

LOYZ ENERGY LIMITED

Registration No. 199905693M

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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER ENDED  
31 MARCH 2017**

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*This announcement has been prepared by Loyz Energy Limited (the "Company") and its contents have been reviewed by the Company's sponsor (the "Sponsor"), ZICO Capital Pte. Ltd., for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income	Unaudited 3Q FY2017 <sup>1</sup> US\$'000	Unaudited 3Q FY2016 <sup>2</sup> US\$'000	Change %	Unaudited 9M FY2017 <sup>3</sup> US\$'000	Unaudited 9M FY2016 <sup>4</sup> US\$'000	Change %
Revenue	2,410	1,805	34	7,397	8,198	(10)
Cost of sales	(978)	(1,142)	(14)	(3,038)	(3,904)	(22)
Gross profit	1,432	663	116	4,359	4,294	2
<i>Other items of income</i>						
Interest income	34	3	NM <sup>5</sup>	69	15	360
Other income	153	15	NM <sup>5</sup>	1,120	25	NM <sup>5</sup>
<i>Other items of expense</i>						
Administrative expenses	(394)	(626)	(37)	(1,215)	(2,571)	(53)
Finance costs	(77)	(134)	(43)	(327)	(399)	(18)
Other expenses	(164)	(344)	(52)	(638)	(868)	(26)
Other charges	(66)	(22,803)	(100)	(56)	(23,967)	(100)
Profit/(loss) before income tax	918	(23,226)	NM <sup>5</sup>	3,312	(23,471)	NM <sup>5</sup>
Income tax expense	(619)	(131)	373	(1,843)	(1,512)	22
<b>Profit/(loss) for the financial period</b>	299	(23,357)	NM <sup>5</sup>	1,469	(24,983)	NM <sup>5</sup>
<b>Other comprehensive income:</b>						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Currency translation differences arising from consolidation	(24)	(17)	41	(149)	430	NM <sup>5</sup>
Other comprehensive (loss)/income for the financial period, net of tax	(24)	(17)	41	(149)	430	NM <sup>5</sup>
<b>Total comprehensive income/(loss) for the financial period</b>	275	(23,374)	NM <sup>5</sup>	1,320	(24,553)	NM <sup>5</sup>
<b>Profit/(loss) attributable to:</b>						
Equity holders of the Company	306	(18,186)	NM <sup>5</sup>	1,435	(19,400)	NM <sup>5</sup>
Non-controlling interests	(7)	(5,171)	(100)	34	(5,583)	NM <sup>5</sup>
	299	(23,357)	NM <sup>5</sup>	1,469	(24,983)	NM <sup>5</sup>
<b>Total comprehensive income/(loss) attributable to:</b>						
Equity holders of the Company	539	(18,196)	NM <sup>5</sup>	1,507	(19,178)	NM <sup>5</sup>
Non-controlling interests	(264)	(5,178)	(95)	(187)	(5,375)	(97)
	275	(23,374)	NM <sup>5</sup>	1,320	(24,553)	NM <sup>5</sup>

<sup>1</sup> "3Q FY2017": Period from 1 January 2017 to 31 March 2017

<sup>2</sup> "3Q FY2016": Period from 1 January 2016 to 31 March 2016

<sup>3</sup> "9M FY2017": Period from 1 July 2016 to 31 March 2017

<sup>4</sup> "9M FY2016": Period from 1 July 2015 to 31 March 2016

<sup>5</sup> "NM": Not Meaningful

**1(a)(ii) Notes to Consolidated Statement of Comprehensive Income**

	Unaudited 3Q FY2017 US\$'000	Unaudited 3Q FY2016 US\$'000	Unaudited 9M FY2017 US\$'000	Unaudited 9M FY2016 US\$'000
<b>Other income</b>				
Foreign exchange gain, net	-	-	192	-
Net gain on settlement of bond receivable	-	-	755	-
Other income	153	15	173	25
	153	15	1,120	25
<b>Finance costs</b>				
Interest expense	(77)	(134)	(327)	(399)
<b>Other charges</b>				
Foreign exchange loss, net	(66)	(170)	-	(1,056)
Other property, plant and equipment written off	-	-	(17)	-
Loss on disposal of other property, plant and equipment	-	(1)	-	(3)
Impairment loss on exploration, evaluation and development assets	-	(10,514)	-	(10,514)
Prepayment written off	-	(2,830)	-	(2,830)
Impairment loss on available-for-sale financial assets	-	(7,289)	-	(7,289)
Impairment loss on goodwill	-	(1,500)	-	(1,500)
Impairment loss on intangible assets	-	(499)	-	(499)
Write off of inventories	-	-	-	(205)
Allowance for inventories obsolescence	-	-	(39)	(39)
Write off of other assets	-	-	-	(32)
	(66)	(22,803)	(56)	(23,967)
<b>Others</b>				
Amortisation of intangible assets	-	4	2	12
Depreciation of other property, plant and equipment	20	33	66	116
Depletion of oil and gas properties	471*	556*	1,467*	1,826*

\* Included in Cost of sales

**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		
	Unaudited 31-Mar-17 US\$'000	Unaudited 31-Dec-16 US\$'000	Audited 30-Jun-16 US\$'000	Unaudited 31-Mar-17 US\$'000	Unaudited 31-Dec-16 US\$'000	Audited 30-Jun-16 US\$'000
<b>Statements of Financial Position</b>						
<b>ASSETS</b>						
Non-Current Assets:						
Exploration, evaluation and development assets	19,926	19,926	19,926	-	-	-
Oil and gas properties	62,103	60,979	60,511	-	-	-
Other property, plant and equipment	1,496	1,522	1,563	-	-	-
Investments in subsidiaries	-	-	-	69,481	69,579	69,836
Intangible assets	26,469	26,469	26,471	-	-	-
Bond receivable	460	426	-	-	-	-
Other receivables	-	-	-	2,137	2,130	-
<b>Total Non-Current Assets</b>	<b>110,454</b>	<b>109,322</b>	<b>108,471</b>	<b>71,618</b>	<b>71,709</b>	<b>69,836</b>
Current Assets:						
Inventories	2,305	2,302	2,350	-	-	-
Trade and other receivables	1,685	1,158	1,245	-	-	2,089
Other assets	637	575	755	71	-	-
Bond receivable	-	-	2,627	-	-	-
Prepayments	848	863	1,011	761	814	931
Cash and cash equivalents	2,914	3,007	2,461	12	15	621
<b>Total Current Assets</b>	<b>8,389</b>	<b>7,905</b>	<b>10,449</b>	<b>844</b>	<b>829</b>	<b>3,641</b>
<b>Total Assets</b>	<b>118,843</b>	<b>117,227</b>	<b>118,920</b>	<b>72,462</b>	<b>72,538</b>	<b>73,477</b>
<b>EQUITY AND LIABILITIES</b>						
Equity:						
Capital and reserves attributable to equity holders of the Company						
Ordinary shares	124,343	115,722	115,440	124,343	115,722	115,440
Reserves	2,123	1,852	2,753	694	656	1,396
Accumulated losses	(87,542)	(87,848)	(89,741)	(52,677)	(52,408)	(52,259)
	38,924	29,726	28,452	72,360	63,970	64,577
Non-controlling interests	(10,797)	(10,533)	(10,610)	-	-	-
<b>Total Equity</b>	<b>28,127</b>	<b>19,193</b>	<b>17,842</b>	<b>72,360</b>	<b>63,970</b>	<b>64,577</b>
Non-Current Liabilities:						
Bank borrowings	20,241	20,523	19,317	-	-	-
Finance lease payables	41	43	55	-	-	-
Other payable	23,475	24,396	23,844	-	-	-
Deferred tax liabilities	37,223	36,850	36,971	-	-	-
<b>Total Non-Current Liabilities</b>	<b>80,980</b>	<b>81,812</b>	<b>80,187</b>	<b>-</b>	<b>-</b>	<b>-</b>
Current Liabilities:						
Current income tax payable	1,990	1,691	1,146	-	-	-
Trade and other payables	5,020	11,890	15,405	102	8,568	8,900
Bank borrowings	2,710	2,625	4,323	-	-	-
Finance lease payables	15	15	16	-	-	-
Other liabilities	1	1	1	-	-	-
<b>Total Current Liabilities</b>	<b>9,736</b>	<b>16,222</b>	<b>20,891</b>	<b>102</b>	<b>8,568</b>	<b>8,900</b>
<b>Total Liabilities</b>	<b>90,716</b>	<b>98,034</b>	<b>101,078</b>	<b>102</b>	<b>8,568</b>	<b>8,900</b>
<b>Total Equity and Liabilities</b>	<b>118,843</b>	<b>117,227</b>	<b>118,920</b>	<b>72,462</b>	<b>72,538</b>	<b>73,477</b>

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

Amount repayable in one year or less, or on demand

As at 31 Mar 2017 (US\$'000)		As at 30 Jun 2016 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
2,180	545	3,816	7,947

Amount repayable after one year

As at 31 Mar 2017 (US\$'000)		As at 30 Jun 2016 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
20,282	-	19,372	-

Details of any collaterals

**Finance lease**

The finance lease of the Group is secured by a motor vehicle under the finance lease agreement. The motor vehicle was purchased by a subsidiary of the Company, Loyz Oil Pte. Ltd. ("**Loyz Oil**").

**Term loan**

During the financial year ended 30 June 2014, Loyz Oil drew down US\$32.0M pursuant to the term loan from OCBC Bank to finance the acquisition of petroleum interests held by Carnarvon Thailand Limited. The loan is secured by pledges of shares in Loyz Oil Thailand Pte. Ltd. ("**Loyz Thai**"), Loyz Oil's cash balances in the accounts maintained with and as designated by OCBC Bank, all earnings and other cash flow of Loyz Thai, as well as corporate guarantees by the Company, Loyz Thai and the substantial shareholder of the Company, Jit Sun Investments Pte. Ltd. ("**Jit Sun**").

**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.**

<b>Consolidated Statement of Cash Flows</b>	<b>Unaudited 3Q FY2017 US\$'000</b>	<b>Unaudited 3Q FY2016 US\$'000</b>	<b>Unaudited 9M FY2017 US\$'000</b>	<b>Unaudited 9M FY2016 US\$'000</b>
<b>Operating activities</b>				
Profit/(loss) before income tax	918	(23,226)	3,312	(23,471)
Adjustments for:				
Amortisation of intangible assets	-	4	2	12
Net gain on settlement of bond receivable	-	-	(755)	-
Depreciation of other property, plant and equipment	20	33	66	116
Depletion of oil and gas properties	471	556	1,467	1,826
Impairment loss on exploration, evaluation and development assets	-	10,514	-	10,514
Impairment loss on available-for-sale financial assets	-	7,289	-	7,289
Impairment loss on goodwill	-	1,500	-	1,500
Impairment loss on intangible assets	-	499	-	499
Prepayment written off	-	2,830	-	2,830
Write off of inventories	-	-	-	205
Allowance for inventories obsolescence	-	-	39	39
Write off of other assets	-	-	-	32
Loss on disposal of other property, plant and equipment	-	1	-	3
Other property, plant and equipment written off	-	-	17	-
Share-based payment expenses	38	16	103	399
Reversal of share options	-	(1)	(1)	(82)
Interest income	(34)	(3)	(69)	(15)
Interest expense	77	134	327	399
Operating cash flows before working capital changes	1,490	146	4,508	2,095
Working capital changes:				
Inventories	(3)	36	6	99
Trade and other receivables	(527)	37	(601)	1,841
Other assets	(62)	(31)	118	283
Prepayments	(7)	6	98	141
Trade and other payables	520	(678)	99	(1,264)
Cash generated from/(used in) operations	1,411	(484)	4,228	3,195
Interest received	4	3	8	15
Income tax paid	-	-	(800)	(2,671)
Net cash generated from/(used in) operating activities	1,415	(481)	3,436	539
<b>Investing activities</b>				
Purchase of other property, plant and equipment	(8)	(25)	(45)	(97)
Additions to oil and gas properties	(1,309)	(1,080)	(2,098)	(3,148)
Purchase of exploration, evaluation and development assets	-	-	-	(27)
Net cash used in investing activities	(1,317)	(1,105)	(2,143)	(3,272)
<b>Financing activities</b>				
Interest paid	(30)	(63)	(87)	(171)
Short-term loans	-	149	-	149
Repayment of short-term loans	(1)	-	(3)	-
Repayment of finance lease payables	(5)	(4)	(15)	(27)
Repayment of bank borrowings	(225)	(775)	(720)	(2,700)
Net cash used in financing activities	(261)	(693)	(825)	(2,749)
Net change in cash and cash equivalents	(163)	(2,279)	468	(5,482)
Foreign currency translation adjustments	70	25	(15)	432

Cash and cash equivalents at beginning of financial period	3,007	4,383	2,461	7,179
Cash and cash equivalents at end of financial period	*2,914	*2,129	*2,914	*2,129

\*Included in cash and cash equivalents are cash balances pledged to the banks, amounting to US\$0.2M for 3Q FY2017 and 9M FY2017 and US\$0.9M for 3Q FY2016 and 9M FY2016, in relation to loan/bank overdraft taken up.

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity Group	Ordinary shares US\$'000	Deemed capital contribution US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Accumulated losses US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance as at 1 July 2016	115,440	2,103	789	(139)	(89,741)	28,452	(10,610)	17,842
<b>Profit for the financial period</b>	-	-	-	-	1,129	1,129	41	1,170
<b>Other comprehensive (loss)/income for the period:</b> Currency translation differences arising from consolidation	-	-	-	(161)	-	(161)	36	(125)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	(161)	1,129	968	77	1,045
Issue of shares	242	-	-	-	-	242	-	242
Grant of share options/awards to employees	-	-	65	-	-	65	-	65
Share awards exercised	40	-	(40)	-	-	-	-	-
Share options/awards cancelled	-	-	(765)	-	764	(1)	-	(1)
Balance as at 31 December 2016	115,722	2,103	49	(300)	(87,848)	29,726	(10,533)	19,193
Balance as at 1 January 2017	115,722	2,103	49	(300)	(87,848)	29,726	(10,533)	19,193
<b>Profit/(loss) for the financial period</b>	-	-	-	-	306	306	(7)	299
<b>Other comprehensive income/(loss) for the period:</b> Currency translation differences arising from consolidation	-	-	-	233	-	233	(257)	(24)
<b>Total comprehensive income/(loss) for the financial period</b>	-	-	-	233	306	539	(264)	275
Issue of shares	8,621	-	-	-	-	8,621	-	8,621
Grant of share options/awards to employees	-	-	38	-	-	38	-	38
Balance as at 31 March 2017	124,343	2,103	87	(67)	(87,542)	38,924	(10,797)	28,127



1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

<b>Statement of Changes in Equity</b>	<b>Ordinary shares</b>	<b>Deemed capital contribution</b>	<b>Share option/ award reserve</b>	<b>Foreign currency translation account</b>	<b>Accumulated losses</b>	<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
<b>Group</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Balance as at 1 July 2015	110,554	2,103	2,633	(470)	(71,671)	43,149	(5,226)	37,923
<b>Loss for the financial period</b>	-	-	-	-	(1,214)	(1,214)	(412)	(1,626)
<b>Other comprehensive income for the period:</b>								
Currency translation differences arising from consolidation	-	-	-	232	-	232	215	447
<b>Total comprehensive income/(loss) for the financial period</b>	-	-	-	232	(1,214)	(982)	(197)	(1,179)
Share awards exercised	666	-	(666)	-	-	-	-	-
Grant of share options/awards to employees	-	-	383	-	-	383	-	383
Share options/awards cancelled	-	-	(1,283)	-	1,202	(81)	-	(81)
Balance as at 31 December 2015	111,220	2,103	1,067	(238)	(71,683)	42,469	(5,423)	37,046
Balance as at 1 January 2016	111,220	2,103	1,067	(238)	(71,683)	42,469	(5,423)	37,046
<b>Loss for the financial period</b>	-	-	-	-	(18,186)	(18,186)	(5,171)	(23,357)
<b>Other comprehensive loss for the period:</b>								
Currency translation differences arising from consolidation	-	-	-	(10)	-	(10)	(7)	(17)
<b>Total comprehensive loss for the financial period</b>	-	-	-	(10)	(18,186)	(18,196)	(5,178)	(23,374)
Issue of shares	599	-	-	-	-	599	-	599
Share options/awards cancelled	-	-	(18)	-	17	(1)	-	(1)
Grant of share options/awards to employees	-	-	16	-	-	16	-	16
Balance as at 31 March 2016	111,819	2,103	1,065	(248)	(89,852)	24,887	(10,601)	14,286

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

Statement of Changes in Equity					
Company	Ordinary shares US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 July 2016	115,440	789	607	(52,259)	64,577
<b>Loss for the financial period, representing total comprehensive loss for the financial period</b>	-	-	-	(393)	(393)
Issue of shares	242	-	-	-	242
Share awards exercised	40	(40)	-	-	-
Grant of share options/awards to employees	-	65	-	-	65
Share options/awards cancelled	-	(765)	-	244	(521)
Balance at 31 December 2016	115,722	49	607	(52,408)	63,970
Balance at 1 January 2017	115,722	49	607	(52,408)	63,970
<b>Loss for the financial period, representing total comprehensive loss for the financial period</b>	-	-	-	(269)	(269)
Issue of shares	8,621	-	-	-	8,621
Grant of share options/awards to employees	-	38	-	-	38
Balance at 31 March 2017	124,343	87	607	(52,677)	72,360

Statement of Changes in Equity					
Company	Ordinary shares US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 July 2015	110,554	2,633	607	(47,516)	66,278
<b>Loss for the financial period, representing total comprehensive loss for the financial period</b>	-	-	-	(410)	(410)
Share awards exercised	666	(666)	-	-	-
Grant of share options/awards to employees	-	383	-	-	383
Share options/awards cancelled	-	(1,283)	-	-	(1,283)
Balance at 31 December 2015	111,220	1,067	607	(47,926)	64,968
Balance at 1 January 2016	111,220	1,067	607	(47,926)	64,968
<b>Loss for the financial period, representing total comprehensive loss for the financial period</b>	-	-	-	(416)	(416)
Issue of shares	599	-	-	-	599
Grant of share options/awards to employees	-	16	-	-	16
Share options/awards cancelled	-	(18)	-	-	(18)
Balance at 31 March 2016	111,819	1,065	607	(48,342)	65,149

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

<b>Share capital – Ordinary shares</b>	<b>Number of shares</b>	<b>US\$</b>
Balance as at 1 January 2017	1,060,656,798	115,721,867
Issuance of shares pursuant to an equity placement exercise	465,870,885	8,627,315
Less: Share issue expenses	-	(6,097)
Balance as at 31 March 2017	1,526,527,683	124,343,085

**Outstanding share options/awards**

**Number of options/awards**

Loyz Energy Employee Share Option Scheme (“**ESOS**”):

As at 31 March 2017 -  
As at 31 March 2016 12,140,000

Loyz Energy Performance Share Plan (“**PSP**”):

As at 31 March 2017 15,200,000  
As at 31 March 2016 1,081,000

**Outstanding convertibles**

**Number of convertibles**

As at 31 March 2017 -  
As at 31 March 2016 92,000,000

Save as disclosed above, the Company did not have any treasury shares, subsidiary holdings or other convertibles as at 31 March 2017 and 31 March 2016.

**(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>31-Mar-17</b>	<b>30-Jun-16</b>
Total number of issued shares excluding treasury shares	1,526,527,683	1,043,698,798

The Company did not have any treasury shares as at 31 March 2017 and 30 June 2016.

**(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

**(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The above financial statements have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The financial information has been prepared in accordance with the same accounting policies and methods of computation as adopted in the audited financial statements of the Group for the financial year ended 30 June 2016, except for the adoption of the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which have become effective for the current financial year. The adoption of FRS and INT FRS did not result in any substantial changes to the Group's accounting policies.

**5. If there were 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.**

Not applicable.

**6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

<b>Earnings/(loss) per share of the Group based on profit/(loss) attributable to owners of the Company</b>	<b>3Q FY2017</b>	<b>3Q FY2016</b>	<b>9M FY2017</b>	<b>9M FY2016</b>
- Basic (US cents)	0.03	(2.19)	0.13	(2.33)
- On a fully diluted basis (US cents)	0.03	(2.19)	0.13	(2.33)

**Notes:**

The basic earnings per share for 3Q FY2017 and 9M FY2017 are calculated based on 1,076,852,930 weighted average number of ordinary shares in issue. The basic loss per share for 3Q FY2016 and 9M FY2016 are calculated based on 831,201,872 weighted average number of ordinary shares in issue.

On a fully diluted basis, the earnings per share for 3Q FY2017 and 9M FY2017 are calculated based on 1,092,052,930 (taking into account share awards granted on 8 September 2016) weighted average number of ordinary shares in issue. The diluted loss per share for 3Q FY2016 and 9M FY2016 are calculated based on 831,201,872 weighted average number of ordinary shares in issue. Diluted loss per share for each 3Q FY2016 and 9M FY2016 is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive.

**7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) **current period reported on; and**  
(b) **immediately preceding financial year**

	<b>Group 31-Mar-17</b>	<b>Group 30-Jun-16</b>	<b>Company 31-Mar-17</b>	<b>Company 30-Jun-16</b>
Net asset value per share (US cents)	2.55	2.73	4.74	6.19

**Note:**

The net asset value per share as at 31 March 2017 and 30 June 2016 are calculated based on 1,526,527,683 and 1,043,698,798 ordinary shares in issue respectively.

**8. A review of the performance of 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 the 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 period reported on.**

**Review for 3Q FY2017 vs 3Q FY2016**

Consolidated Statement of Comprehensive Income

The Group's revenue in 3Q FY2017 and 3Q FY2016 were derived from its oil fields in Thailand. Revenue increased by US\$0.6M to US\$2.4M in 3Q FY2017, as compared to US\$1.8M in 3Q FY2016. This was mainly due to the recent increase in oil price from an average of US\$24.75/bbl in 3Q FY2016 to an average of US\$48.05/bbl in 3Q FY2017.

Other income increased by US\$0.2M in 3Q FY2017, as compared to 3Q FY2016. This was mainly due to reversal of over accruals of legal and professional fees made in prior year.

Administrative expenses decreased by US\$0.2M, from US\$0.6M in 3Q FY2016 to US\$0.4M in 3Q FY2017. This was mainly due to a decrease in staff costs, which was in line with the Group's effort to reduce operation cost.

Other expenses decreased by US\$0.1M, from US\$0.3M in 3Q FY2016 to US\$0.2M in 3Q FY2017, mainly due to a reduction in legal and professional expenses.

Other charges decreased by US\$22.7M, to US\$0.1M in 3Q FY2017 as compared to US\$22.8M in 3Q FY2016, mainly due to the absence of one-off impairment losses in 3Q FY2017.

As a result of the above, the Group recorded a profit after income tax of US\$0.3M in 3Q FY2017 as compared to a loss after income tax of US\$23.4M in 3Q FY2016.

#### Consolidated Statement of Financial Position

The Group's non-current assets increased by US\$1.2M, from US\$109.3M as at 31 December 2016 to US\$110.5M as at 31 March 2017. The increase was mainly due to the additions to oil and gas properties in relation to the drilling campaign in Thailand.

The Group's current assets increased by US\$0.5M, from US\$7.9M as at 31 December 2016 to US\$8.4M as at 31 March 2017. This was largely due to an increase of US\$0.5M in trade and other receivables, mainly attributed to the increase in amount due from the Thailand operation.

The Group's non-current liabilities decreased by US\$0.8M, from US\$81.8M as at 31 December 2016 to US\$81.0M as at 31 March 2017. The decrease was mainly due to the reclassification of deferred consideration, in relation to the Group's acquisition of 20% petroleum interest in the Thailand concessions which is due within one year, from non-current liabilities to current liabilities.

The Group's current liabilities decreased by US\$6.5M from US\$16.2M as at 31 December 2016 to US\$9.7M as at 31 March 2017. The decrease was mainly due to the repayment of loan amounting to US\$8.6M via an issuance of the Company's new shares to a group of subscribers pursuant to a placement exercise. The aforesaid loan was originally owed to Jit Sun and was subsequently assigned to the subscribers as announced by the Company on 27 February 2017. The decrease was partially offset by the reclassification of deferred consideration, which is due within one year from non-current liabilities to current liabilities.

The Group reported a negative working capital of US\$1.3M as at 31 March 2017 and US\$8.3M as at 31 December 2016. Notwithstanding this, the Directors of the Company are of the opinion that the Group and the Company are able to meet their obligations as and when they fall due having regard to the reviews performed as set out in Company's Annual Report 2016 (Note 4 to the Financial Statements on "Going Concern" on pages 79 and 80).

#### Consolidated Statement of Cash Flows

In 3Q FY2017, the Group generated net cash from its operating activities of US\$1.4M. Major movements mainly comprised (i) cash absorbed by an increase in trade and other receivables of US\$0.5M; (ii) cash absorbed by an increase in other assets of US\$0.1M; (iii) cash from an increase in trade and other payables of US\$0.5M; and (iv) operating cash flows before working capital changes of US\$1.5M.

The Group used net cash of US\$1.3M for its investing activities mainly related to the drilling campaign in Thailand.

The Group used net cash of US\$0.3M for its financing activities mainly for repayment of bank loans and interest charges.

As a result of the above, and taking into account foreign currency translation adjustments, cash and cash equivalents decreased by US\$0.1M from US\$3.0M as at 31 December 2016 to US\$2.9M as at 31 March 2017.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

#### **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.**

The Group recorded a profit after income tax of US\$0.3M for 3Q FY2017 on the back of rising oil prices and lower operating costs.

Oil prices have been on the rise since December 2016 when the Organisation of Petroleum Exporting Countries ("OPEC") and non-OPEC producers agreed to cut production for six months starting in January 2017. OPEC will decide on 25 May 2017 whether to extend its cut in productions beyond June 2017. According to the U.S. Energy Information Administration, oil prices are expected to average around US\$54 per barrel in 2017 and US\$57 per barrel in 2018.

As the Group's drilling campaign in Thailand which began in late January 2017 is still on-going, the Group expects to provide the results of the drilling campaign around end of August 2017 instead of May 2017. The campaign aims to increase the production, reserves and value of our oil fields in Thailand.

The Group will continue to keep its operating costs low, while it focuses on increasing production and revenue, as well as seeking strategic options to enhance value for shareholders.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the third quarter ended 31 March 2017.

**13. If the Group has obtained a general mandate from shareholders for 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**

The Group has not obtained a general mandate from shareholders for interested person transactions.

Name of interested person	Aggregate value of all interested person transactions during 3Q FY2017 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during 3Q FY2017 (excluding transactions less than S\$100,000)
	US\$'000	US\$'000
Jit Sun Investments Pte. Ltd. (Interest on loans)	30	-

**14. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

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

Not applicable.

**16. A breakdown of sales**

Not applicable.

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**18a. Rule 705(6)(a) of the Catalyst Rules in relation to the use of funds/ cash for the quarter and projection on the use of funds/ cash for the next immediate quarter, including principal assumptions.**

Please refer to the separate announcement made in accordance with Rule 705(6)(a) of the Catalyst Rules on 12 May 2017.

**18b. Rule 705(6)(b) of the Catalyst Rules in relation to the director's confirmation**

Please refer to the separate announcement made in accordance with Rule 705(6)(b) of the Catalyst Rules on 12 May 2017.

**19a. Rule 705(7) of the Catalist Rules in relation to details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.**

Please refer to the separate announcement made in accordance with Rule 705(7) of the Catalist Rules on 12 May 2017.

**19b. Rule 705(7) of the Catalist Rules in relation to an update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.**

Please refer to the separate announcement made in accordance with Rule 705(7) of the Catalist Rules on 12 May 2017.

#### **20. Requirement under Rule 705(5) of the Listing Manual**

On behalf of the board of directors ("**Board**") of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board which may render the unaudited financial statements and dividend announcement for the third quarter ended 31 March 2017 to be false or misleading in any material aspect.

On behalf of the Board

Teo Choon Kow @ William Teo  
Chairman

Jeffrey Pang  
Chief Executive Officer and Executive Director

#### **21. Confirmation from the Company under Rule 720(1) of the Catalist Rules**

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

BY ORDER OF THE BOARD

Jeffrey Pang  
Chief Executive Officer and Executive Director  
12 May 2017

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