

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND
FINANCIAL YEAR ENDED 30 JUNE 2016

*This announcement has been prepared by Loyz Energy Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (the “**Sponsor**”), SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of 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	4Q FY2016 ¹ US\$'000	4Q FY2015 ² US\$'000	Change %	FY2016 ³ US\$'000	FY2015 ⁴ US\$'000	Change %
Revenue	2,530	(Restated) 5,844	(57)	10,728	(Restated) 23,077	(54)
Cost of sales	(1,156)	(1,903)	(39)	(5,060)	(7,801)	(35)
Gross profit	1,374	3,941	(65)	5,668	15,276	(63)
<i>Other items of income</i>						
Interest income	5	24	(79)	20	51	(61)
Other income	170	17	900	109	708	(85)
<i>Other items of expense</i>						
Distribution costs	-	(3)	NM ⁵	-	(13)	NM ⁵
Administrative expenses	(382)	(1,538)	(75)	(2,953)	(5,875)	(50)
Finance costs	(290)	(551)	(47)	(689)	(1,885)	(63)
Other expenses	(316)	(462)	(32)	(1,184)	(1,473)	(20)
Other charges	(172)	(72,010)	(100)	(24,053)	(71,380)	(66)
Profit/(loss) before income tax	389	(70,582)	NM ⁵	(23,082)	(64,591)	(64)
Income tax expense	(644)	(1,767)	(64)	(2,156)	(7,036)	(69)
Loss for the financial period	(255)	(72,349)	(100)	(25,238)	(71,627)	(65)
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translating foreign operations	209	380	(45)	639	201	218
Income tax relating to items that will or may be reclassified	-	-	-	-	-	-
Other comprehensive income for the financial period, net of tax	209	380	(45)	639	201	218
Total comprehensive income for the financial period	(46)	(71,969)	(100)	(24,599)	(71,426)	(66)
Loss attributable to:						
Owners of the parent	(146)	(64,599)	(100)	(19,546)	(63,781)	(69)
Non-controlling interests	(109)	(7,750)	(99)	(5,692)	(7,846)	(27)
	(255)	(72,349)	(100)	(25,238)	(71,627)	(65)
Total comprehensive income attributable to:						
Owners of the parent	(37)	(64,402)	(100)	(19,215)	(63,669)	(70)
Non-controlling interests	(9)	(7,567)	(100)	(5,384)	(7,757)	(31)
	(46)	(71,969)	(100)	(24,599)	(71,426)	(66)

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

	4Q FY2016¹ US\$'000	4Q FY2015² US\$'000	FY2016³ US\$'000	FY2015⁴ US\$'000
Other credits				
Foreign exchange gain, net	-	-	-	387
Gain on disposal of plant and equipment	32	-	29	-
Reversal of provision for restoration cost	12	-	12	-
Other income	126	17	68	321
	170	17	109	708
Finance costs				
Interest expense	(290)	(551)	(689)	(1,885)
Other charges				
Foreign exchange loss, net	(172)	(642)	(1,228)	-
Fixed assets written off	-	(1)	-	(6)
Loss on disposal of plant and equipment	-	(19)	-	(26)
Impairment loss on exploration, evaluation and development assets	-	(21,882)	(10,431)	(21,882)
Prepayment written off	-	-	(2,830)	-
Impairment loss on available-for-sale financial assets	-	(34,111)	(7,289)	(34,111)
Impairment loss on goodwill	-	(12,173)	(1,500)	(12,173)
Impairment loss on intangible assets	-	(3,027)	(499)	(3,027)
Impairment loss on plant and equipment	-	(155)	-	(155)
Write off of inventories	-	-	(205)	-
Allowance for inventories obsolescence	-	-	(39)	-
Write off of other assets	-	-	(32)	-
	(172)	(72,010)	(24,053)	(71,380)
Others				
Amortisation of intangible assets	4	13	16	31
Depreciation of plant and equipment	26	58	142	206
Depletion of oil and gas properties	576 ⁶	754 ⁶	2,402 ⁶	3,357 ⁶

¹ "4Q FY2016": Period from 1 April 2016 to 30 June 2016

² "4Q FY2015": Period from 1 April 2015 to 30 June 2015

³ "FY2016": Period from 1 July 2015 to 30 June 2016

⁴ "FY2015": Period from 1 July 2014 to 30 June 2015

⁵ "NM": Not Meaningful

⁶ Included in Cost of sales

1(b)(i) A Balance Sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position	Group			Company		
	30-Jun-16 US\$'000	31-Mar-16 US\$'000	30-Jun-15 US\$'000	30-Jun-16 US\$'000	31-Mar-16 US\$'000	30-Jun-15 US\$'000
ASSETS		(Restated)	(Restated)			
Non-Current Assets:						
Exploration, evaluation and development assets	19,926	19,848	30,340	-	-	-
Oil and gas properties	60,511	63,867	61,423	-	-	-
Other property, plant and equipment	1,563	1,610	1,629	-	-	-
Investments in subsidiaries	-	-	-	69,836	61,445	62,492
Available-for-sale financial asset	-	-	7,289	-	-	-
Intangible assets	26,471	26,475	28,484	-	-	-
Other receivables	-	-	-	2,089	5,693	4,934
Prepayments	-	-	2,830	-	-	-
Total Non-Current Assets	108,471	111,800	131,995	71,925	67,138	67,426
Current Assets:						
Inventories	2,350	2,356	2,699	-	-	-
Trade and other receivables	1,245	1,004	2,880	-	24	-
Other assets	755	828	1,144	-	-	-
Bond receivable	2,627	-	-	-	-	-
Prepayments	1,011	839	980	931	777	836
Cash and cash equivalents	2,461	2,132	7,604	621	38	570
Total Current Assets	10,449	7,159	15,307	1,552	839	1,406
Total Assets	118,920	118,959	147,302	73,477	67,977	68,832
EQUITY AND LIABILITIES						
Equity:						
Ordinary shares	115,440	111,819	110,554	115,440	111,819	110,554
Reserves	2,753	2,920	4,266	1,396	1,672	3,240
(Accumulated losses)/retained earnings	(89,741)	(89,852)	(71,671)	(52,259)	(48,342)	(47,516)
Equity attributable to owners of the parent	28,452	24,887	43,149	64,577	65,149	66,278
Non-controlling interests	(10,610)	(10,601)	(5,226)	-	-	-
Total Equity	17,842	14,286	37,923	64,577	65,149	66,278
Non-Current Liabilities:						
Bank borrowings	19,317	17,298	18,889	-	-	-
Finance lease payables	55	59	86	-	-	-
Provision for restoration costs	-	12	13	-	-	-
Other payable	23,844	26,640	27,352	-	-	-
Deferred tax liabilities	36,971	37,009	36,733	-	-	-
Total Non-Current Liabilities	80,187	81,018	83,073	-	-	-
Current Liabilities:						
Current income tax payable	1,146	1,954	3,420	-	-	-
Trade and other payables	15,405	15,131	14,770	8,900	2,828	2,554
Bank borrowings	4,323	6,533	8,079	-	-	-
Finance lease payables	16	36	36	-	-	-
Other liabilities	1	1	1	-	-	-
Total Current Liabilities	20,891	23,655	26,306	8,900	2,828	2,554
Total Liabilities	101,078	104,673	109,379	8,900	2,828	2,554
Total Equity and Liabilities	118,920	118,959	147,302	73,477	67,977	68,832

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 Jun 2016 (US\$'000)		As at 30 Jun 2015 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
2,416	9,347	2,061	13,484

Amount repayable after one year

As at 30 Jun 2016 (US\$'000)		As at 30 Jun 2015 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
16,832	2,540	18,975	-

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 loans from OCBC Bank to finance the acquisition of petroleum interests held by Carnarvon Thailand Limited. The loans are 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 controlling shareholder of the Company, Jit Sun Investments Pte. Ltd.

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.

Consolidated Statement of Cash Flows	4Q FY2016¹ US\$'000	4Q FY2015² US\$'000	FY2016³ US\$'000	FY2015⁴ US\$'000
Operating activities				
Profit/(loss) before income tax	389	(70,582)	(23,082)	(64,591)
Adjustments for:				
Amortisation of intangible assets	4	13	16	31
Depreciation of plant and equipment	26	58	142	206
Depletion of oil and gas properties	576	754	2,402	3,357
Impairment loss on exploration, evaluation and development assets	-	21,882	10,431	21,882
Impairment loss on available-for-sale financial asset	-	34,111	7,289	34,111
Impairment loss on goodwill	-	12,173	1,500	12,173
Impairment loss on intangible assets	-	3,027	499	3,027
Impairment loss on other property, plant and equipment	-	155	-	155
Reversal of provision for restoration cost	(12)	-	(12)	-
Prepayment written off	-	-	2,830	-
Write off of inventories	-	-	205	-
Allowance for inventories obsolescence	-	-	39	-
Write off of other assets	-	-	32	-
(Gain)/loss on disposal of plant and equipment	(32)	19	(29)	26
Fixed assets written off	-	1	-	6
Share-based payment expenses	16	328	415	1,631
Reversal of share options	(35)	(25)	(117)	(121)
Interest income	(5)	(24)	(20)	(51)
Interest expense	290	551	689	1,885
Operating cash flows before working capital changes	1,217	2,441	3,229	13,727
Working capital changes:				
Inventories	6	133	105	164
Trade and other receivables	(241)	(504)	1,600	475
Other assets	73	370	357	(197)
Prepayments	(193)	(545)	(117)	(828)
Trade and other payables	(172)	(225)	(1,437)	(3,482)
Cash generated from operations	690	1,670	3,737	9,859
Interest received	5	24	20	51
Income tax paid	(1,492)	(733)	(4,163)	(3,010)
Net cash (used in)/generated from operating activities	(797)	961	(406)	6,900
Investing activities				
Proceeds from disposal of plant and equipment	55	15,547	55	15,547
Purchase of plant and equipment	(14)	(740)	(111)	(1,074)
Acquisition of interest in Thailand operations, net of cash acquired	-	(312)	-	(312)
Additions to oil and gas properties	(388)	(1,742)	(3,536)	(6,450)
Purchase of exploration, evaluation and development assets	-	(133)	(17)	(836)
Purchase of intangible assets	-	-	-	(22)
Net cash used in investing activities	(347)	12,620	(3,609)	6,853
Financing activities				
Interest paid	(51)	(302)	(157)	(1,326)
Proceeds from bank borrowings	-	-	-	1,348
Net proceeds from issue of ordinary shares	1,535	156	1,535	4,595
Short-term loans	268	-	417	23,716
Repayment of short-term loans	(209)	(418)	(209)	(10,061)

Repayment of finance lease payables	(24)	(7)	(51)	(23)
Repayment of bank borrowings	(184)	(16,156)	(2,884)	(31,436)
Net cash from/(used in) financing activities	1,335	(16,727)	(1,349)	(13,187)
Net change in cash and cash equivalents	191	(3,146)	(5,364)	566
Foreign currency translation adjustments	138	662	646	283
Cash and cash equivalents at beginning of financial period	2,132	9,663	7,179	6,330
Cash and cash equivalents at end of financial period	*2,461	*7,179	*2,461	*7,179

*Included in cash and cash equivalent are cash balances pledged to the banks, amounting to US\$0.5M for 4Q FY2016, FY2016. 4Q FY2015 and FY2015, 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)/ retained earnings US\$'000	Equity attributable to owners of the parent US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance as at 1 July 2015(Restated)	110,554	2,103	2,633	(470)	(71,671)*	43,149	(5,226)	37,923
Loss for the financial period	-	-	-	-	(19,400)	(19,400)	(5,583)	(24,983)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	222	-	222	208	430
Total comprehensive income for the financial period	-	-	-	222	(19,400)	(19,178)	(5,375)	(24,553)
Grant of share options/awards to employees	-	-	399	-	-	399	-	399
Issue of shares	599	-	-	-	-	599	-	599
Share awards exercised	666	-	(666)	-	-	-	-	-
Share options/awards cancelled	-	-	(1,301)	-	1,219	(82)	-	(82)
Balance as at 31 March 2016(Restated)**	111,819	2,103	1,065	(248)	(89,852)	24,887	(10,601)	14,286
Balance as at 1 April 2016(Restated)	111,819	2,103	1,065	(248)	(89,852)	24,887	(10,601)	14,286
Loss for the financial period	-	-	-	-	(146)	(146)	(109)	(255)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	109	-	109	100	209
Total comprehensive income for the financial period	-	-	-	109	(146)	(37)	(9)	(46)
Issue of shares	3,621	-	-	-	-	3,621	-	3,621
Share options/awards cancelled	-	-	(292)	-	257	(35)	-	(35)
Grant of share options/awards to employees	-	-	16	-	-	16	-	16
Balance as at 30 June 2016	115,440	2,103	789	(139)	(89,741)	28,452	(10,610)	17,842

* An adjustment, amounting US\$0.68M, was made to correct the error recorded in FY2015 in relation to income tax expense

** An adjustment was made to correct the effect of change in functional currency of the joint operation in Thailand

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	Ordinary shares	Deemed capital contribution	Share option/ award reserve	Foreign currency translation account	(Accumulated losses)/ retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Group	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2014	76,279	-	2,065	(582)	(8,272)	69,490	2,531	72,021
Profit for the financial period	-	-	-	-	818	818	(96)	722
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	(85)	-	(85)	(94)	(179)
Total comprehensive income for the financial period	-	-	-	(85)	818	733	(190)	543
Issue of shares	3,000	-	-	-	-	3,000	-	3,000
Share awards exercised	560	-	(560)	-	-	-	-	-
Grant of share options/awards to employees	-	-	1,303	-	-	1,303	-	1,303
Share options/awards cancelled	-	-	(478)	-	382	(96)	-	(96)
Balance as at 31 March 2015	79,839	-	2,330	(667)	(7,072)	74,430	2,341	76,771
Balance as at 1 April 2015	79,839	-	2,330	(667)	(7,072)	74,430	2,341	76,771
Loss for the financial period	-	-	-	-	(64,599)	(64,599)	(7,750)	(72,349)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	197	-	197	183	380
Total comprehensive income for the financial period	-	-	-	197	(64,599)	(64,402)	(7,567)	(71,969)
Issue of shares	30,715	-	-	-	-	30,715	-	30,715
Grant of share options/awards to employees	-	-	328	-	-	328	-	328
Share options/awards cancelled	-	-	(25)	-	-	(25)	-	(25)
Disposal of plant and equipment to a shareholder	-	2,103	-	-	-	2,103	-	2,103
Balance as at 30 June 2015(Restated)	110,554	2,103	2,633	(470)	(71,671)	43,149	(5,226)	37,923

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	Retained earnings US\$'000	Total equity US\$'000
Balance at 1 July 2015	110,554	2,633	607	(47,516)	66,278
Loss for the financial period, representing total comprehensive income for the financial period	-	-	-	(826)	(826)
Issue of shares	599	-	-	-	599
Share awards exercised	666	(666)	-	-	-
Grant of share options/awards to employees	-	399	-	-	399
Share options/awards cancelled	-	(1,301)	-	-	(1,301)
Balance at 31 March 2016	111,819	1,065	607	(48,342)	65,149
Balance at 1 April 2016	111,819	1,065	607	(48,342)	65,149
Loss for the financial period, representing total comprehensive income for the financial period	-	-	-	(3,999)	(3,999)
Issue of shares	3,621	-	-	-	3,621
Grant of share options/awards to employees	-	16	-	-	16
Share options/awards cancelled	-	(292)	-	82	(210)
Balance at 30 June 2016	115,440	789	607	(52,259)	64,577

Statement of Changes in Equity					
Company	Ordinary shares US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Retained earnings US\$'000	Total equity US\$'000
Balance at 1 July 2014	76,279	2,065	607	3,678	82,629
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	702	702
Issue of shares	3,000	-	-	-	3,000
Share awards exercised	560	(560)	-	-	-
Grant of share options/awards to employees	-	1,303	-	-	1,303
Share options/awards cancelled	-	(478)	-	15	(463)
Balance at 31 March 2015	79,839	2,330	607	4,395	87,171
Balance at 1 April 2015	79,839	2,330	607	4,395	87,171
Loss for the financial period, representing total comprehensive income for the financial period	-	-	-	(51,911)	(51,911)
Issue of shares	30,715	-	-	-	30,715
Grant of share options/awards to employees	-	328	-	-	328
Share options/awards cancelled	-	(25)	-	-	(25)
Balance at 30 June 2015	110,554	2,633	607	(47,516)	66,278

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 also the number of shares that may be issued on conversion of all the outstanding convertibles 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.

Share capital – Ordinary shares	Number of shares	US\$
Balance as at 1 April 2016	852,361,945	111,819,318
Issuance of shares pursuant to equity placement exercise	191,336,853	3,717,965
Less: Share issue expense	-	(97,078)
Balance as at 30 June 2016	1,043,698,798	115,440,205

Outstanding share options/awards

	Number of options/awards
Loyz Energy Employee Share Option Scheme ("ESOS"):	
As at 30 June 2016	<u>8,450,000</u>

Loyz Energy Performance Share Plan ("PSP"):	
As at 30 June 2016	<u>804,000</u>

As at 30 June 2015, the number of outstanding share options/awards under the ESOS and the PSP were 26,440,000 and 4,780,000 respectively.

(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.

	30-Jun-16	30-Jun-15
Total number of issued shares excluding treasury shares	1,043,698,798	825,984,945

The Company did not have any treasury shares as at 30 June 2016 and 30 June 2015.

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

Not applicable.

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 2015, except as disclosed under Note 5 below and 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.

Loss per share of the Group based on loss attributable to owners of the Company	4Q FY2016	4Q FY2015	FY2016	FY2015
		(Restated)		(Restated)
- Basic (US cents)	(0.02)	(14.14)	(2.32)	(13.96)
- On a fully diluted basis (US cents)	(0.02)	(14.14)	(2.32)	(13.96)

Notes:

The basic loss per share for 4Q FY2016 and FY2016 are calculated based on 842,126,035 weighted average number of ordinary shares in issue. The loss per share for 4Q FY2015 and FY2015 are calculated based on 456,793,642 weighted average number of ordinary shares in issue.

On a fully diluted basis, the loss per share for 4Q FY2016 and FY2016 are calculated based on 842,126,035 weighted average number of ordinary shares in issue. The earnings per share for 4Q FY2015 and FY2015 are calculated based on 456,793,642 weighted average number of ordinary shares in issue. Diluted loss per share for each 4Q FY2016 and FY2016 is the same as the 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**

	Group 30-Jun-16	Group 30-Jun-15	Company 30-Jun-16	Company 30-Jun-15
		(Restated)		
Net asset value per share based on existing issued share capital as at the end of the respective periods (US cents)	2.73	5.22	6.19	8.02

Note:

The net asset value per share as at 30 June 2016 and 30 June 2015 are calculated based on 1,043,698,798 and 825,984,945 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 4Q FY2016 vs 4Q FY2015

Consolidated Statement of Comprehensive Income

Revenue decreased by US\$3.3M, from US\$5.8M in 4Q FY2015 to US\$2.5M in 4Q FY2016, mainly due to the sharp fall in oil price from an average of US\$54.43/bbl to US\$33.74/bbl.

The increase in other income by US\$0.2M was mainly due to the gain on disposal of a motor vehicle and the reversal of provision for restoration cost for India asset.

Administrative expenses decreased by US\$1.1M, from US\$1.5M in 4Q FY2015 to US\$0.4M in 4Q FY2016, mainly due to the reduction of staff costs.

The decrease in finance costs of US\$0.3M, from US\$0.6M in 4Q FY2015 to US\$0.3M in 4Q FY2016, was due to the decrease in the Group's borrowings.

Other expenses decreased by US\$0.2M, from US\$0.5M in 4Q FY2015 to US\$0.3M in 4Q FY2016, mainly due to the decrease in depreciation charges and insurance expenses as a result of the reduction in staff headcounts.

Other charges decreased by US\$71.8M, from US\$72.0M in 4Q FY2015 to US\$0.2M in 4Q FY2016, mainly due to the absence of non-cash impairment losses recognised on the Group's non-core assets in India, Australia and United States in 4Q FY2015.

As a result of the above, the Group recorded a loss after income tax of US\$0.3M in 4Q FY2016 as compared to a loss after income tax of US\$72.3M in 4Q FY2015.

Consolidated Statement of Financial Position

The Group's non-current assets decreased by US\$3.3M, from US\$111.8M as at 31 March 2016 to US\$108.5M as at 30 June 2016. The decrease was mainly due the reduction in oil and gas properties, amounting to US\$3.4M, mainly attributed to the re-measurement of deferred consideration as of 30 June 2016.

The Group's current assets increased by US\$3.2M, from US\$7.2M as at 31 March 2016 to US\$10.4M as at 30 June 2016. The increase was mainly due to: (i) acquisition of bonds, amounting to US\$2.6M, issued by Fram Exploration ASA; (ii) increase of US\$0.2M in trade and other receivables mainly due to the increase in trade receivables, in line with the higher revenue recorded in 4Q FY2016 as compared to 3Q FY2016; (iii) increase of US\$0.2M in prepayment mainly due to prepayment made for legal and professional services; and (iv) increase of US\$0.3M in cash and cash equivalents (please refer to the explanation of cash and cash equivalents under consolidated statement of cash flows below).

The Group's non-current liabilities decreased by US\$0.8M, from US\$81.0M as at 31 March 2016 to US\$80.2M as at 30 June 2016. The decrease was mainly due to the decrease of US\$2.8M in other payable as a result of the re-measurement of deferred consideration as of 30 June 2016. This was partially offset by the increase in bank borrowings of US\$2.0M attributed to the reclassification of bank borrowings from current liabilities to non-current liabilities based on the re-negotiated payment terms of the loan agreement.

The Group's current liabilities decreased by US\$2.8M, from US\$23.7M as at 31 March 2016 to US\$20.9M as at 30 June 2016. This was mainly due to the reclassification of bank borrowings from current liabilities to non-current liabilities based on the re-negotiated payments terms of the loan agreement.

The Group reported a negative working capital of US\$10.4M as at 30 June 2016 and US\$16.6M as at 31 March 2016. The decrease was mainly attributed to the reclassification of some bank borrowings from current liabilities to non-current liabilities, coupled with the acquisition of bonds, partially, via the issuance of shares.

Consolidated Statement of Cash Flows

The Group's net cash used in operating activities for 4Q FY2016 was US\$0.8M. Major movements mainly comprised (i) cash absorbed by a decrease in trade and other payables of US\$0.2M; (ii) cash absorbed by an increase in trade and other receivables of US\$0.2M; (iii) cash absorbed by an increase in prepayment of US\$0.2M; (iv) income tax paid amounting to US\$1.5M; and (v) operating cash flows before working capital changes of US\$1.2M.

Net cash used in investing activities for 4Q FY2016 of US\$0.3M was mainly due to drilling cost incurred in Thailand.

Net cash from financing activities for 4Q FY2016 of US\$1.3M was mainly due to the net proceed from placement and short term loans, amounting to US\$1.5M and US\$0.3M, respectively. This was partially offset by the repayment of borrowings.

As a result of the above, and taking into account foreign currency translation adjustments, cash and cash equivalents increased by US\$0.4M, from US\$2.1M as at 31 March 2016 to US\$2.5M as at 30 June 2016.

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.

Oil prices continue to be volatile and have a significant impact on the Group's earnings. The U.S. Energy Information Administration ("EIA") has forecasted the price of Brent Crude Oil to be at an average of US\$41.60/bbl in 2016 before increasing to US\$51.58/bbl in 2017¹. In the recent months EIA and Organisation of the Petroleum Exporting Countries have given evidence that supply and demand gap is narrowing. More analysts and banks have also expressed their optimism on the improving fundamentals, which will support higher prices.

The Group is planning for a drilling campaign commencing end 2016 in an attempt to increase production and reserves. The existing production cash flow from Thailand is expected to be able to fully fund the drilling campaign, barring unforeseen circumstances. Constant effort is being made to reduce Thailand concession's already low operating costs, which is approximately US\$12 per barrel currently.

¹Extracted from www.eia.gov

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 fourth quarter and financial year ended 30 June 2016.

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 4Q FY2016 (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 4Q FY2016 (excluding transactions less than S\$100,000)
	US\$'000	US\$'000
Jit Sun Investments Pte. Ltd. (Interest on loans)	94	-

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.

The Group only operates in the oil and gas business. Revenue and non-current assets information based on geographical segments are as follows:

Geographical information	Revenue		Non-current assets	
	FY2016 US\$'000	FY2015 US\$'000	FY2016 US\$'000	FY2015 US\$'000
Singapore	-	-	167	3,580
United States	-	-	21	31
Australia	-	-	-	-
New Zealand	-	-	-	10,414
Thailand	10,728	23,077	108,283	110,681
India	-	-	-	-
Total	10,728	23,077	108,471	124,706

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

Please refer to page 12 for the review on the Group's performance.

16. A breakdown of sales

	Group		
	Latest Financial Year US\$'000	Previous Financial Year US\$'000	Increase / (Decrease) %
Revenue reported for first half year	6,393	12,538	(49)
(Loss)/profit after tax reported for first half year	(1,626)	651	N.M
Revenue reported for second half year	4,335	10,539	(59)
Loss after tax reported for second half year	(23,612)	(72,278)	(67)

N.M: Not meaningful

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.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such person, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

19a. Rule 705(6)(a) of the Catalist 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 Catalist Rules on 29 August 2016.

19b. Rule 705(6)(b) of the Catalist Rules in relation to the director's confirmation

Please refer to the separate announcement made in accordance with Rule 705(6)(b) of the Catalist Rules on 29 August 2016.

20a. 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 29 August 2016.

20b. 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 29 August 2016.

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
29 August 2016