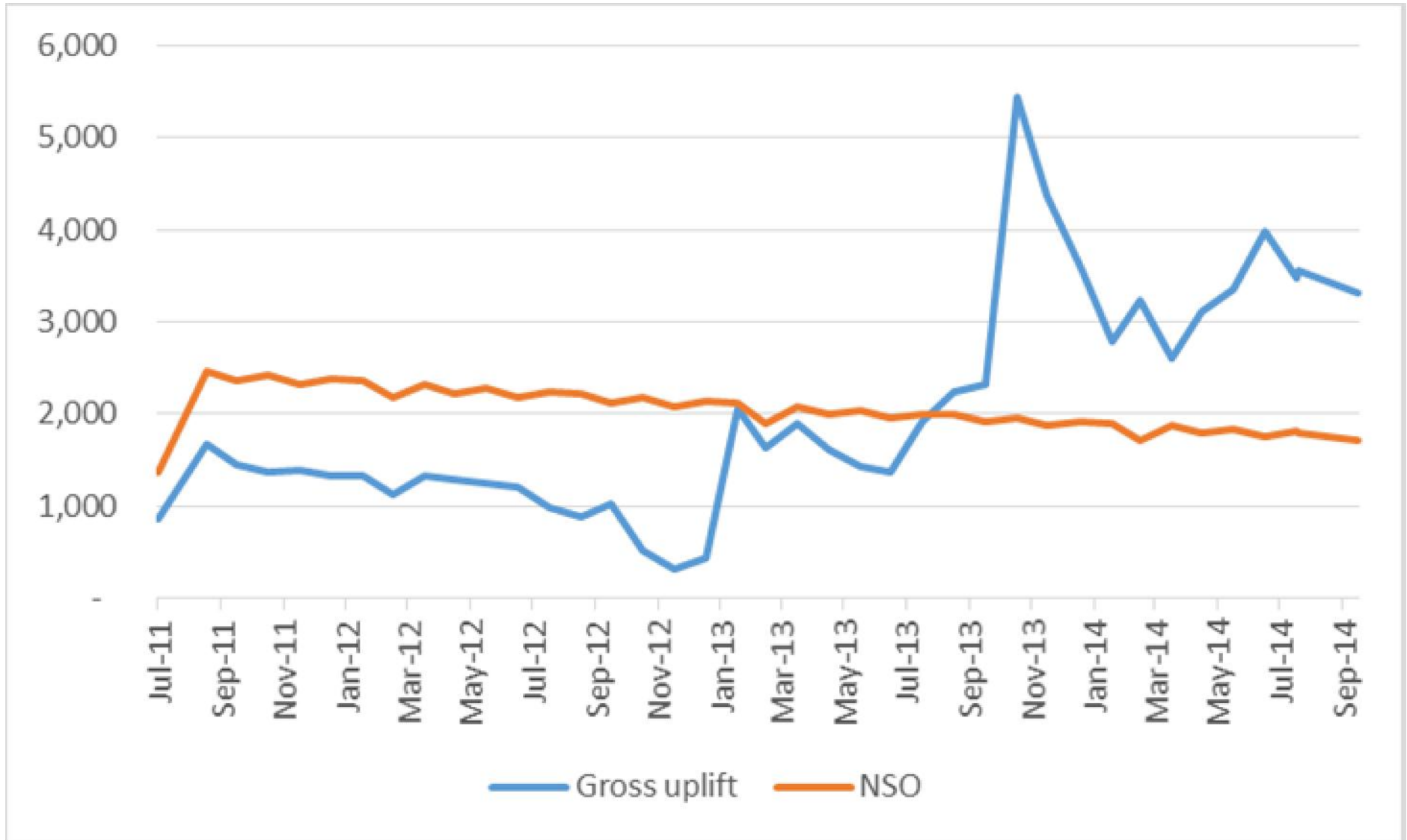
Revenue

Revenue (USD'm)	3Q 2014	3Q 2013	%	9M2014	9M2013	%
Oilfield services	0.24	1.74	-86	0.72	4.86	-85
E&P revenue	0.17	–	n.m.	0.53	–	n.m.
Total revenue	0.41	1.74	-76	1.25	4.86	-74

- Oilfield service revenue referred to a USD240k/quarter technical service fee charged to CHPL Cambodia
- E&P revenue amounted 167k and 527k for 3Q2014 and 9M2014 respectively

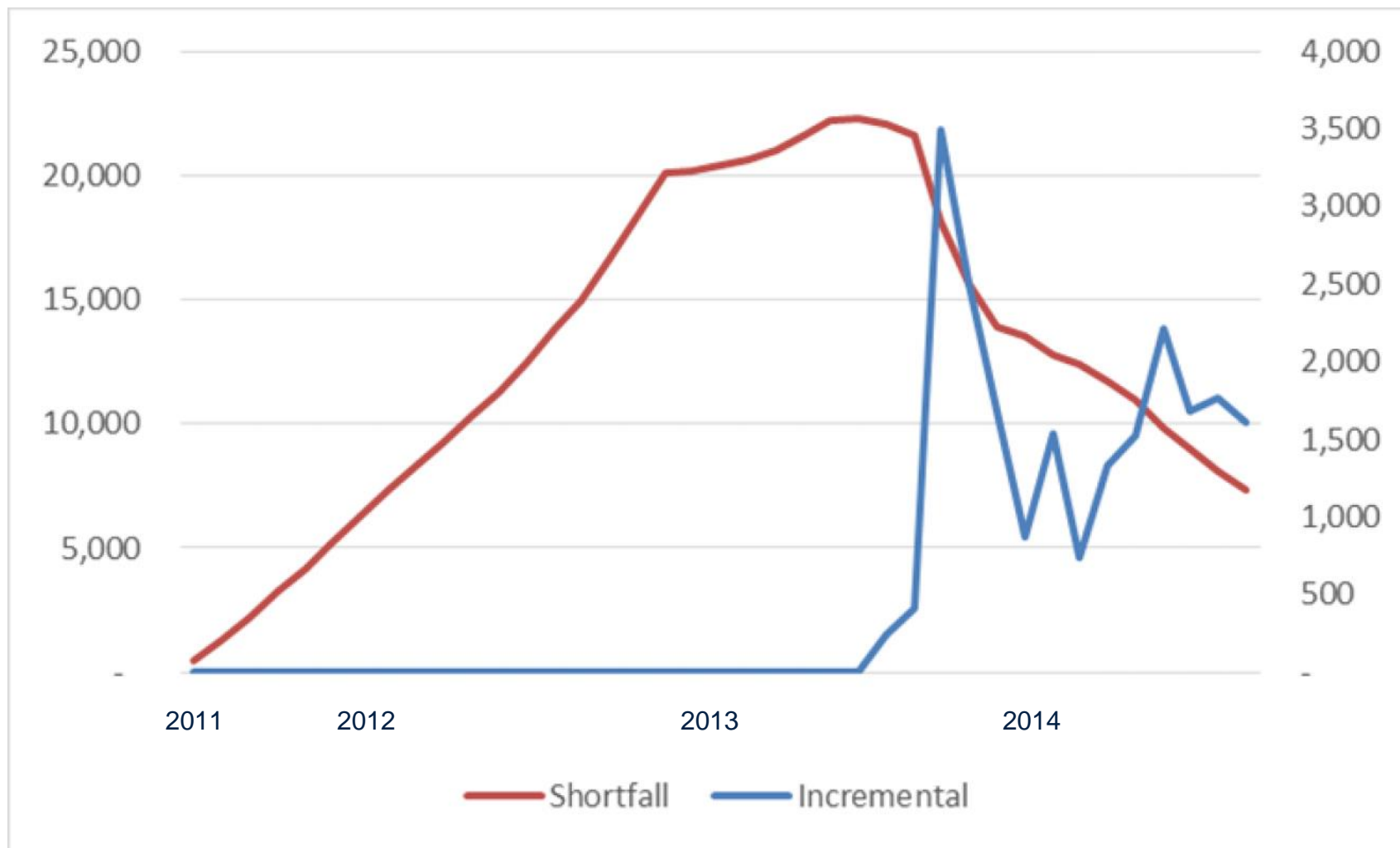
Incremental Oil (Gross uplift less NSO)

Barrels of Oil



Incremental Oil and Cumulative Shortfall

Barrels of Oil
(incremental)



Balance Sheet

	30-Sep	31-Dec		
	2014	2013	Diff	Diff
Current assets	USD'000	USD'000	USD'000	%
Cash and cash equivalents	15,054	6,902	8,152	118%
Trade and other receivables	19,377	18,512	865	5%
Others	5,354	4,269	1,085	25%
	39,785	29,683	10,102	34%
Non-current assets				
Intangible assets	8,176	8,696	(520)	-6%
Oil and gas properties	4,922	5,587	(665)	-12%
Available-for-sale financial assets	3,000	3,000	-	0%
Investment in associate	5,150	5,269	(119)	-2%
Others	339	245	94	38%
	21,587	22,797	(1,210)	-5%
Current liabilities				
Trade and other payables	6,235	6,469	(234)	-4%
Net assets	55,137	46,011	9,126	20%

Cash flow statement

	3Q2014	9M2014
	(USD million)	(USD million)
Cash used in operating activities	-1.57	-5.35
Cash used in investing activities	-0.18	-0.34
Cash generated from financing activities	9.24	13.84
Net Increase / (decrease) in cash and cash equivalents	7.49	8.15
Cash and cash equivalents at start of period	7.56	6.90
Cash and cash equivalents at end of period	15.05	15.05

	3Q2014	9M2014
	USD'000	USD'000
Cash flows from operating activities		
Loss before income tax	(2,900)	(5,722)
Interest expenses	1,001	1,001
Depreciation of oil and gas properties	297	865
Amortisation of intangible assets	173	520
Trade and other receivables and prepayments	(196)	(1,077)
Amount due from an associate	(259)	(866)
Trade and other payables	262	(234)
Others	50	162
Cash flows used in operating activities	(1,572)	(5,351)

Use of proceeds

Use of proceeds	As at 30 Sept 14
Net proceeds from drawdown of placement and loans	37.46
Less use of proceeds:	
Repayment of senior bonds due April 2014	17.44
Investment in 10% stake in GKM	3
Loan to GKM	1.04
Exploration, drilling and testing activities at KM Field	1.91
Working capital	1.71
Balance as at 30 September 2014	12.36

Status of plans in 2Q2014 results

	Plans in 2Q2014 results	Status
Deep Well	PEP approved KM13A and KM13B To drill KM-13A in 3Q14	KM13A drilled in Sept14 and completed in Oct 14. Production will commence after perforation
Radial drilling and ultra short radius drilling	To seek PEP approval for pilot radial drilling at KM604	Other suitable EOR technologies considered
Oil Bailing program	Pilot oil bailing to save cost such as pump unit	Implemented for 607 and successful for 35 barrels
Water injection	To implement as KSO requires water injection EOR	New GM will lead this project
Directional drilling (DD) service	To start finding business	Done consultancy work for KM13A. But delays in third party contracts as plan for acquiring Australian DD assets was unsuccessful
Cambodia Block D	Management reviewing terms of proposal for extension	EIA report approved. Management expect to meet Cambodia GDP by end Nov 14



Thank you

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