



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

**Unaudited Third Quarter And Nine Months Financial Statement And Dividend Announcement for The Period Ended 30 September 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		
	3Q2015	3Q2014		9M2015	9M2014	
	30 Sep 2015 (Unaudited)	30 Sep 2014 (Unaudited restated)	+ / (-) Change	30 Sep 2015 (Unaudited)	30 Sep 2014 (Unaudited restated)	+ / (-) Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	549	538	2	1,694	1,587	7
Other income	12	16	(25)	69	45	53
Production expenses (Note 1)	(2,239)	(783)	186	(3,300)	(1,699)	94
Staff cost	(568)	(475)	20	(1,860)	(1,315)	41
Depreciation and amortisation	(383)	(359)	7	(1,196)	(1,060)	13
Other expense	(356)	(443)	(20)	(883)	(1,544)	(43)
Finance costs	(14)	(1,014)	(99)	(43)	(1,040)	(96)
Share of losses of associates	(233)	(105)	122	(308)	(283)	9
Loss before income tax	(3,232)	(2,625)	23	(5,827)	(5,309)	10
Income tax	2	(4)	n.m.	(17)	(13)	31
Total loss for the period	(3,230)	(2,629)	23	(5,844)	(5,322)	10
Other comprehensive income/ (loss):						
Currency translation arising from presentation currency	(144)	(94)	53	(267)	100	n.m.
Currency translation arising from consolidation	(54)	-	n.m.	(44)	5	n.m.
Other comprehensive income/ (loss) for the period, net of tax	(198)	(94)	111	(311)	105	n.m.
Total comprehensive loss	(3,428)	(2,723)	26	(6,155)	(5,217)	18
<b>Loss for the period attributable to:</b>						
Equity holders of the Company	(3,160)	(2,603)	21	(5,729)	(5,257)	9
Non-controlling interests	(70)	(26)	169	(115)	(65)	77
	(3,230)	(2,629)	23	(5,844)	(5,322)	10
<b>Total comprehensive loss attributable to:</b>						
Equity holders of the Company	(3,358)	(2,697)	25	(6,040)	(5,152)	17
Non-controlling interests	(70)	(26)	169	(115)	(65)	77
	(3,428)	(2,723)	26	(6,155)	(5,217)	18

Note 1: The 3Q2015 and 9M2015 increase in production expenses were due to one-time expenses pursuant to our contract obligations.

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		
	3Q2015 30 Sep 2015 (Unaudited)	3Q2014 30 Sep 2014 (Unaudited restated)*	+ /(-) Change	9M2015 30 Sep 2015 (Unaudited)	9M2014 30 Sep 2014 (Unaudited restated)*	+ /(-) Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Interest income	(12)	(16)	(25)	(69)	(45)	53
Interest expense	14	1,014	(99)	43	1,040	(96)
Foreign exchange (gain)/loss , net	13	217	(94)	(220)	149	n.m.
Depreciation of property, plant and equipment	24	16	50	83	50	66
Depreciation of oil and gas properties	186	170	9	593	490	21
Repayment of non-shareable oil liabilities and penalties	–	(130)	n.m.	(183)	(340)	(46)
Amortisation of intangible assets	173	173	n.m.	520	520	n.m.
Loss on disposal of property, plant and equipment	–	–	n.m.	1	–	n.m.
Share of losses of associates	233	105	122	308	283	9

*n.m.: not meaningful*

\* The unaudited restatements were arising from prior year adjustments for FY2014 with effects reflected for better comparison against the Q32015 & 9M2015 performances. Those adjustments in the audited financial statements were proposed for the year ended 31 December 2014, and therefore were previously not included in the related quarterly results.



# MIRACH ENERGY LIMITED (COMPANY NO.200305397E)

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 Sep 2015 (Unaudited) US\$'000	31 Dec 2014 (Audited) US\$'000	30 Sep 2015 (Unaudited) US\$'000	31 Dec 2014 (Audited) US\$'000
<b>Non-current assets</b>				
Oil and gas properties	7,481	8,113	–	–
Property, plant and equipment	331	217	72	101
Intangible assets	7,482	8,003	–	–
Investment in subsidiaries	–	–	5,764	5,764
Investment in associates	5,239	5,547	7,486	7,486
Amount due from a subsidiary	–	–	28,753	25,048
Amounts due from associates	20,508	19,674	6,526	6,427
Pledged fixed deposit	2,501	2,501	–	–
	43,542	44,055	48,601	44,826
<b>Current assets</b>				
Inventories	156	–	–	–
Trade and other receivables	1,492	1,260	143	172
Prepayment	389	219	14	13
Amounts due from subsidiaries	–	–	4,886	4,639
Amounts due from associates	922	1,103	–	–
Cash and short-term deposits	6,134	12,627	4,314	10,410
	9,093	15,209	9,357	15,234
<b>Current liabilities</b>				
Trade and other payables	7,060	7,360	2,143	2,303
Accrued operating expenses	873	1,070	22	119
Amounts due to subsidiaries	–	–	2,161	2,774
Income tax payable	47	67	–	–
	7,980	8,497	4,326	5,196
<b>Net current assets</b>	1,113	6,712	5,031	10,038
<b>Non-current liabilities</b>				
Provision for decommissioning of wells	524	481	–	–
<b>Net assets</b>	44,131	50,286	53,632	54,864
<b>Equity attributable to owners of the Company</b>				
Share capital	81,249	81,249	81,249	81,249
Accumulated losses	(35,583)	(29,854)	(26,515)	(25,597)
Other reserves	(1,079)	(768)	(1,102)	(788)
	44,587	50,627	53,632	54,864
<b>Non-controlling interests</b>	(456)	(341)	–	–
<b>Total equity</b>	44,131	50,286	53,632	54,864



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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 September 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 September 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	
	3Q2015	3Q2014	9M2015	9M2014
	30 Sep 2015	30 Sep 2014	30 Sep 2015	30 Sep 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	(3,232)	(2,625)	(5,827)	(5,309)
<b>Adjustments for:</b>				
Interest expenses	14	1,014	43	1,040
Interest income	(12)	(16)	(69)	(45)
Depreciation of property, plant and equipment	24	16	83	50
Depreciation of oil and gas properties	186	170	593	490
Amortisation of intangible assets	173	173	520	520
Repayment of non-shareable oil liabilities and penalties	–	(130)	(183)	(340)
Loss on disposal of fixed assets	–	–	1	–
Share of losses of associates	233	105	308	283
Unrealised exchange loss	268	116	253	44
<b>Operating cash flows before working capital changes</b>	<b>(2,346)</b>	<b>(1,177)</b>	<b>(4,278)</b>	<b>(3,267)</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	
	3Q2015	3Q2014	9M2015	9M2014
	30 Sep	30 Sep	30 Sep	30 Sep
	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	(7)	(7)	(156)	(7)
Decrease/(increase) in trade and other receivables and prepayments	905	(171)	(402)	(1,078)
(Decrease)/increase in trade and other payables	(138)	142	(291)	(134)
<b>Cash used in operations</b>	<b>(1,586)</b>	<b>(1,213)</b>	<b>(5,127)</b>	<b>(4,486)</b>
Interest received	12	16	69	45
<b>Cash flows used in operating activities</b>	<b>(1,574)</b>	<b>(1,197)</b>	<b>(5,058)</b>	<b>(4,441)</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	–	–	(199)	(144)
Proceeds from disposal of property, plant and equipment	–	21	1	–
Payment for exploration and evaluation expenditures	–	(200)	–	(200)
Usage of spare parts	–	–	39	–
<b>Cash flows used in investing activities</b>	<b>–</b>	<b>(179)</b>	<b>(159)</b>	<b>(344)</b>
<b>Financing activities</b>				
Increase in amounts due from associates	(275)	(259)	(653)	(866)
Net proceeds from convertible loan	–	9,243	–	13,842
<b>Cash flows (used in)/ generated from financing activities</b>	<b>(275)</b>	<b>8,984</b>	<b>(653)</b>	<b>12,976</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(1,849)</b>	<b>7,608</b>	<b>(5,870)</b>	<b>8,191</b>
Effects of exchange rate changes on balances held in foreign currencies	(466)	(116)	(623)	(39)
Cash and cash equivalents at beginning of the period	8,449	7,562	12,627	6,902
<b>Cash and cash equivalents at end of the period (Note 1)</b>	<b>6,134</b>	<b>15,054</b>	<b>6,134</b>	<b>15,054</b>

**Note 1:**

Cash and cash equivalents consist of:

	The Group	
	30 Sep	30 Sep
	2015	2014
	US\$'000	US\$'000
Cash and bank balances	4,728	15,054
Fixed deposits	3,907	2,501
Total cash, bank balances and fixed deposit	8,635	17,555
Less: fixed deposits and cash pledged	(2,501)	(2,501)
Cash and cash equivalents	6,134	15,054



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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 owners of the Company								
	Share capital	Convertible Loan reserve	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated losses	Equity attributable to owners 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>	65,736	–	763	467	(922)	(19,810)	46,234	(223)	46,011
Prior year adjustments	670	–		–	21	(4,107)	(3,416)	(36)	(3,452)
<b>At 1 January 2014 restated</b>	66,406	–	763	467	(901)	(23,917)	42,818	(259)	42,559
Issuance of Convertible loan	–	14,272	–	–	–	–	14,272	–	14,272
Share issuance expenses	–	(429)	–	–	–	–	(429)	–	(429)
Interest on Convertible Loan	–	1,000	–	–	–	–	1,000	–	1,000
Total comprehensive loss for the period	–	–	–	–	105	(5,257)	(5,152)	(65)	(5,217)
<b>At 30 September 2014</b>	66,406	14,843	763	467	(796)	(29,174)	52,509	(324)	52,185

The Group	Attributable to owners of the Company								
	Share capital	Convertible Loan reserve	Merger reserve	Statutory /equity reserves	Foreign exchange reserve	Accumulated losses	Equity attributable to owners 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>	81,249	–	763	467	(1,998)	(29,854)	50,627	(341)	50,286
Total comprehensive loss for the period	–	–	–	–	(311)	(5,729)	(6,040)	(115)	(6,155)
<b>At 30 September 2015</b>	81,249	–	763	467	(2,309)	(35,583)	44,587	(456)	44,131



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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>–</b>	<b>467</b>	<b>–</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>–</b>	<b>467</b>	<b>(156)</b>	<b>(23,251)</b>	<b>43,466</b>
Issuance of Convertible loan	–	14,272	–	–	–	14,272
Share issuance expenses	–	(429)	–	–	–	(429)
Interest on Convertible Loan	–	1,000	–	–	–	1,000
Total comprehensive loss for the period	–	–	–	100	(2,095)	(1,995)
<b>At 30 September 2014</b>	<b>66,406</b>	<b>14,843</b>	<b>467</b>	<b>(56)</b>	<b>(25,346)</b>	<b>56,314</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	–	–	(314)	(918)	(1,232)
<b>At 30 September 2015</b>	<b>81,249</b>	<b>467</b>	<b>(1,569)</b>	<b>(26,515)</b>	<b>53,632</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**

The maturity date for the Upsize loan was due on 18 July 2015, which was 24 months after the first draw down of the Minimum Loan pursuant to the Convertible Loan Agreement. This last remaining tranche could have been converted into 516,908 new ordinary shares at an issue price of S\$1.242 per share, if the option was exercised by the lenders. The calculation for conversion into payment by way after adjusting for the share consolidation of shares was based on the remaining principal amount of the Upsize loan amounting to US\$6 million and to include a flat interest chargeable at 7%. However, there were no draw down on the remaining portion of the Upsize loan, which had since lapsed.

As at 30 September 2015, the Company has no outstanding convertible loan.

**(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.**

As at the end of the last financial year, the number of issued ordinary shares excluding treasury shares for the Company was at 1,190,122,448. In an extraordinary general meeting dated 28 April 2015, there was a share consolidation exercise, of which every 10 issued ordinary shares as at 12 May 2015 was consolidated into 1 issued ordinary shares. This exercise was completed on 13 May 2015 and the total issued ordinary shares excluding treasury shares of the Company is 119,012,238 for the period ended 30 September 2015.

- 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.**

As at 30 September 2015, the Company does not have treasury shares.

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

The figures as at 30 September 2015 have neither 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.**

Unless disclosed otherwise, the accounting policies and methods of computation as per the most recently audited annual financial statements have been consistently applied in the latest figures and its comparatives for all relating periods.





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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.**

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 should not have any effect on the financial results of the Group and the Company.

As disclosed in the audited financial statements of the Company 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. Those adjustments in the audited financial statements were proposed for the year ended 31 December 2014, and therefore were previously not included in the related quarterly results. Accordingly, the comparatives for the income statement as disclosed in this announcement have been adjusted to reflect the effect of those restatements.

The effects of those restatements saw a reduction in the net loss for the financial period 9M2014 by US\$400,000, and a decrease in the net assets of the Group by US\$2,951,000 as of 30 September 2014. The restatements had no impact on the net assets of the Company as of 30 September 2014.

The decrease in the net loss for the financial period 9M2014 by US\$400,000 was due to the following:

<b>Type of Restatement</b>	<b>Increase/ (decrease) in net loss (US\$'000)</b>
1 Currency translation difference in the Company due to change in its functional currency	100
2 Share of loss in an associate, Gunung Indah Lestari Ltd	163
3 Settlement of NSO liabilities in the Kampung Minyak Oil Field	(327)
4 Accretion of asset retirement obligations in the Kampung Minyak Oil Field	39
5 Changes in depreciation method from straight-line to unit-of-production basis	(375)
	<b>(400)</b>



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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:-**

	3Q2015 30 September 2015	3Q2014 30 September 2014	9M2015 30 September 2015	9M2014 30 September 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)	2.66	2.51	4.81	5.08
Fully diluted (US\$ cents)	2.66	2.41	4.81	4.86
<b>Basic loss per share were based on:</b>				
Net loss for the period (US\$'000)	3,160	2,603	5,729	5,257
	<b>No. of shares</b>	<b>No. of shares</b>	<b>No. of shares</b>	<b>No. of shares</b>
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	-	4,601,051	-	4,601,051
Weighted average number of ordinary shares for fully diluted earnings per share computation	119,012,238	108,106,051	119,012,238	108,106,051

\*The weighted average number of shares for calculation of EPS has been restated for comparative purposes.

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

	Group		Company	
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Net assets value per ordinary share (US\$ cents)	37.46	42.54	45.06	46.10
Net assets value (US\$'000)	44,587	50,627	53,632	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 has been restated for comparative purposes.



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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)	3Q2015 (Unaudited)	3Q2014 (Unaudited-restated)	Change %	9M2015 (Unaudited)	9M2014 (Unaudited-restated)	Change %
Oilfield services	316	240	32	800	720	11
Cost recovery and entitlement	233	168	39	711	527	35
Repayment of non-shareable oil liabilities ("NSO")	-	130	n.m.	183	340	(46)
	233	298	(22)	894	867	3
Exploration and Production (E&P)						
<b>Total revenue</b>	<b>549</b>	<b>538</b>	<b>2</b>	<b>1,694</b>	<b>1,587</b>	<b>7</b>

Total revenue for the Group reported is US\$1.69 million and US\$0.55 million for 9M2015 and 3Q2015 respectively.

Since April 2015, all prior NSO shortfall at Kampung Minyak Oil Field ("KM Field") had been fully repaid, and these had led to an increase in the incremental oil which saw a correspondingly higher E&P revenue.

Notwithstanding the reduction in Indonesia Crude Price (ICP) by 51% and 55% in 9M2015 and 3Q2015 respectively, the total cost recovery and entitlement revenue increase by 35% in 9M2015 and 39% in 3Q2015. These improvements were also in part a result of higher gross lifting due to better well servicing.

The increase in revenue on oilfield services was mainly contributed by a subsidiary which performed hydro-slotting perforation services in 3Q2015.

**Cost and Earning Analysis**

Other income relates mainly to interest income which increased by US\$0.02 million or 53% in 9M2015 as compared to 9M2014, was derived from cash pledged as well as fixed deposit placements.

Production expenses surged by US\$1.60 million or 94% in 9M2015 in comparison with 9M2014, mainly as a result of re-opening old wells.

The higher staff cost by US\$0.55 million or 41% in 9M2015 as compared to 9M2014 was due to new headcounts onboard KM Field and higher costs at its corporate office due to new headcount through its increased activities.

Alongside with higher production, there was an increase in the depreciation of oil and gas properties. As such, depreciation and amortisation increased by US\$0.14 million or 13% in 9M2015 in comparison with 9M2014.

Other expenses decreased by US\$0.66 million or 43% mainly due to an exchange gain and a reduction in office costs. The exchange gain might be considered for re-classification to other income after ascertaining the full year forex effects. The reduction in office costs did not see similar legal and professional fees in relation to Cambodia Block D being incurred for the current period.



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Unlike during the period 9M2014, where there was 7% interest cost which arose from the draw down of convertible loans, there was no such exercise for 9M2015. As such, finance costs dropped by US\$1.00 million or 96% for the current period versus the prior. Nonetheless, the said interest was paid by way of shares and has no effect from a cash flow perspective.

The share of losses on associates reported US\$0.31 million and US\$0.23 million in 9M2015 and 3Q2015 respectively. They are contributed by CPHL (Cambodia) Company Limited in its initial seismic and drilling studies phase and Gunung Indah Lestari Limited, which principally engages in exploration and production activities for Oil and Gas.

As a result of the above, the net loss attributable to equity holders of the Company was approximately US\$5.73 million in 9M2015 as compared to the net loss of US\$5.26 million in 9M2014.

### **Financial Position and Liquidity**

	9M2015 (Unaudited)	9M2014 (Unaudited restated)
	(US\$'000)	(US\$'000)
Cash used in operating activities	(5,058)	(4,441)
Cash used in investing activities	(159)	(344)
Cash (used in)/ generated from financing activities	(653)	12,976
Net (decrease)/ increase in cash and cash equivalents	(5,870)	8,191
Effect of exchange rate changes on cash and cash equivalents	(623)	(39)
Cash and cash equivalents at beginning of period	12,627	6,902
Cash and cash equivalents at end of period	6,134	15,054

As a summary, the cash and cash equivalent position saw a net decrease of US\$6.49 million for 9M2015. These were the result of an absence of financing activities in 2015, the operating results and the changes in working capital for the reporting period.

The net cash outflow of approximately US\$5.06 million in operating activities was mainly due to the net loss and working capital changes. Working capital changes include US\$0.56 million increase in trade, other receivables, prepayments and inventories. In addition, trade and other payables saw a decrease by US\$0.29 million.

Cash used in financing activities for both 9M2014 and 9M2015 were arising mainly from increase in amounts owing by CPHL (Cambodia) Co., Ltd for advances and technical service fees charged by the Group. Although in 9M2014, there was an issuance of convertible loan amounting US\$13.84 million, net of issue expense which more than funded the increase from the Cambodian associate, 9M2015 did not sees similar cash inflow from such financing arrangement.

As at 30 September 2015, the non-current assets for the Group reduced by US\$0.51 million in comparison with 31 December 2014. Whilst the property, plant and equipment as well as amounts due from associates saw increases at US\$0.11 million and US\$0.83 million respectively, these were surpassed by the depreciation of oil and gas properties at US\$0.59 million and amortisation of intangible assets at US\$0.52 million. The share of losses in the associates further contributed to a decrease on investments in associate of US\$0.31 million for the 9M2015.

For the current assets of the Group as at 30 September 2015 decreased by US\$6.12 million as compared to 31 December 2014 mainly due to decrease in cash and short-term deposits by US\$6.49 million. This was however partially offset by an increase in US\$0.23 million in trade and other receivables and in inventories amounting US\$0.16 million due to stocking of some pumping units during the period.



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The current liabilities for the Group as at 30 September 2015 fell by US\$0.52 million in comparison with 31 December 2014 mainly due to the payment of trade and other payables and accrued expenses for the first 9 months of 2015.

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

There was no forecast or prospect statement made or disclosed to shareholders for the period.

**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

Given the stabilization of operations at the KM Field, much focus was placed on improving productivity and operational reliability during the current period. The team did not plan to drill new wells given the current oil price environment. Of the 29 old wells planned to be reopened in 2015, 24 had already been completed as at 30 September 2015. These were mainly achieved through reactivation work, which were relatively lower in costs. For those wells requiring workovers, hydro-slotting perforation trials were still underway to identify more suitable wells in order to maximize the results from the pilot program.

Meanwhile, the Group plans to consolidate its operations in preparation for the opportune time to enhance its production capacity. This can be seen from its plan to continually reopen old wells and to constantly ensure good well servicing.

Oil field services and trading

The market conditions surrounding declining oil prices had many E&P companies shelved their drilling plans, and this had impacted the development of its subsidiary, UniTEQ. The operating costs for UniTEQ were downsized accordingly; with the Group keeping a close lookout for available business opportunities through its executive director, Chu Ming, a veteran in the Oil & Gas industry.

Meanwhile, the Group is currently actively assessing the development of oil trading activities through Acrux Procurement (Singapore) Pte. Ltd.

Another subsidiary, PT. Prima Petroleum Service (formerly known as PT. Kampung Minyak Energy) witnessed some traction with its transformation from an operating entity into an Oil & Gas service company, and have since contributed revenue to the Group.

Cambodia Block D

With the extension granted for the exploration period till December 2018 by the Ministry of Mines and Energy of Cambodia, the Group is in the midst of finalizing the details on the exploration drilling project and drilling rigs commissioning arrangements with various partners.

**11. Dividend.**

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



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

No dividends has been declared or recommended for the period ended 30 September 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.**

There was no IPT mandate obtained.

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

From the placement and convertible loans issued between 2H2013 and 1H2015, the Company managed to raise US\$37.46 million in total. The amount from the proceeds unutilised as at 30 September 2015 amounted to US\$5.50 million. The list below summarises the usage of these proceeds and they are in accordance with the purpose on the placement and convertible loans.

	<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	0.92
Exploration, drilling and testing activities at KM Field	5.23
Working capital (staff/office cost, production costs)	5.37
<b>Balance as at 30 September 2015</b>	<b>5.50</b>

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

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

The funds / cash for Q32015 were mainly used for the following activities:-

<b>Purpose</b>	<b>Amount (US\$ million)</b>
Exploration, drilling and testing activities at Kampung Minyak Oil Field	0.83
Working capital	0.74
<b>Total</b>	<b>1.57</b>

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

The usage of funds / cash for exploration activities and others for the next immediate quarter (i.e. period from 1 October 2015 to 31 December 2015) are expected to be as follows:-

<b>Purpose</b>	<b>Amount (US\$ million)</b>
Exploration, drilling and testing activities at Kampung Minyak Oil Field	-
Working capital	1.08
<b>Total</b>	<b>1.08</b>



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

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

**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;**

The total cash utilised in 3Q2015 for exploration, drilling and testing activities at KM Field was US\$0.83 million, which was in line to its earlier projections of US\$0.85 million disclosed during 2Q2015 results announcements.

**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.**

There are no material updates on the reserves and resources as set out in the QPR (Qualified Person's Report) since 31 December 2014 as per the last 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 third quarter of 2015 and the nine months ended 30 September 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**

**12 November 2015**