



**MIRACH ENERGY LIMITED**  
**(COMPANY NO.200305397E)**

**Unaudited Second Quarter And Half Year Financial Statement And Dividend Announcement for The Period Ended 30 June 2015**

**PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group		
	2Q2015 30 June 2015 (Unaudited)	2Q2014 30 Jun 2014 (Unaudited restated)	+ /(-) Change	1H2015 30 Jun 2015 (Unaudited)	1H2014 30 Jun 2014 (Unaudited restated)	+ /(-) Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	598	572	5	1,145	1,049	9
Other income	51	15	240	57	29	97
Production expenses	(497)	(449)	11	(1,061)	(916)	16
Staff cost	(615)	(521)	18	(1,292)	(840)	54
Depreciation and amortisation	(418)	(402)	4	(873)	(701)	25
Other expense	(376)	(880)	(57)	(527)	(1,101)	(52)
Finance costs	(15)	(13)	15	(29)	(26)	12
Share of losses of associates	(36)	(96)	(63)	(75)	(178)	(58)
Loss before income tax	(1,308)	(1,774)	(26)	(2,655)	(2,684)	(1)
Income tax	(16)	(6)	167	(19)	(9)	111
Total loss for the period	(1,324)	(1,780)	(26)	(2,674)	(2,693)	(1)
Other comprehensive income/ (loss):						
Currency translation arising from presentation currency	181	59	207	(123)	194	(163)
Currency translation arising from consolidation	3	12	(75)	10	5	100
Other comprehensive income/ (loss) for the period, net of tax	184	71	159	(113)	199	(157)
Total comprehensive loss	(1,140)	(1,709)	(33)	(2,787)	(2,494)	12
<b>Loss for the period attributable to:</b>						
Equity holders of the Company	(1,302)	(1,775)	(27)	(2,629)	(2,654)	(1)
Non-controlling interests	(22)	(5)	340	(45)	(39)	15
	(1,324)	(1,780)	(26)	(2,674)	(2,693)	(1)
<b>Total comprehensive loss attributable to:</b>						
Equity holders of the Company	(1,118)	(1,704)	(34)	(2,742)	(2,455)	12
Non-controlling interests	(22)	(5)	340	(45)	(39)	15
	(1,140)	(1,709)	(33)	(2,787)	(2,494)	12

*n.m.: not meaningful*



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**1(a)(i) An income statement (for the group) together with comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)**

Loss before income tax is arrived at after charging/ (crediting) the following:

	Group			Group		
	2Q2015 30 June 2015 (Unaudited)	2Q2014 30 Jun 2014 (Unaudited restated)*	+ /(-) Change	1H2015 30 Jun 2015 (Unaudited)	1H2014 30 Jun 2014 (Unaudited restated)*	+ /(-) Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Interest income	(51)	(15)	240	(57)	(29)	97
Interest expense	15	13	15	29	26	12
Foreign exchange (gain)/loss , net	9	(178)	n.m.	(233)	(68)	243
Depreciation of property, plant and equipment	37	20	85	59	34	74
Depreciation of oil and gas properties	207	208	–	467	320	46
Repayment of non-shareable oil liabilities and penalties	(12)	(109)	(89)	(183)	(210)	(13)
Amortisation of intangible assets	174	174	–	347	347	–
Loss on disposal of property, plant and equipment	1	–	n.m.	1	–	n.m.
Share of losses of associates	36	96	(63)	75	178	(58)

*n.m.: not meaningful*

\*Restated 1H2014 was due mainly to the prior year adjustments made in the Group comparative statements when announcing its FY2014 results announcements. The effects of those errors were corrected in the audited financial statements for the year ended 31 December 2014, but not in the quarterly results.



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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.

	Group		Company	
	30 Jun 2015 (Unaudited) US\$'000	31 Dec 2014 (Audited) US\$'000	30 Jun 2015 (Unaudited) US\$'000	31 Dec 2014 (Audited) US\$'000
<b>Non-current assets</b>				
Oil and gas properties	7,607	8,113	–	–
Property, plant and equipment	366	217	88	101
Intangible assets	7,656	8,003	–	–
Investment in subsidiaries	–	–	5,764	5,764
Investment in associates	5,472	5,547	7,486	7,486
Amount due from a subsidiary	–	–	27,472	25,048
Amounts due from associates	20,224	19,674	6,496	6,427
Pledged fixed deposit	2,501	2,501	–	–
	<b>43,826</b>	<b>44,055</b>	<b>47,306</b>	<b>44,826</b>
<b>Current assets</b>				
Inventories	149	–	–	–
Trade and other receivables	1,382	1,260	164	172
Prepayment	1,404	219	3	13
Amounts due from subsidiaries	–	–	4,816	4,639
Amounts due from associates	931	1,103	–	–
Cash and short-term deposits	8,449	12,627	6,599	10,410
	<b>12,315</b>	<b>15,209</b>	<b>11,582</b>	<b>15,234</b>
<b>Current liabilities</b>				
Trade and other payables	7,128	7,360	2,263	2,303
Accrued operating expenses	918	1,070	22	119
Amounts due to subsidiaries	–	–	2,489	2,774
Income tax payable	86	67	–	–
	<b>8,132</b>	<b>8,497</b>	<b>4,774</b>	<b>5,196</b>
<b>Net current assets</b>	<b>4,183</b>	<b>6,712</b>	<b>6,808</b>	<b>10,038</b>
<b>Non-current liabilities</b>				
Provision for decommissioning	510	481	–	–
<b>Net assets</b>	<b>47,499</b>	<b>50,286</b>	<b>54,114</b>	<b>54,864</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	81,249	81,249	81,249	81,249
Accumulated losses	(32,483)	(29,854)	(26,210)	(25,597)
Other reserves	(881)	(768)	(925)	(788)
	<b>47,885</b>	<b>50,627</b>	<b>54,114</b>	<b>54,864</b>
<b>Non-controlling interests</b>	<b>(386)</b>	<b>(341)</b>	<b>–</b>	<b>–</b>
	<b>47,499</b>	<b>50,286</b>	<b>54,114</b>	<b>54,864</b>



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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 30 June 2015		As at 31 December 2014	
Secured (Unaudited) US\$'000	Unsecured (Unaudited) US\$'000	Secured (Audited) US\$'000	Unsecured (Audited) US\$'000
Nil	Nil	Nil	Nil

**Amount repayable after one year:**

As at 30 June 2015		As at 31 December 2014	
Secured (Unaudited) US\$'000	Unsecured (Unaudited) US\$'000	Secured (Audited) US\$'000	Unsecured (Audited) US\$'000
Nil	Nil	Nil	Nil

**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**

	Group		Group	
	2Q2015	2Q2014	1H2015	1H2014
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	(Unaudited)	(Unaudited restated)	(Unaudited)	(Unaudited restated)
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Cash flows from operating activities</b>				
Loss before income tax	(1,308)	(1,774)	(2,655)	(2,684)
<b>Adjustments for:</b>				
Interest expenses	15	13	29	26
Interest income	(51)	(15)	(57)	(29)
Depreciation of property, plant and equipment	37	20	59	34
Depreciation of oil and gas properties	207	208	467	320
Amortisation of intangible assets	174	174	347	347
Repayment of non-shareable oil liabilities and penalties	(12)	(109)	(183)	(210)
Loss on disposal of fixed assets	1	–	1	–
Share of losses of associates	36	96	75	178
<b>Operating cash flows before working capital changes</b>	<b>(901)</b>	<b>(1,387)</b>	<b>(1,917)</b>	<b>(2,018)</b>



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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 (Cont'd)**

	Group		Group	
	2Q2015	2Q2014	1H2015	1H2014
	30 June	30 June	30 June	30 June
	2015	2014	2015	2014
	(Unaudited)	(Unaudited restated)	(Unaudited)	(Unaudited restated)
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Changes in working capital</u>				
Increase in inventories	(149)	–	(149)	–
(Increase)/ decrease in trade and other receivables and prepayments	(1,435)	427	(1,307)	(907)
Increase/ (decrease) in trade and other payables	614	251	(153)	(276)
<b>Cash used in operations</b>	<b>(1,871)</b>	<b>(709)</b>	<b>(3,526)</b>	<b>(3,201)</b>
Interest received	51	15	57	29
<b>Cash flows used in operating activities</b>	<b>(1,820)</b>	<b>(694)</b>	<b>(3,469)</b>	<b>(3,172)</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(13)	(161)	(210)	(165)
Proceeds from disposal of property, plant and equipment	1	–	1	–
(Purchased of)/usage of spare parts	(11)	–	39	–
<b>Cash flows used in investing activities</b>	<b>(23)</b>	<b>(161)</b>	<b>(170)</b>	<b>(165)</b>
<b>Cash flows from financing activities</b>				
Increase in amounts due from associates	(271)	(291)	(378)	(607)
(Convertible loan issue expenses)/Net proceeds from convertible loan	–	(143)	–	4,599
<b>Cash flows (used in)/ generated from financing activities</b>	<b>(271)</b>	<b>(434)</b>	<b>(378)</b>	<b>3,992</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(2,114)</b>	<b>(1,289)</b>	<b>(4,017)</b>	<b>655</b>
Effects of exchange rate changes on balances held in foreign currencies	(206)	(123)	(161)	5
Cash and cash equivalents at beginning of the period	10,769	8,974	12,627	6,902
<b>Cash and cash equivalents at end of the period (Note 1)</b>	<b>8,449</b>	<b>7,562</b>	<b>8,449</b>	<b>7,562</b>

**Note 1:**

Cash and cash equivalents consist of:

Cash and bank balances  
Fixed deposits  
Total cash, bank balances and fixed deposit  
Less: fixed deposits and cash pledged  
Cash and cash equivalents

The Group	
30 June	30 June
2015	2014
US\$'000	US\$'000
6,965	7,562
3,985	2,501
10,950	10,063
(2,501)	(2,501)
<b>8,449</b>	<b>7,562</b>



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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.**

The Group	Attributable to the equity holders of the Company								
	Share capital	Convertible Loan reserve	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated losses	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'00	US\$'000	US\$'000	US\$'000	US\$'000
<b>At 1 January 2014</b>	<b>65,736</b>	–	<b>763</b>	<b>467</b>	<b>(922)</b>	<b>(19,810)</b>	<b>46,234</b>	<b>(223)</b>	<b>46,011</b>
Prior year adjustments	670	–	–	–	21	(4,107)	(3,416)	(36)	(3,452)
<b>At 1 January 2014 restated</b>	<b>66,406</b>	–	<b>763</b>	<b>467</b>	<b>(901)</b>	<b>(23,917)</b>	<b>42,818</b>	<b>(259)</b>	<b>42,559</b>
Issuance of Convertible loan	–	4,742	–	–	–	–	4,742	–	4,742
Convertible loan issue expenses	–	(143)	–	–	–	–	(143)	–	(143)
Total comprehensive loss for the period	–	–	–	–	199	(2,654)	(2,455)	(39)	(2,494)
<b>At 30 June 2014</b>	<b>66,406</b>	<b>4,599</b>	<b>763</b>	<b>467</b>	<b>(702)</b>	<b>(26,571)</b>	<b>44,962</b>	<b>(298)</b>	<b>44,664</b>

  

The Group	Attributable to the equity holders of the Company								
	Share capital	Convertible Loan reserve	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated losses	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At 1 January 2015</b>	<b>81,249</b>	–	<b>763</b>	<b>467</b>	<b>(1,998)</b>	<b>(29,854)</b>	<b>50,627</b>	<b>(341)</b>	<b>50,286</b>
Total comprehensive loss for the period	–	–	–	–	(113)	(2,629)	(2,742)	(45)	(2,787)
<b>At 30 June 2015</b>	<b>81,249</b>	–	<b>763</b>	<b>467</b>	<b>(2,111)</b>	<b>(32,483)</b>	<b>47,885</b>	<b>(386)</b>	<b>47,499</b>

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**1(d) (i) Statement of Changes in Equity (Cont'd)**

The Company	Share capital	Convertible loan reserve	Statutory /equity reserves	Foreign exchange reserves	Accumulated losses	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(unaudited)	(Unaudited)	(Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At 1 January 2014</b>	<b>65,736</b>	–	<b>467</b>	–	<b>(22,737)</b>	<b>43,466</b>
Prior year adjustment	670	–	–	(156)	(514)	–
<b>At 1 January 2014 restated</b>	<b>66,406</b>	–	<b>467</b>	<b>(156)</b>	<b>(23,251)</b>	<b>43,466</b>
Issuance of Convertible loan	–	4,742	–	–	–	4,742
Convertible loan issue expenses	–	(143)	–	–	–	(143)
Total comprehensive loss for the period	–	–	–	194	(735)	(541)
<b>At 30 June 2014</b>	<b>66,406</b>	<b>4,599</b>	<b>467</b>	<b>38</b>	<b>(23,986)</b>	<b>47,524</b>

The Company	Share capital	Statutory /equity reserves	Foreign exchange reserves	Accumulated losses	Total equity
	(unaudited)	(Unaudited)	(unaudited)	(unaudited)	(unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At 1 January 2015</b>	<b>81,249</b>	<b>467</b>	<b>(1,255)</b>	<b>(25,597)</b>	<b>54,864</b>
Total comprehensive loss for the period	–	–	(137)	(613)	(750)
<b>At 30 June 2015</b>	<b>81,249</b>	<b>467</b>	<b>(1,392)</b>	<b>(26,210)</b>	<b>54,114</b>

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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. State 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.**

**(A) Outstanding Convertible Loan**

As at 30 June 2015, the Convertible Loan lenders had not drawdown on the remaining portion of the Upsize loan before the maturity date which the option had lapsed on 18 July 2015.

Save as disclosed, the Company has no outstanding convertibles as at 30 June 2015.

**(B) 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 number of issued shares as at 31 December 2014 was 1,190,122,448. Shareholders approved the proposed share consolidation of every 10 existing issued ordinary shares in the capital of the Company as at the book closure date into 1 Consolidated Share at the extraordinary general meeting on 28 April 2015. The book closure date was 12 May 2015 and the Company announced on 13 May 2015 after the completion of the share consolidation that the total issued share capital of the Company now comprised 119,012,238 Consolidated Shares.

- 1(d)(iii) 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.**

There was no sale, transfer, disposal, cancellation and/nor use of treasury shares during the period ended 30 June 2015.

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

The figures have not been audited nor 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.**

On 1 January 2015, the Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (“FRS”) and Interpretations of Financial Standards (“INT FRS”) promulgated by the Accounting Standards Council that are effective for annual period beginning on or after 1 January 2015. The adoption of the new accounting standards has no effect on the financial results of the Group and the Company.

As disclosed in the Company’s financial statements for the financial year ended 31 December 2014, the Company had restated the consolidated financial results of the Group for the financial year ended 31 December 2013 and the statements of financial position as of that date and 1 January 2013. The effects of those errors were corrected in the audited financial statements for the year ended 31 December 2014, but not in the quarterly results. Accordingly, the comparatives for the income statement as disclosed in this announcement had been adjusted to reflect the effect of those restatements.

The effects of the restatement resulted in a decrease in the net loss for the financial period 1H2014 by US\$129,000, and a decrease in the net assets of the Group by US\$3,129,000 as of 30 June 2014. The net assets of the Company remained the same as of 30 June 2014, while net loss for the financial period ended 30 June 2014 increased by US\$194,000. The decrease in the net loss for the financial period 1H2014 by US\$129,000 was due to the following:

Restatement	Increase/ (decrease) in net loss (US\$'000)
1 To recognise currency translation difference in the Company due correction in its functional currency	194
2 To recognise share of loss of an associate, Gunung Indah Lestari Ltd	100
3 To recognise settlement of NSO liabilities in KM Field	(201)
4 To recognise accretion of asset retirement obligations in KM Field	26
5 To recognise changes in depreciation due to correction in depreciation method from straight line to Unit of Production	(248)
Total decrease in net loss for the period 1H2014	(129)

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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:-**

	2Q2015 30 June 2015	2Q2014 30 June 2014	1H2015 30 June 2015	1H2014 30 June 2014
	(Unaudited)	(Unaudited restated)	(Unaudited)	(Unaudited restated)
<b>Loss per ordinary share of the Group for the financial period based on net loss attributable to equity holders of the Company:</b>				
Basic (US\$ cents)	1.09	1.71	2.21	2.56
Fully diluted (US\$ cents)	1.09	1.71	2.21	2.56
<b>Basic loss per share were based on:</b>				
Net loss for the period (US\$'000)	1,302	1,775	2,629	2,654
	No. of shares	No. of shares	No. of shares	No. of shares
Weighted average number of ordinary shares for basic earnings per share computation	119,012,238	103,505,000*	119,012,238	103,505,000*
Effects of dilution:				
- Convertible Loan	-	254,914	-	254,914
Weighted average number of ordinary shares for fully diluted earnings per share computation	119,012,238	103,759,914	119,012,238	103,759,914

\*The weighted average number of shares for calculation of EPS had been restated for comparative purpose.

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 June 2015 (Unaudited)	31 December 2014 (Audited)	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Net assets value per ordinary share (US\$ cents)	40.24	42.54	45.47	46.10
Net assets value (US\$'000)	47,885	50,627	54,114	54,864
Issued and fully paid ordinary shares	119,012,238	119,012,238*	119,012,238	119,012,238*

\*The number of shares for calculation of Net Assets Value had been restated for comparative purpose.

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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 (US\$'000)	2Q2015 (Unaudited)	2Q2014 (Unaudited- restated)	Change %	1H2015 (Unaudited)	1H2014 (Unaudited- restated)	Change %
Oilfield services	242	240	1	484	480	1
Cost recovery and entitlement	344	223	54	478	359	33
Repayment of non-shareable oil liabilities ("NSO") and penalties	12	109	(89)	183	210	(13)
Exploration and Production (E&P)	356	332	7	661	569	16
<b>Total revenue</b>	<b>598</b>	<b>572</b>	<b>5</b>	<b>1,145</b>	<b>1,049</b>	<b>9</b>

The Group registered total revenue amounting to US\$1.15 million and US\$0.60 million in 1H2015 and 2Q2015 respectively. The increase in total revenue was due to increase incremental oil after repaying all previous NSO shortfall at Kampung Minyak Oil Field ("KM Field") in 2Q2015. Whilst total crude oil produced increased 23% in 1H2015 as compared to 1H2014 due to better well servicing, incremental oil increased 151% in 1H2015 as compared to 1H2014. The increase in incremental oil increased the total cost recovery and entitlement revenue by 33% in 1H2015 and 54% in 2Q2015 as compared to 1H2014 and 2Q2014 respectively. The increase in cost recovery and entitlement revenue was despite a decrease in Indonesia Crude Price (ICP) by 48% and 45% in 1H2015 and 2Q2015 respectively. Total revenue receipts from Pertamina EP for 1H2015 was US\$0.56 million as compared to nothing in 1H2014.

**Cost and Earning Analysis**

Other income increased by US\$0.03 million or 97% in 1H2015 as compared to 1H2014 due to increase in interest income from higher fixed deposit placements.

Production expenses increased by US\$0.14 million or 16% in 1H2015 as compared to 1H2014 due to increase in maintenance cost for well servicing. KM Field has started to increase well servicing since November 2014 to increase production.

Staff cost increased by US\$0.45 million or 54% in 1H2015 as compared to 1H2014 due to incorporation of UniTEQ in 30 Jun 2014 and new headcount in Kampung Minyak Oil Field ("KM Field").

Depreciation and amortisation increased by US\$0.17 million or 25% in 1H2015 as compared to 1H2014 due to an increase in depreciation of oil and gas properties as a result of higher production.

Other expenses decreased by US\$0.57 million or 52% due to exchange gain and decrease in office costs.

Finance costs of US\$0.03 million in 1H2015 and 1H2014 represents the accretion of the assets retirement obligation of KM Field.

Share of loss of associates reduced by US\$0.10 million or 58% in 1H2015 due to incremental oil generated in Gunung Indah Lestari Limited, an associate company of the Group, which resulted in their share of losses reducing significantly in 1H2015.

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Due to the above, net loss attributable to equity holders of the Company was approximately US\$2.63 million in 1H2015 as compared to the net loss of US\$2.65 million in 1H2014.

**Financial Position and Liquidity**

	1H2015 (Unaudited)	1H2014 (Unaudited restated)
	(US\$'000)	(US\$'000)
Cash used in operating activities	(3,469)	(3,172)
Cash used in investing activities	(170)	(165)
Cash (used in)/ generated from financing activities	(378)	3,992
Net (decrease)/ increase in cash and cash equivalents	(4,017)	655
Effect of exchange rate changes on cash and cash equivalents	(161)	5
Cash and cash equivalents at beginning of period	12,627	6,902
Cash and cash equivalents at end of period	8,449	7,562

There was a net cash outflow of approximately US\$3.47 million in operating activities mainly due to the net loss and working capital changes. Working capital changes included US\$1.31 million increase in trade, other receivables and prepayment. KM Field had made a prepayment amounting to US\$1.25 million for the reopening of old wells in 2Q2015.

Cash used in financing activities in 1H2015 was due to increase in amount owing by CPHL (Cambodia) Co., Ltd for advances and technical service fees charged by the Group. Cash generated from financing activities in 1H2014 was mainly due to the issuance of convertible loan amounting US\$4.60 million, net of issue expense.

Non-current assets as at 30 June 2015 decreased by US\$0.23 million as compared to 31 December 2014 due to depreciation of oil and gas properties and amortisation of intangible assets by US\$0.47 million and US\$0.35 million in 1H2015 respectively. The decrease in non-current assets was partially offset by an increase in property, plant and equipment and amounts due from associates by US\$0.17 million and US\$0.55 million respectively.

The Group's current assets as at 30 June 2015 decreased by US\$2.89 million as compared to 31 December 2014 mainly due to decrease in cash and short-term deposits by US\$4.18 million and amounts due from associates by US\$0.17 million as one of the associates partially repaid its borrowings. The decrease in current assets is partially offset by an increase in prepayments amounting US\$1.19 million due to the reopening of old wells in 2Q2015.

The Group's current liabilities as at 30 June 2015 decreased by US\$0.37 million as compared to 31 December 2014 mainly due to the payment of trade and other payables and accrued expenses during 1H2015.

**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.

**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.**

**KM Oil Field**

The KM Field operations has been stabilised and management will now focus on improving operational reliability and productivity. The Group plans to reopen up to 29 old wells in 2015. Some of the old wells will only involve simple reactivation work, while others may require workover. As at 30 June 2015, a total of 15 wells had been reactivated. The Group is working with a Chinese oil services provider on success-based fee arrangements for the reactivation of

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some wells. The Group will commence hydro-injecting pilot program trials to optimize production in 3Q2015.

Oil field services and trading

Due to the decline in oil prices, many E&P companies are re-looking at their drilling plans, which has stalled the development of UniTEQ's core business. The Group has therefore scaled down its team in 1H2015 to reduce operating costs. The Group will continue to assess various opportunities.

Cambodia Block D

The Ministry of Environment in Cambodia had approved the Initial Environmental Social Impact Assessment Report and the Group just received the formal extension letter dated 3 August 2015 from the Ministry of Mines and Energy of Cambodia that the exploration period is extended till December 2018.

**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 has been declared or recommended for the period ended 30 June 2015.

**13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("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.**

No IPT mandate has been obtained.

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**14. Update on Use of Proceeds from the Placement and Convertible Loans**

The Company has raised a total of US\$37.46 million from the placement and loans issued in 2H2013–1H2015. The unutilised amount from the proceeds amounted to US\$7.06 million as at 30 June 2015. The use of proceeds from the placement and loans was in accordance with the intended use.

	<b>US\$ million</b>
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 Gunung Indah Lestari Limited	3.00
Loan to Gunung Indah Lestari Limited	0.93
Exploration, drilling and testing activities at KM Field	4.40
Working capital (staff/office cost, production costs)	4.63
Balance as at 30 June 2015	7.06

**Additional Disclosure Required for Mineral, Oil and Gas companies**

**15a. i. Rule 705 (6) of the Mainboard Listing Rules**

For 2Q2015 funds / cash were mainly used for the following activities:-

Purpose	Amount (US\$ million)
Exploration, drilling and testing activities at Kampung Minyak Oil Field	1.25
Working capital	0.82
Total	2.07

**15a. ii. Project on the use of funds / cash for the next immediate quarter, including principal assumptions:-**

For the next immediate quarter (period from 1 July 2015 to 30 September 2015), the Group's use of funds / cash for exploration activities and other expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration, drilling and testing activities at Kampung Minyak Oil Field	0.85
Working capital	1.54
Total	2.39

**15b. Rules 705 (6) of the Mainboard Listing Rules**

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

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**16a. Rules 705 (7)(a) of the Mainboard Listing Rules**

**Details of exploration (including geophysical surveys), mining development and / or production activities undertaken by the Company and summary of the expenditure incurred on those activities, including explanation for any material variances with previous projects, for the period under review. If there has been no exploration, development and / or production activity respectively, that the fact must be stated;**

Total cash used for exploration, drilling and testing activities at Kampung Minyak Oil Field was US\$1.25 million in 2Q2015. This was higher than the earlier projected use of funds of US\$0.50 million in the 1Q2015 results announcement due to the prepayment to suppliers for the reopening of old wells.

**16b. Rule 705 (7)(b) of the Mainboard Listing Rules**

**Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 6.3, including a summary of reserves and resources as set out in Appendix 7.5.**

The Group has no material updates on the reserves and resources as set out in the QPR (Qualified Person's Report) as at 31 December 2014 dated 16 March 2015.

**17. Confirmation pursuant to Rule 705(5) of the Mainboard Listing Rules**

We, William Shut Li CHAN and Rhoda Mei Ling LIU, being two of the Directors of Mirach Energy Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Company and of the Group for the second quarter and the six months ended 30 June 2015 to be false or misleading in any material respect.

On behalf of the Board of Directors,

William Shut Li CHAN / Rhoda Mei Ling LIU

**By Order of the Board  
William Shut Li Chan, Chairman of the Board**

**6 August 2015**