

FINANCIAL STATEMENT 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	2Q FY2013 ¹ S\$'000	2Q FY2012 ² S\$'000	Change %	1H FY2013 ³ S\$'000	1H FY2012 ⁴ S\$'000	Change %
Revenue	4,466	4,783	(6)	8,534	9,063	(6)
Cost of sales	(2,306)	(2,474)	(7)	(4,321)	(4,636)	(7)
Gross profit	2,160	2,309	(6)	4,213	4,427	(5)
<i>Other items of income</i>						
Interest income	7	25	(72)	39	77	(49)
Other credits	338	279	21	961	555	73
<i>Other items of expense</i>						
Distribution costs	(101)	(860)	(88)	(195)	(1,040)	(81)
Administrative expenses	(1,757)	(936)	88	(3,305)	(2,449)	35
Finance costs	(2)	(1)	NM ⁵	(3)	(2)	NM ⁵
Other expenses	(1,866)	(1,212)	54	(3,241)	(2,683)	21
Other charges	-	(4)	NM ⁵	-	(3)	NM ⁵
Loss before income tax	(1,221)	(400)	206	(1,531)	(1,118)	37
Income tax expense	(33)	(28)	18	(54)	(31)	74
Loss for the financial period	(1,254)	(428)	193	(1,585)	(1,149)	38
Other comprehensive income:						
Exchange differences on translating foreign operations	(298)	(528)		(129)	(853)	
Other comprehensive income for the financial period, net of tax	(298)	(528)		(129)	(853)	
Total comprehensive income for the financial period	(1,552)	(956)		(1,714)	(2,002)	
Loss attributable to:						
Owners of the parent	(1,245)	(418)		(1,544)	(1,142)	
Non-controlling interests	(9)	(10)		(41)	(7)	
	(1,254)	(428)		(1,585)	(1,149)	
Total comprehensive income attributable to:						
Owners of the parent	(1,398)	(691)		(1,608)	(1,584)	
Non-controlling interests	(154)	(265)		(106)	(418)	
	(1,552)	(956)		(1,714)	(2,002)	

¹ "2Q FY2013": Period from 1 October 2012 to 31 December 2012

² "2Q FY2012": Period from 1 October 2011 to 31 December 2011

³ "1H FY2013": Period from 1 July 2012 to 31 December 2012

⁴ "1H FY2012": Period from 1 July 2011 to 31 December 2011

⁵ "NM": Not Meaningful

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

	2Q FY2013 ¹ S\$'000	2Q FY2012 ² S\$'000	1H FY2013 ³ S\$'000	1H FY2012 ⁴ S\$'000
Other credits				
Foreign exchange gain, net	54	5	31	16
Gain on disposal of plant and equipment	-	-	114	-
Amortisation of deferred revenue	274	266	547	531
Preliminary expenses written off	-	8	-	8
Write back of allowance for doubtful non-trade receivables	-	-	200	-
Other income	10	-	69	-
	338	279	961	555
Finance costs				
Interest expense	(2)	(1)	(3)	(2)
Other charges				
Other Income	-	(4)	-	(3)

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		
	31-Dec-12 \$'000	30-Sep-12 \$'000	30-Jun-12 \$'000	31-Dec-12 \$'000	30-Sep-12 \$'000	30-Jun-12 \$'000
ASSETS						
Non-Current Assets:						
Property, plant and equipment	1,115	1,084	877	-	-	-
Exploration and evaluation assets	26,258	17,834	17,612	-	-	-
Intangible assets	34,844	34,878	34,871	-	-	-
Investments in subsidiaries	-	-	-	41,581	41,581	41,614
Prepayments	2,450	2,425	2,425	-	-	-
Total Non-Current Assets	64,667	56,221	55,785	41,581	41,581	41,614
Current Assets:						
Inventories	8,529	9,273	9,008	-	-	-
Trade and other receivables	1,016	1,240	1,043	16,720	9,682	567
Other assets	4,961	2,362	2,393	-	-	-
Prepayments	228	274	112	9	15	-
Cash and cash equivalents	16,629	10,285	7,664	9,286	876	261
Total Current Assets	31,363	23,434	20,220	26,015	10,573	828
Total Assets	96,030	79,655	76,005	67,596	52,154	42,442
EQUITY AND LIABILITIES						
Equity:						
Ordinary shares	68,014	51,988	42,229	68,014	51,988	42,229
Convertible preference shares	4,388	4,388	8,775	-	-	-
Reserves	(1,059)	(906)	(941)	17	17	71
Retained earnings / (Accumulated losses)	(238)	1,007	1,306	(2,432)	(1,863)	(1,786)
Equity attributable to owners of the parent	71,105	56,477	51,369	65,599	50,142	40,514
Non-controlling interests	3,670	3,526	3,478	-	-	-
Total Equity	74,775	60,003	54,847	65,599	50,142	40,514
Non-Current Liabilities:						
Convertible preference shares	-	-	1,500	-	-	-
Bank loans	10,881	10,911	11,481	-	-	-
Finance lease payables	193	200	102	-	-	-
Provision for restoration costs	89	93	91	-	-	-
Other liabilities	775	775	775	-	-	-
Total Non-Current Liabilities	11,938	11,979	13,949	-	-	-
Current Liabilities:						
Convertible preference shares	1,500	1,500	1,500	-	-	-
Current income tax payable	104	80	65	-	-	-
Trade and other payables	6,833	4,849	4,190	1,997	2,012	1,928
Finance lease payables	84	113	94	-	-	-
Other liabilities	796	1,131	1,360	-	-	-
Total Current Liabilities	9,317	7,673	7,209	1,997	2,012	1,928
Total Liabilities	21,255	19,652	21,158	1,997	2,012	1,928
Total Equity and Liabilities	96,030	79,655	76,005	67,596	52,154	42,442

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 Dec 2012 (\$'000)		As at 30 Jun 2012 (\$'000)	
Secured	Unsecured	Secured	Unsecured
1,584	-	1,594	-

Amount repayable after one year

As at 31 Dec 2012 (\$'000)		As at 30 Jun 2012 (\$'000)	
Secured	Unsecured	Secured	Unsecured
11,074	-	13,083	-

Details of any collaterals

Finance lease

The finance leases of the Group are secured by the three motor vehicles under finance lease. Motor vehicles are purchased by the subsidiaries of the Company, Sim Siang Choon Hardware (S) Pte Ltd and Loyz Oil Pte Ltd.

Long-term bank loan

Interlink Petroleum Limited, a subsidiary of the Company, has a US\$9M term loan with DBS Bank Ltd. These are secured by a fixed deposit account charge over a fixed deposit amounting to US\$4.5M. The US\$4.5M fixed deposit account is under Jit Sun Investments Pte Ltd. There was no fee charged by Jit Sun Investments Pte Ltd for the provision of the security.

The balance of US\$4.5M is secured by the corporate guarantee from Jit Sun Investments Pte Ltd.

Preference shares

Loyz Oil Pte Ltd, a subsidiary of the Company, issued 12,000,000 redeemable exchangeable preference shares on 25 July 2011, to Venstar Investments Ltd and Venstar Investments II Ltd. Based on the terms and conditions set out in the subscription agreement, the preference shareholders may exchange the preference shares into new ordinary shares of the holding company (ie Loyz Energy Limited).

The share pledge deed was issued on 30 April 2012 to secure the performance of the obligations owed by the Company and its subsidiary, Loyz Oil, to Venstar Investments Ltd and Venstar Investments II Ltd under the Subscription Agreement, The Company has agreed to pledge all of the ordinary shares in respect of the entire issued share capital of Loyz Oil Pte Ltd.

On 23 August 2012, Venstar Investments Ltd and Venstar Investments II Ltd converted a total of 6,000,000 redeemable preference shares into 15,000,000 new Loyz Energy Limited shares at an exchange price of S\$0.40.

As at 31 December 2012, the remaining 6,000,000 redeemable exchangeable preference shares are recognised at the Exchange Price under Current Liabilities amounting to S\$1.5M.

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	2Q FY2013¹ S\$'000	2Q FY2012² S\$'000	1H FY2013³ S\$'000	1H FY2012⁴ S\$'000
Operating activities				
Loss before income tax	(1,221)	(400)	(1,531)	(1,118)
Adjustments for:				
Amortisation of deferred revenue	(274)	(266)	(547)	(531)
Depreciation of plant and equipment	82	54	152	98
Writeback of allowance for doubtful non-trade receivables	-	-	(200)	-
Gain on disposal of plant and equipment	-	-	(114)	-
Reversal of share options	-	-	(54)	-
Interest income	(7)	(25)	(39)	(77)
Interest expense	2	1	3	2
Operating cash flows before working capital changes	(1,418)	(636)	(2,330)	(1,626)
Working capital changes:				
Inventories	744	275	479	(179)
Trade and other receivables	224	148	227	384
Other assets	93	236	124	526
Prepayments	46	95	(116)	(2,148)
Trade and other payables	1,339	(76)	998	(446)
Other liabilities	(61)	(615)	(17)	(567)
Cash generated from / (used) in operating activities	967	(573)	(635)	(4,056)
Interest received	7	25	39	77
Income tax paid	(9)	(157)	(15)	(199)
Net cash generated from / (used) in operating activities	965	(705)	(611)	(4,178)
Investing activities				
Proceeds from disposal of plant and equipment	-	-	119	-
Purchase of plant and equipment	(120)	(593)	(408)	(639)
Purchase of exploration and evaluation assets	(6,635)	(2,060)	(7,189)	(4,767)
Other assets	(3,699)	(2,793)	(3,699)	(2,793)
Purchase of intangible assets	-	-	(2)	-
Prepayments for pre-exploration data	(25)	-	(25)	-
Net cash used in investing activities	(10,479)	(5,446)	(11,204)	(8,199)
Financing activities				
Interest paid	(2)	(1)	(3)	(2)
Proceeds from bank borrowings	-	896	-	1,669
Increase in fixed deposit pledged	-	1,500	-	-
Loan received from a director	-	-	1,000	-
Repayment of loan received from a director	-	(715)	-	(715)
Repayment of finance lease payables	(36)	-	(64)	(34)
Dividend paid	-	(665)	-	(665)
Net proceeds from issue of ordinary shares	16,026	-	19,576	-
Proceeds from exercise of share options	-	-	322	-
Net proceeds from issue of preference shares	-	225	-	12,000
Net cash from financing activities	15,988	1,240	20,831	12,253
Net change in cash and cash equivalents	6,474	(4,911)	9,016	(124)
Foreign currency translation adjustments	(130)	1,345	(51)	1,093
Cash and cash equivalents at beginning of financial period	8,594	13,257	5,973	8,722
Cash and cash equivalents at end of financial period	14,938	9,691	14,938	9,691

¹Exclude cash restricted in use over 3 months: \$1.691 million

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 S\$'000	Share option reserve S\$'000	Convertible preference shares S\$'000	Foreign currency translation Account S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance as at 1 July 2012	42,229	71	8,775	(1,012)	1,306	51,369	3,478	54,847
Loss for the financial period	-	-	-	-	(299)	(299)	(32)	(331)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	89	-	89	80	169
Total comprehensive income for the financial period	-	-	-	89	(299)	(210)	48	(162)
Issue of shares	9,437	-	-	-	-	9,437	-	9,437
Share options exercised	322	(54)	-	-	-	268	-	268
Convertible preference shares exercised	-	-	(4,387)	-	-	(4,387)	-	(4,387)
Balance as at 30 September 2012	51,988	17	4,388	(923)	1,007	56,477	3,526	60,003
Balance as at 1 October 2012	51,988	17	4,388	(923)	1,007	56,477	3,526	60,003
Loss for the financial period	-	-	-	-	(1,245)	(1,245)	(9)	(1,254)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	(153)	-	(153)	(145)	(298)
Total comprehensive income for the financial period	-	-	-	(153)	(1,245)	(1,398)	(154)	(1,552)
Issue of shares	16,026	-	-	-	-	16,026	-	16,026
Subscription of shares by non-controlling interest in newly incorporated subsidiary	-	-	-	-	-	-	298	298
Balance as at 31 December 2012	68,014	17	4,388	(1,076)	(238)	71,105	3,670	74,775

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 Group	Ordinary shares S\$'000	Share option reserve S\$'000	Convertible preference shares S\$'000	Foreign currency translation Account S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance as at 1 July 2011	42,229	71	-	(194)	7,085	49,191	4,870	54,061
Loss for the financial period	-	-	-	-	(724)	(724)	3	(721)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	(169)	-	(169)	(156)	(325)
Total comprehensive income for the financial period	-	-	-	(169)	(724)	(893)	(153)	(1,046)
Issue of shares by subsidiary	-	-	8,775	-	-	8,775	-	8,775
Balance as at 30 September 2011	42,229	71	8,775	(363)	6,361	57,073	4,717	61,790
Balance as at 1 October 2011	42,229	71	8,775	(363)	6,361	57,073	4,717	61,790
Loss for the financial period	-	-	-	-	(418)	(418)	(10)	(428)
Other comprehensive income for the period:								
Exchange differences on translating foreign operations	-	-	-	(273)	-	(273)	(255)	(528)
Total comprehensive income for the financial period	-	-	-	(273)	(418)	(691)	(265)	(956)
Issue of shares by subsidiary	-	-	225	-	-	225	-	225
Dividends	-	-	-	-	(665)	(665)	-	(665)
Balance as at 31 December 2011	42,229	71	9,000	(636)	5,278	55,942	4,452	60,394

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 \$'000	Share option reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2012	42,229	71	(1,786)	40,514
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(77)	(77)
Issue of shares	9,437	-	-	9,437
Share option exercised	322	(54)	-	268
Balance at 30 September 2012	51,988	17	(1,863)	50,142
Balance at 1 October 2012	51,988	17	(1,863)	50,142
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(569)	(569)
Issue of shares	16,026	-	-	16,026
Balance at 31 December 2012	68,014	17	(2,432)	65,599

Statement of Changes in Equity Company	Ordinary shares \$'000	Share option reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2011	42,229	71	1,535	43,835
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(414)	(414)
Balance at 30 September 2012	42,229	71	1,121	43,421
Balance at 1 October 2011	42,229	71	1,121	43,421
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(151)	(151)
Dividend paid	-	-	(665)	(665)
Balance at 31 December 2011	42,229	71	305	42,605

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	\$
Balance at 1 October 2012	294,620,910	51,988,439
Issue of shares	39,160,000	16,025,462
Balance at 31 December 2012	333,780,910	68,013,901

As at 31 December 2012, there are no other outstanding convertibles other than the remaining 6,000,000 redeemable exchangeable preference shares issued to Venstar Investments Ltd and Venstar Investments II Ltd. 15,000,000 (31 December 2011: 30,000,000) new shares may be issued on the conversion of these outstanding convertibles.

On 25 October 2012, the Company allotted and issued 39,160,000 Shares which comprised of 20,160,000 Placement Shares and 19,000,000 Additional Placement Shares at an issue price of \$0.42 per share.

(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.

	31-Dec-12	30-Jun-12
Total number of issued shares excluding treasury shares	333,780,910	266,520,910

(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.

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 adopted in the audited financial statements of the last financial year, except for the adoption of the new or revised Singapore Financial Reporting Standards ("**FRS**") and Interpretations of FRS ("**INT FRS**") which became effective for the current financial year. The adoption of these 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 company for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per shares (EPS)	2Q FY2013¹	2Q FY2012²	1H FY2013³	1H FY2012⁴
- on weighted average number of shares	(0.41 cents)	(0.16 cents)	(0.51 cents)	(0.43 cents)
- on a fully diluted basis	(0.41 cents)	(0.16 cents)	(0.51 cents)	(0.43 cents)

Notes:

The loss per ordinary share for both 2Q FY2013 and 1H FY2013 are calculated based on 302,014,170 ordinary shares in issue on a weighted average basis. The loss per ordinary share for previous quarter 2Q FY2012 and 1H FY2012 are calculated based on 266,520,910 ordinary shares in issue.

On a fully diluted basis, the loss per ordinary share for both 2Q FY2013 and 1H FY2013 are calculated based on 302,014,170 ordinary shares in issue on a weighted average basis. The profit/(loss) per ordinary share for the previous quarter 2Q FY2012 and 1H FY2012 are calculated based on 266,520,910 ordinary shares in issue. Diluted loss per share is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the shares conversion would be to decrease the loss per share.

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 31-Dec-12	Group 30-Jun-12	Company 31-Dec-12	Company 30-Jun-12
Net asset value per share based on existing issued share capital as at the respective period	21.30 cents	19.27 cents	19.65 cents	15.20 cents

Note:

The net asset value per ordinary share as at 31 December 2012 and 30 June 2012 are calculated based on 333,780,910 and 266,520,910 ordinary shares respectively in issue.

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 2Q FY2013, period from 1 October 2012 to 31 December 2012:-

Consolidated Statement of Comprehensive Income

Total revenue for 2Q FY2013 decreased by 6% as compared to the same period last year 2Q FY2012 due mainly to lesser retail sales in the current quarter.

The decrease in cost of sales for 2Q FY2013 is in line with the decrease in revenue.

Gross profit margin in 2Q FY2013 at 48.4% is consistent with 48.3% in the previous corresponding period.

Distribution costs decreased by S\$0.76M mainly due to lesser spending in advertising, promotion and travelling costs for sanitary hardware business as compared with previous corresponding period.

Administrative expenses and other expenses increased by a total of S\$1.48M mainly due to increases in staff cost and legal and professional fees incurred by the oil and gas division for the acquisition of assets.

Consolidated Statement of Financial Position

Property, plant and equipment increased by S\$0.04M, from S\$1.08M in 1Q FY2013 to S\$1.12M in 2Q FY2013. This is mainly due to the purchase of computers, which was partially offset against decrease in Interlink's property, plant and equipment due to translation difference from India Rupees to Singapore Dollars.

Exploration and evaluation assets increased by S\$8.43M, from S\$17.83M in 1Q FY2013 to S\$26.26M in 2Q FY2013 mainly due to the completion of the acquisition of interests in exploration permit PEP38479.

Other assets increased from S\$2.36M in 1Q FY2013 to S\$4.96M in 2Q FY2013 by S\$2.6M. This increase was mainly due to deposit paid for the acquisition of two drilling units. The increase was partially offset by reclassification of refundable deposit paid for interest in exploration permit PEP38479 from other assets to exploration and evaluation assets.

Ordinary shares increased by S\$16.03M (1Q FY2013: S\$51.99M) mainly due to the issuance of new shares in October 2012. The Company allotted and issued 39,160,000 shares at an issue price of \$0.42 per share.

Cash and cash equivalents rose by S\$6.34M, this was mainly due to the share placement done in October 2012. Further details are given in the review of Consolidated Statement of Cash Flow.

Translation reserve decreased to a debit balance of S\$1.06M in comparison to a debit balance of S\$0.9M in 30 September 2012. This is mainly due to continued weakness of Indian Rupees against Singapore Dollars.

Trade and other payables increased by S\$1.98M, from S\$4.85M in 1Q FY2013 to S\$6.83M in 2Q FY2013. This was mainly due to outstanding progress payment for the acquisition of two drilling units.

Consolidated Statement of Cash Flow

Net cash generated from operating activities of S\$0.96M in the 2Q FY2013 was due mainly to active management of inventories and working capital including trade receivables and trade payables.

Net cash used in investing activities was mainly for the payment made on the completion of the acquisition of interests in exploration permit PEP38479, deposit paid for the acquisition of two drilling units and the purchase of plant and equipment.

Net cash received from financing activities was mainly from the issuance of new shares in October 2012. The details are as covered under the analysis of the Consolidated Statement of Financial Position.

As a result of the above, cash and cash equivalents increased by S\$6.34M in 2Q FY2013.

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.

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 price of crude oil has strengthened recently with optimism from better China economic indicators and a reprieve of the Eurozone and the US fiscal cliff issues. Oil prices are volatile and will likely remain so due to contributing factors including political, economical and supply and demand issues. Despite short-term volatilities, oil prices and demand are expected to continue to support the Exploration and Production Industry.

In August 2012, the Company announced its entry into Participation and Exploration Agreement with Rex Oil & Gas Ltd and Fram Exploration ASA. Under the agreement, the Company will jointly drill 80 wells with its partner in consideration for its share of 20% Net Revenue Interest in each well drilled & completed. The Company together with Rex Oil & Gas Ltd will also provide 2 land rigs for the operations as further agreed in a drilling contract. The Group expects its E&P business to start production in the 2nd half of FY2013.

The Group's subsidiary in India has recently announced the signing of a Gas sale and Purchase Contract. It is expected that gas sales will commence in the 2nd half of FY2013. Workover for both Baola and Modhera is ongoing and the Group will provide additional updates when appropriate.

As announced in October 2012, the Group proposed to divest its entire sanitary hardware business to Mr Sim Siang Choon for S\$9,000,000. The divestment, which has received Shareholders' approval, will provide additional funds to augment working capital and to enable the Group to undertake projects now and in the future. The divestment will also allow the Group to focus on its E&P business. The completion of the divestment is expected to take place in Q3 FY2013.

The Group will continue its focus on growth through development of existing assets and addition of new assets.

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 is recommended for this period.

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.

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.

18. Requirement under Rule 705(5) of the Listing Manual

On behalf of the Board of Directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the quarter and half year ended 31 December 2012 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Kwan Weng Kwong
Director and Chief Executive Officer

Lee Chye Cheng, Adrian
Executive Director

BY ORDER OF THE BOARD

Kwan Weng Kwong
7 February 2013

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange 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.

*The contact person for the Sponsor is Mr. Ng Joo Khin
Tel: 6389 3000 Email: jookhin.ng@stamfordlaw.com.sg*