



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

**Unaudited First Quarter Financial Statement and Dividend Announcement for the Period Ended 31 March 2016**

**PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1 & Q3), HALF-YEAR (Q2) AND FULL-YEAR (Q4) RESULTS**

1(a) Income statement and statement of comprehensive income, or a statement of comprehensive income, for the group – corresponding period of the immediately preceding year.

	Group		
	1Q2016 31 Mar 2016  (Unaudited)	1Q2015 31 Mar 2015  (Unaudited)	+ / (-)  Change
	US\$'000	US\$'000	%
Revenue	123	547	(78)
Other income	23	6	283
Production expenses	(394)	(564)	(30)
Staff cost	(491)	(677)	(27)
Depreciation and amortisation	(321)	(455)	(29)
Other expense	139	(151)	n.m.
Reversal of provision for amount due from associate	1,345	–	n.m.
Finance costs	(16)	(14)	14
Share of losses of associates	(21)	(39)	(46)
Profit/(Loss) before income tax	387	(1,347)	n.m.
Income tax	–	(3)	n.m.
Total income/(loss) for the period	387	(1,350)	n.m.
Other comprehensive income/(loss):			
Currency translation arising from presentation currency	(369)	(291)	27
Currency translation arising from consolidation	(12)	(6)	100
Other comprehensive income/(loss) for the period, net of tax	(381)	(297)	28
Total comprehensive income/(loss)	6	(1,647)	n.m.
<b>Income/(loss) for the period attributable to:</b>			
Equity holders of the Company	408	(1,327)	n.m.
Non-controlling interests	(21)	(23)	(9)
	387	(1,350)	n.m.
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Company	27	(1,624)	n.m.
Non-controlling interests	(21)	(23)	(9)
	6	(1,647)	n.m.

*n.m.: not meaningful*



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**1(a) Income statement and statement of comprehensive income, or a statement of comprehensive income, for the group – corresponding period of the immediately preceding year. (Cont'd)**

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

	Group		
	1Q2016 31 Mar 2016 (Unaudited) US\$'000	1Q2015 31 Mar 2015 (Unaudited) US\$'000	+ /(-) Change %
Interest income	(23)	(6)	283
Interest expense	16	14	14
Foreign exchange gain, net	(419)	(242)	73
Depreciation of property, plant and equipment	32	22	45
Depreciation of oil and gas properties	116	260	(55)
Repayment of non-shareable oil liabilities and penalties	–	(171)	n.m.
Reversal of provision for amount due from associate	(1,345)	–	n.m.
Amortisation of intangible assets	173	173	–
Share of losses of associates	21	39	(46)

*n.m.: not meaningful*



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## 1(b) Statement of financial position (for the issuer and group) as at the end of the immediately preceding year.

	Group		Company	
	31 Mar 2016 (Unaudited) US\$'000	31 Dec 2015 (Audited) US\$'000	31 Mar 2016 (Unaudited) US\$'000	31 Dec 2015 (Audited) US\$'000
<b>Non-current assets</b>				
Oil and gas properties	7,147	7,263	–	–
Property, plant and equipment	492	467	66	68
Intangible assets	7,137	7,310	–	–
Investment in subsidiaries	–	–	17	17
Investment in associates	2,687	2,708	–	–
Amount due from subsidiaries	–	–	30,543	30,353
Amounts due from associates	–	–	–	–
Pledged fixed deposit	2,501	2,501	–	–
	19,964	20,249	30,626	30,438
<b>Current assets</b>				
Inventories	166	43	–	–
Trade and other receivables	1,498	1,403	151	144
Prepayment	191	135	11	12
Amounts due from subsidiaries	–	–	3,861	3,919
Amounts due from associates	946	943	–	–
Cash and short-term deposits	3,749	3,522	2,296	1,718
	6,550	6,046	6,319	5,793
<b>Current liabilities</b>				
Trade and other payables	7,723	7,356	2,339	2,156
Accrued operating expenses	1,071	1,183	90	110
Amounts due to subsidiaries	–	–	1,813	1,983
Income tax payable	128	186	–	–
	8,922	8,725	4,242	4,249
<b>Net current (liabilities)/assets</b>	(2,372)	(2,679)	2,077	1,544
<b>Non-current liabilities</b>				
Provision for decommissioning of wells	555	539	–	–
Deferred tax liabilities	9	9	–	–
	564	548	–	–
<b>Net assets</b>	17,028	17,022	32,703	31,982
<b>Equity attributable to owners of the Company</b>				
Share capital	81,249	81,249	81,249	81,249
Accumulated losses	(61,473)	(61,881)	(45,849)	(46,901)
Other reserves	(2,223)	(1,842)	(2,697)	(2,366)
	17,553	17,526	32,703	31,982
<b>Non-controlling interests</b>	(525)	(504)	–	–
<b>Total equity</b>	17,028	17,022	32,703	31,982



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**1(c) Borrowings and debt securities (for the group) – as at the end of the immediately preceding year**

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

As at 31 March 2016		As at 31 December 2015	
Secured (Unaudited & Restated) US\$'000	Unsecured (Unaudited & Restated) US\$'000	Secured (Audited) US\$'000	Unsecured (Audited) US\$'000
Nil	Nil	Nil	Nil

**Amount repayable after one year:**

As at 31 March 2016		As at 31 December 2015	
Secured (Unaudited & Restated) US\$'000	Unsecured (Unaudited & Restated) US\$'000	Secured (Audited) US\$'000	Unsecured (Audited) US\$'000
Nil	Nil	Nil	Nil

**1(d) Statement of cash flows (for the group) – corresponding period of the immediately preceding year**

	Group	
	1Q2016 31 Mar 2016 (Unaudited) US\$'000	1Q2015 31 Mar 2015 (Unaudited) US\$'000
	<b>Cash flows from operating activities</b>	
Income/(loss) before income tax	387	(1,347)
<b>Adjustments for:</b>		
Interest expenses	16	14
Interest income	(23)	(6)
Depreciation of property, plant and equipment	32	22
Depreciation of oil and gas properties	116	260
Amortisation of intangible assets	173	173
Repayment of non–shareable oil liabilities and penalties	–	(171)
Share of losses of associates	21	39
Reversal of provision for amount due from an associate	(1,345)	–
Unrealised exchange loss	857	–
<b>Operating cash flows before working capital changes</b>	<b>234</b>	<b>(1,016)</b>



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**1(d) Statement of cash flows (for the group) – corresponding period of the immediately preceding year. (Cont'd)**

	Group	
	1Q2016 31 Mar 2016 (Unaudited) US\$'000	1Q2015 31 Mar 2015 (Unaudited) US\$'000
	<u>Changes in working capital</u>	
Increase in inventories	(123)	–
(Increase)/decrease in trade and other receivables and prepayments	(151)	128
Increase/(decrease) in trade and other payables	213	(767)
<b>Cash generated from/(used in) operations</b>	<b>173</b>	<b>(1,655)</b>
Interest received	23	6
<b>Cash flows generated from/(used in) operating activities</b>	<b>196</b>	<b>(1,649)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(56)	(197)
(Usage of)/additions to spare parts	(3)	50
<b>Cash flows used in investing activities</b>	<b>(59)</b>	<b>(147)</b>
<b>Financing activities</b>		
Increase in amounts due from associates	(3)	(107)
<b>Cash flows used in from financing activities</b>	<b>(3)</b>	<b>(107)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>134</b>	<b>(1,903)</b>
Effects of exchange rate changes on balances held in foreign currencies	93	45
Cash and cash equivalents at beginning of the period	3,522	12,627
<b>Cash and cash equivalents at end of the period (Note 1)</b>	<b>3,749</b>	<b>10,769</b>

**Note 1:**

Cash and cash equivalents consist of:

	The Group	
	31 Mar 2016 US\$'000	31 Mar 2015 US\$'000
Cash at banks and on hand	3,749	10,769
Short-term deposits and cash pledged	2,501	2,501
Total cash, bank balances and fixed deposit	6,250	13,270
Less: fixed deposits and cash pledged	(2,501)	(2,501)
Cash and cash equivalents	<u>3,749</u>	<u>10,769</u>



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**1(e) Changes in equity (for the issuer and group) – corresponding period of the immediately preceding year.**

The Group	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Merger reserve	Statutory/equity reserves	Foreign exchange reserve	Accumulated losses	Equity attributable to owners of the Company		
	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'00	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000
At 1 January 2015	81,249	763	467	(1,998)	(29,854)	50,627	(341)	50,286
Total comprehensive loss for the period	–	–	–	(297)	(1,327)	(1,624)	(23)	(1,647)
At 31 March 2015	81,249	763	467	(2,295)	(31,181)	49,003	(364)	48,639

The Group	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Merger reserve	Statutory/equity reserves	Foreign exchange reserve	Accumulated losses	Equity attributable to owners of the Company		
	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000	(Unaudited) US\$'000
At 1 January 2016	81,249	763	467	(3,072)	(61,881)	17,526	(504)	17,022
Total comprehensive income / (loss) for the period	–	–	–	(381)	408	27	(21)	6
At 31 March 2016	81,249	763	467	(3,453)	(61,473)	17,553	(525)	17,028



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**1(e) Changes in equity (for the issuer and group) – corresponding period of the immediately preceding year. (Cont'd)**

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	–	–	(304)	(264)	(568)
<b>At 31 March 2015</b>	<b>81,249</b>	<b>467</b>	<b>(1,559)</b>	<b>(25,861)</b>	<b>54,296</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 2016</b>	<b>81,249</b>	<b>467</b>	<b>(2,833)</b>	<b>(46,901)</b>	<b>31,982</b>
Total comprehensive income / (loss) for the period	–	–	(331)	1,052	721
<b>At 31 March 2016</b>	<b>81,249</b>	<b>467</b>	<b>(3,164)</b>	<b>(45,849)</b>	<b>32,703</b>

**1(f) Changes in issuer's share capital (for the issuer) – since the end of the previous period reported on.**

As at 31 March 2016, the issuer's share capital reported is at US\$81.249 million (unaudited).



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- 1(g) Number of shares that may be issued on conversion of all outstanding convertibles – corresponding period of immediately preceding year.**

As at 31 March 2016, the Company has no outstanding convertible loan.

- 1(h) Number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer – corresponding period of immediately preceding year.**

	As at 31 Mar 2016	As at 31 Mar 2015
Total number of issued shares excluding treasury shares	119,012,238	1,190,122,448

There was a share consolidation exercise as at 12 May 2015, which resulted in every 10 issued ordinary shares consolidated into 1 issued ordinary share.

- (a) 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 31 March 2016 and end of last financial year, the number of issued ordinary shares excluding treasury shares for the Company was at 119,012,238 after the share consolidation exercise was completed on 13 May 2015.

- (b) 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. If the issuer has granted options or shares under its share scheme during the year, please confirm that an SGXNET announcement has been made on the date of the offer as well as details of the grant in accordance with Rule 704(29).**

As at 31 March 2016, the Company does not have treasury shares.

There are no options or shares granted under its share scheme during the period ended 31 March 2016.

- 2. Please state whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed.**

The figures as at 31 March 2016 have neither been audited nor reviewed by the Company's auditors.

- 3. If the figures have been audited or reviewed, please provide a statement on whether there are any qualifications or emphasis of a matter.**

Not applicable.

- 4. Please state whether the same accounting policies and method of computation as the issuer's most recently audited financial statements have been followed.**

The accounting policies and methods of computation as per the most recently audited financial statements have been consistently followed in this Q1 2016 financials and its comparatives figures.





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5. **If there have been any changes in the accounting policies and method of computation from the most recently audited financial statements, please make adequate disclosure and state the reasons for and 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 2016. The adoption of the new accounting standards do not have any effect on the financial results of the Group and the Company.

6. **Earnings per share: - calculation is based on both a weighted average and fully diluted basis.**

	Q1 2016 31 March 2016	Q1 2015 31 March 2015
	(Unaudited)	(Unaudited)
<b>Earnings / (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)	0.34	(1.12)
Fully diluted (US\$ cents)	0.34	(1.12)
<b>Basic earnings/(loss) per share were based on:</b>		
Net income / (loss) for the period (US\$'000)	408	(1,327)
	No. of shares	No. of shares
Weighted average number of ordinary shares for fully diluted earnings per share computation	119,012,238	119,012,238

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

7. **Net asset value per share: - calculation is based on issued share capital as at the end of the current period and the immediately preceding financial year.**

	Group		Company	
	31 March 2016 (Unaudited)	31 December 2015 (Audited)	31 March 2016 (Unaudited)	31 December 2015 (Audited)
Net assets value per ordinary share (US\$ cents)	14.75	14.73	27.48	26.87
Net assets value (US\$'000)	17,553	17,526	32,703	31,982
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.



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

8. A review of the performance for the group, to the extent necessary for a reasonable understanding of the group's business. In particular, please include a discussion of significant factors affecting the turnover, costs and earnings; and material factors affecting the cash flow, working capital, assets or liabilities of the group during the current period reported on.

### (A) INCOME STATEMENT/STATEMENT OF COMPREHENSIVE INCOME

#### Turnover Analysis

Revenue (US\$'000)	1Q2016 (Unaudited)	1Q2015 (Unaudited)	Change %
Oilfield services	–	242	<i>n.m.</i>
Exploration and Production (E&P)	123	305	(60)
<b>Total revenue</b>	<b>123</b>	<b>547</b>	<b>(78)</b>

Total revenue for the Group reported was US\$0.12 million for the period ended 31 March 2016.

Given the impairment of CPHL (Cambodia) Co., Ltd in 2015, there is no reasonable expectations that future economic benefits from technical oilfield services performed by its subsidiary for the associate would flow into the Group. Therefore, such revenue arising from oilfield services has not been recognized since the beginning of this period; and shall remain as such until a positive decision from the Cambodian authorities can be ascertained or upon collection.

With the NSO shortfall at Kampung Minyak Oil Field (“KM Field”) fully repaid since April 2015, there shall be no shortfall revenue accounted for over and above the incremental oil revenue.

In addition, the macroeconomic oil glut and the substantial dip in oil prices in the early part of 2016 led the Indonesia Crude Price (ICP) to sink towards an “all-time” quarter average low of US\$28.80 per barrel versus US\$48.46 per barrel in 1Q2015. The unfavorable price alongside the lower production volume have had profound negative effects on its overall E&P revenue for the period. Amidst the lackluster environment for the industry, in particular when monthly ICP was below US\$30.00 per barrel in the first 2 months of this year, KM Field has also responded proactively with a delay approach on its reopening program while awaiting for a more opportune time.

#### Costs and Earnings Analysis

Other income relates mainly to interest income which increased by US\$0.02 million was accrued as earned from cash pledged as well as fixed deposit placements.

Production expenses was 30% or US\$0.17 million lower in 1Q2016 in comparison with same period last year. With the sharp decline in oil prices in January 2016, even more conscientious efforts have been put in to realign its input against the value of its output. Some expenses relating to firm commitments pursuant to our contractual obligations such as reopening of old wells have been delayed, while at the same time, regular well servicing activities are in place to maintain the minimum output to meet the baselines.

Alongside the evolution of the MOG business landscape over the last year, some costs restructuring were imminent to be in place subsequent to Q12015. Furthermore, the curtailment of additional wages payouts in 1Q2016 due to the present market condition have jointly resulted in the lower staff cost by US\$0.19 million or 27%, in comparison with the same reporting period in the previous year. Such payouts in early 2015 accounted for US\$0.13 million.



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The decrease in the depreciation of oil and gas properties was in part due to a reduction in production volume. As such, depreciation and amortisation decreased by US\$0.13 million or 29% for 1Q2016 in comparison with 1Q2015.

Other expenses reported a credit balance of US\$0.14 million due mainly to unrealised exchange gain. This gain alone is about US\$0.18 million higher than same time last year; and collectively with the reduction in office running costs, office rental, travelling expenses as well as legal & professional expenses, a significant reduction by about US\$0.29 million in this reporting period versus the previous one.

In view of a collection from CPHL (Cambodia) Co., Limited (“CPHLC”) during Q12016, there was a reversal of the provision at US\$1.34 million on the amount due from the associate previously provided for.

The finance costs represented the accretion of asset restoration obligations for 10 new wells annually of which their costs are discounted back to present value. Even though there is a 14% increase in Q12016 as opposed to Q12015, the value of US\$0.002 million is insignificant.

The share of losses on associate reported at US\$0.21 million for Q12016 are wholly contributed by Gunung Indah Lestari Limited, which principally engages in exploration and production activities for Oil and Gas.

As a result of all the above, the net income attributable to equity holders of the Company was approximately US\$0.41 million for Q12016 as compared to the net loss of US\$1.33 million for Q12015.

### **(B) BALANCE SHEET/STATEMENT OF FINANCIAL POSTION**

#### **Assets & Liabilities**

For the current assets of the Group as at 31 March 2016, they increased by US\$0.50 million as compared to 31 December 2015 mainly contributed from net increase in cash and short-term deposits as well as stocking up of oilfield-related inventories by US\$0.23 million and US\$0.12 million respectively. Trade and other receivables also increased by US\$0.10 million mainly arising from VAT receivables in our Indonesian subsidiaries.

As for the liabilities of the Group as at 31 March 2016, there were no major variances for current liabilities other than the trade and other payables due mainly to operational requirements. In regards to non-current liabilities, there are some additional provisions for decommissioning of wells by about US\$0.02 million in comparison with 31 December 2015.

The non-current assets, as at 31 March 2016, for the Group decreased by US\$0.29 million in comparison with 31 December 2014. The reduction are mainly due to additions and depreciation of the fixed and intangible assets as well as losses from associates (written off against investment) at US\$0.26 million and US\$0.02 million respectively.



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**(C) CASHFLOW STATEMENT/STATEMENT OF CASHFLOWS**

**Cash Flow & Working Capital**

	Q12016 (Unaudited)  (US\$'000)	Q12015 (Unaudited)  (US\$'000)
Cash generated from / (used in) operating activities	196	(1,649)
Cash used in investing activities	(59)	(147)
Cash used in financing activities	(3)	(107)
Net increase / (decrease) in cash and cash equivalents	134	(1,903)
Effect of exchange rate changes on cash and cash equivalents	93	45
Cash and cash equivalents at beginning of period	3,522	12,627
Cash and cash equivalents at end of period	3,749	10,769

As a summary, the cash and cash equivalent position (inclusive of exchange effects) saw a net increase of US\$0.23 million for Q12016.

The net cash inflow of approximately US\$0.20 million in operating activities was mainly arising from the net gain and working capital changes. Working capital changes include US\$0.15 million increase in trade, other receivables, prepayments and inventories as well as inventories by US\$0.12 million. These outflows were offset by trade and other payables, which saw an increase by US\$0.21 million.

Cash flow used in investing activities was due to additions of oilfield equipment.

Cash flow used in financing activities arose mainly from increase in amounts owing from Gunung Indah Lestari Limited.

**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 31 March 2016 amounted to US\$3.66 million. This was after a repayment of temporary loan for US\$1.45 million from CPHLC in Q12016. The list below summarises the usage of these proceeds and they are generally in accordance with the purpose on the placement and convertible loans.

	<b>US\$ million</b>
Net proceeds from drawdown of placement and loans	<b>37.46</b>
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	0.94
Exploration, drilling and testing activities at KM Field	5.23
Working capital (staff/office cost, production costs)	6.80
Capital expenditure at KM Field	0.39
<b>Balance as at 31 March 2016</b>	<b><u>3.66</u></b>

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

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



- 10. A commentary of the competitive conditions of the industry in which the group operates and any known factors that might affect the group in the next reporting period and the next 12 months.**

KM Oil Field

Due to heavy rainfalls as well as the exceptionally low oil prices in Q12016, there was a slowdown in the reopening of old wells. There were 7 old wells reopened and the focus remain on ensuring improving well servicing, with no plans to drill new wells given the current oil price environment. The Pilot Water Flood program is into its final phase and set for commissioning by later half of Q22016, which shall then be put on an evaluation period for 6 months regarding its production output and its capacities.

Meanwhile, the Group remains engaged in consolidating the KM Field operations so as to contain its operational costs and to enhance its production capacity. This is also in preparation for the opportune time for an effective and efficient “take-off” when oil prices resume to an acceptable level.

Oil field services and trading

The market conditions surrounding declining oil prices had many E&P companies shelving their drilling plans, and this had impacted the development of its subsidiary, UniTEQ. The operating costs for UniTEQ continue to be downsized whilst the Group keeping an aggressive lookout for available business opportunities through its executive director, Chu Ming, a veteran in the Oil & Gas industry. These are now advancing into partnering opportunities beyond the existing countries that the Group already has its current presence. These pipelines have seen some progresses in Q12016.

Notwithstanding that, Group is still actively assessing the development of oil trading and other related activities through Acrux Procurement (Singapore) Pte. Ltd amidst the fluctuating market prices.

PT. Prima Petroleum Service (formerly known as PT. Kampung Minyak Energy), a subsidiary as an Oil & Gas service company witnessed some traction with its transformation from an operating entity last year, will continue to actively capture some market share in this arena as a service company in Indonesia for this year.

Cambodia Block D

Given the increasing uncertainties surrounding the Cambodian authorities’ approval on our proposal to embark on the exploration phase on Block D, and following the Managements’ decision to make a provision for its investment as well as amount of receivables due from CPHLC in Q42015 results announcement, developments in this matter has since been at a standstill during Q12016.

However on 28<sup>th</sup> April 2016, a response letter from Ministry of Mines and Energy (“MME”). MME that formally terminated the Petroleum Agreement of Block D with immediate effect was received. However, it has also indicated that they would hold Block D for CPHLC for a six month period and will not allow any other investor to bid on Block D. CPHLC will be given priority to apply for a new petroleum agreement for Block D under certain terms and conditions, including that of getting new investment partner(s) to bid under a joint venture.

The Management will revisit this given the new level playing field set by MME and will provide further updates on any relevant and available developments.



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11. **If a decision regarding dividend has been made, the required information has been disclosed.**

	(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 dividends has been declared or recommended for the period ended 31 March 2016.

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.

**Additional Disclosure Required for Mineral, Oil and Gas Companies admitted for listing pursuant to Rules 210(8) and 210(9):**

**Rule 705(7) of the Mainboard Listing Rules – if the Issuer has made an announcement on the use of funds/cash for the quarter and a projection on the use of funds/cash for the next immediate quarter, including material assumptions within 45 days after the relevant financial period.**

*(a) Details of exploration (including geophysical surveys), development and/or production activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity recently, that fact must be stated.*

The funds / cash for Q12016 were mainly used for the following activities:-

Purpose	Amount (US\$ million)
Exploration, drilling and testing activities at Kampung Minyak Oil Field	–
Working capital	0.67
Capital expenditure at KM Field	0.39
Total	1.06

There are no funds utilized for the purpose of exploration, drilling and testing activities at KM field other than for working capital purposes and capital expenditure in Q1 2016.

There was however a new category of capital expenditure for KM Field funded out of the cash-in-advance ("CIA") account, which should have been accounted for; while the rest are quite in line with the projection for the same period. The capital expenditure was meant for purchase of 10 pumping units that are wholly and exclusively used for their production purposes.

For working capital, the amount spent is slightly above the earlier projected US\$0.65 million due in part to the instalment payment for prior years Operational & Maintenance cost-sharing from Pertamina EP.



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

The usage of funds / cash for exploration activities and others for the next immediate quarter (i.e. Period from 1 April 2016 to 30 June 2016) including are expected to be as follows:-

<b>Purpose</b>	<b>Amount (US\$ million)</b>
Exploration, drilling and testing activities at Kampung Minyak Oil Field	0.10
Working capital	0.65
Capital expenditure at KM Field	0.14
Total	0.89

(b) *An update on its reserves and resources, where applicable. In accordance with the requirements as 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.

A certification from an independent party dated 9<sup>th</sup> March 2016 that there are no material changes in our reserves and resources since the last QPR has been obtained and furnished. However, SGX in their recent queries now require a full report to be commissioned and the Management is currently in the midst of arranging per their request as soon as possible.

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 pursuant for Rules 705(6) and 705(7)

**14. In the case of an announcement of interim financial statement (quarterly or half-yearly), the issuer's directors must that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false and misleading, in the material aspect.**

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 first quarter of 2016 and the three months ended 31 March 2016 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**

**10 May 2016**