

**QUARTERLY FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2011**

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

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

Financial statements on consolidated results for the year ended 30 June 2011. Certain items reported for the year ended 30 June 2010 have been reclassified to conform to this report for the year ended 30 June 2011.

	Note	GROUP			GROUP		
		Fourth Quarter			Twelve Months		
		Apr - Jun 2011 S\$'000	Apr - Jun 2010 S\$'000	Inc/ (Dec) %	Jul 2010 - Jun 2011 S\$'000	Jul 2009 - Jun 2010 S\$'000	Inc/ (Dec) %
<b>Continuing operations</b>							
Revenue		11,662	14,046	(17.0)	55,304	74,693	(26.0)
Cost of sales		(8,985)	(11,236)	(20.0)	(44,993)	(63,953)	(29.6)
Gross profit		2,677	2,810	(4.7)	10,311	10,740	(4.0)
Other operating income		508	1,245	(59.2)	5,122	3,079	66.4
Distribution and selling expenses		(317)	(104)	204.8	(471)	(389)	21.1
Administrative expenses		(3,395)	(2,500)	35.8	(11,059)	(10,968)	0.8
Other operating expenses		-	(2,310)	(100.0)	-	(3,139)	(100.0)
Finance income		57	51	11.8	253	318	(20.4)
Finance expenses		(63)	(84)	(25.0)	(292)	(525)	(44.4)
Share of results of associated companies/Profit		(1)	7	N.M	(1)	21	N.M
(Loss)/Profit before tax	1	(534)	(885)	(39.7)	3,863	(863)	(547.6)
Income tax expense		(456)	(482)	(5.4)	(960)	(414)	131.9
(Loss)/Profit for the period from continuing operations		(990)	(1,367)	(27.6)	2,903	(1,277)	N.M
<b>Discontinued operations</b>							
Loss for the period from discontinued operations	15	-	(86)	(100.0)	(122)	(441)	(72.3)
<b>Profit/(Loss) for the period</b>		(990)	(1,453)	(31.9)	2,781	(1,718)	(261.9)
<b>Attributable to :</b>							
Equity holders of the Company		(810)	(856)	(5.4)	1,256	(1,338)	N.M
Non-controlling interests		(180)	(597)	(69.8)	1,525	(380)	N.M
		(990)	(1,453)	(31.9)	2,781	(1,718)	(261.9)

Notes:

1) Profit before tax is arrived at after (charging)/crediting the following:-

	GROUP			GROUP		
	Fourth Quarter			Twelve Months		
	Apr - Jun 2011 S\$'000	Apr - Jun 2010 S\$'000	Inc/ (Dec) %	Jul 2010 - Jun 2011 S\$'000	Jul 2009 - Jun 2010 S\$'000	Inc/ (Dec) %
Bad trade receivables recovered/(written off)	6	(5)	N.M	9	(46)	N.M
Bad non-trade receivables written off	(391)	-	N.M	(262)	-	N.M
Depreciation of property, plant and equipment	(299)	(328)	(8.8)	(1,163)	(1,247)	(6.7)
Realised exchange (loss)/gain (net)	(46)	104	N.M	(8)	1,623	N.M
Unrealised exchange gain/(loss) (net)	395	20	1,875.0	879	(565)	N.M
Fixed assets written off	-	(14)	(100.0)	-	(14)	(100.0)
Interest on borrowings	(32)	(53)	(39.6)	(157)	(119)	31.9
Interest income	57	52	9.6	253	318	(20.4)
Gain on disposal of property, plant and equipment	95	184	(48.4)	171	197	(13.2)
Gain on disposal of a subsidiary	-	-	N.M	2,382	-	N.M

1(a)(ii) Other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			GROUP		
	Fourth Quarter			Twelve Months		
	Apr - Jun 2011 S\$'000	Apr - Jun 2010 S\$'000	Inc/ (Dec) %	Jul 2010 - Jun 2011 S\$'000	Jul 2009 - Jun 2010 S\$'000	Inc/ (Dec) %
<b>(Loss)/Profit for the period</b>	<b>(990)</b>	<b>(1,453)</b>	<b>(31.9)</b>	<b>2,781</b>	<b>(1,718)</b>	<b>N.M</b>
<i>Other comprehensive income:</i>						
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	(189)	(2,326)	(91.9)	(1,764)	(2,056)	(14.2)
(Decrease)/Increase in fair value reserve	(446)	897	N.M	15,238	5,137	196.6
<b>Total comprehensive income</b>	<b>(1,625)</b>	<b>(2,882)</b>	<b>(43.6)</b>	<b>16,255</b>	<b>1,363</b>	<b>1,092.6</b>
<i>Attributable to:</i>						
Equity holders of the Company	(1,055)	(1,799)	(41.4)	14,685	2,454	498.4
Non-controlling interests	(570)	(1,083)	(47.4)	1,570	(1,091)	N.M
	<b>(1,625)</b>	<b>(2,882)</b>	<b>(43.6)</b>	<b>16,255</b>	<b>1,363</b>	<b>1,092.6</b>

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

	Note	GROUP		COMPANY	
		30-Jun-11 S\$'000	30-Jun-10 S\$'000	30-Jun-11 S\$'000	30-Jun-10 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	1	7,575	8,501	104	149
Investment in subsidiaries		-	-	26,287	26,287
Investment in associated companies	2	71	-	-	-
Goodwill	2	1,570	1,570	-	-
Intangible assets	3	32,408	29,717	-	-
Available-for-sale financial assets	4	31,706	12,674	18,619	7,411
Deferred tax assets	5	24	243	-	-
<b>Total Non-Current Assets</b>		<b>73,285</b>	<b>52,776</b>	<b>45,010</b>	<b>33,847</b>
<b>Current assets</b>					
Inventories	6	12,838	16,916	-	-
Trade and other receivables	7	7,795	10,592	301	380
Related parties balances	10	634	696	1,110	742
Cash and cash equivalents		15,374	15,183	-	12
		<b>36,641</b>	<b>43,387</b>	<b>1,411</b>	<b>1,134</b>
Assets classified as held for sale	15	-	1,810	-	-
<b>Total Current Assets</b>		<b>36,641</b>	<b>45,197</b>	<b>1,411</b>	<b>1,134</b>
<b>Total Assets</b>		<b>109,926</b>	<b>97,973</b>	<b>46,421</b>	<b>34,981</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Trade and other payables	8	7,990	9,636	1,229	1,228
Bank overdrafts	9	26	262	42	206
Related parties balances	10	1,184	2,729	3,507	3,310
Short-term borrowings	11	3,353	4,438	27	368
Finance lease obligations	12	34	55	22	21
Income tax liabilities	13	548	675	135	135
		<b>13,135</b>	<b>17,795</b>	<b>4,962</b>	<b>5,268</b>
Liabilities directly associated with assets classified as held for sale	15	-	2,420	-	-
<b>Total Current Liabilities</b>		<b>13,135</b>	<b>20,215</b>	<b>4,962</b>	<b>5,268</b>
<b>Non-Current Liabilities</b>					
Long-term borrowings	11	583	1,241	-	-
Finance lease obligations	12	36	78	36	58
Deferred tax liabilities	14	8,245	7,920	-	-
<b>Total Non-Current Liabilities</b>		<b>8,864</b>	<b>9,239</b>	<b>36</b>	<b>58</b>
<b>Total Liabilities</b>		<b>21,999</b>	<b>29,454</b>	<b>4,998</b>	<b>5,326</b>
<b>EQUITY</b>					
Share capital		120,127	116,502	120,127	116,502
Reserves		(59,795)	(74,470)	(78,704)	(86,847)
		60,332	42,032	41,423	29,655
Non-controlling interests		27,595	26,487	-	-
<b>Total Equity</b>		<b>87,927</b>	<b>68,519</b>	<b>41,423</b>	<b>29,655</b>
<b>Total Liabilities and Equity</b>		<b>109,926</b>	<b>97,973</b>	<b>46,421</b>	<b>34,981</b>

## Notes

### 1) Property, plant and equipment

Property, plant and equipment decreased from net book value of S\$8.5 million as at 30 June 2010 to S\$7.6 million as at 30 June 2011. Total additions for the year were S\$1.2 million and net disposals were S\$0.1 million. Depreciation charged was S\$1.2 million. Unrealised exchange differences were S\$0.8 million.

### 2) Goodwill

Goodwill remains unchanged over the financial year.

	Jun-11	Jun-10
	S\$'000	S\$'000
Mid-Continent Equipment Group Pte Ltd	1,570	1,570

### 3) Intangible assets

	Jun-11	Jun-10
	S\$'000	S\$'000
40% participating interest for the exploration of an area covered by the Petroleum Exploration Licence 101 granted under the Petroleum Act 2000 of South Australia	4,338	4,335

Coal concession rights granted by the Government of Indonesia for a period of 30 years, commencing from the date that mining operations commences, to explore, mine and extract coal from the Kuaro coal formation located at Kabupaten Pasir, East Kalimantan, Indonesia*	26,420	26,420
Adjustment on the value of the coal concession rights	-	-
Impairment loss of the coal concession rights	-	-
	30,758	30,755
Exploration and evaluation expenditure incurred for the Kuaro coal formation located at Kabupaten Pasir, East Kalimantan, Indonesia	1,138	1,180
	31,896	31,935

Oil concession rights granted by China National Petroleum Company Limited for the drilling of oil for Section 20, 35 and 46 oilfields for the remaining life of the concession of 8 years (2010:9 years) and explore Section 214 oilfield located west of Songyuan City of Jilin Province	-	10,772
Adjustment on the value of the oil concession rights	-	(1,938)
Amortisation of the oil concession rights	-	(482)
Impairment loss of the oil concession rights	-	(8,352)
	-	-
Translation Differences	512	(2,218)
	32,408	29,717

*\*Due to the impending legal proceedings in relation to the Group's ownership interest in PT Batubara Selaras Sapta, the directors have been unable to determine the recoverable amount of the Group's investment in the Coal Concession Rights. Any adjustment to the figures will largely be dependent on the outcome of the legal proceedings and may significantly affect the Group's results.*

#### 4) Available-for-sale financial assets

Available-for-sale financial assets increased from S\$12.7 million as at 30 June 2010 to S\$31.7 million as at 30 June 2011, mainly due to a net fair value gain of S\$15.6 million and a net addition of S\$4.0 million during the current period.

	Jun-11 S\$'000	Jun-10 S\$'000
Quoted equity shares at FV as at 1 Jul 2010/1 Jul 2009	12,674	6,634
Additions	6,722	6,158
Disposals	(2,691)	(3,578)
Reversal of fair value losses on disposal	(814)	(607)
Fair value gain, transferred to equity	15,634	3,933
Currency realignment	181	134
	<u>31,706</u>	<u>12,674</u>

#### 5) Deferred tax assets

Deferred tax assets recognised mainly for tax credit on losses and employee benefits in our Indonesian subsidiaries was S\$0.2 million at 30 June 2010 and reduced to S\$0.02 million at 30 June 2011 as these tax credits were irrecoverable.

#### 6) Inventories

	Jun-11 S\$'000	Jun-10 S\$'000
<u>Mid-Continent Equipment Group</u>		
Finished goods (at cost)	10,802	14,982
Goods-in-transit (at cost)	191	1,047
<u>Mid-Continent Environmental Project</u>		
Finished goods (at net realisable value)	752	754
Work-in-progress (at net realisable value)	1,093	133
	<u>12,838</u>	<u>16,916</u>

Inventories decreased about 24.1% as the Group's oilfield equipment supply segment continued to draw down on its inventories.

#### 7) Trade and other receivables

The decrease in trade and other receivables from S\$10.6 million as at 30 June 2010 to S\$7.8 million as at 30 June 2011 was mainly due to a slow down in our equipment supply segment, inline with decrease in revenue.

The trade receivables as at 30 June 2011 were S\$6.6 million (30 Jun 2010: S\$8.3 million). Other debtors, deposits and prepayments as at 30 June 2011 were S\$1.2 million (30 Jun 2010: S\$2.3 million).

#### 8) Trade and other payables

Inline with item 6, and lower cost of sales, trade and other payables decreased from S\$9.6 million as at 30 June 2010 to S\$8.0 million as at 30 June 2011.

The trade payables as at 30 June 2011 were S\$6.6 million (30 Jun 2010: S\$7.4 million). Other payables as at 30 June 2011 were S\$1.4 million (30 Jun 2010: S\$2.2 million).

#### 9) Bank overdrafts

Bank overdrafts decreased from S\$0.3 million as at 30 June 2010 to S\$0.02 million as at 30 June 2011 due to repayments of these overdrafts facilities. The bank overdrafts have been fully repaid as at 28 July 2011.

**10) Related parties balances (net)**

Net amount due to related parties decreased from S\$2.0 million as at 30 June 2010 to S\$0.6 million as at 30 June 2011. The related party balances relate to trade balances between our equipment supply subsidiary and its joint venture partner and, associated and affiliated companies.

**11) Short/Long-term borrowings**

Short-term borrowings decreased from S\$4.4 million as at 30 June 2010 to S\$3.4 million as at 30 June 2011. Long-term borrowings decreased from S\$1.2 million as at 30 June 2010 to S\$0.6 million as at 30 June 2011. These relate to a loan taken by our equipment supply subsidiary to acquire the leasehold property and the decrease is due to scheduled repayment of the loan.

**12) Finance lease obligations**

Decrease in finance lease obligations from S\$0.13 million as at 30 June 2010 to S\$0.07 million as at 30 June 2011 was due to repayment of lease obligations.

**13) Income tax liabilities**

Income tax liabilities increased marginally from S\$0.7 million as at 30 June 2010 to S\$0.5 million as at 30 June 2011.

**14) Deferred tax liabilities**

	Jun-11	Jun-10
	S\$'000	S\$'000
Property, plant and equipment	1	52
Intangible assets	9,608	9,248
Available-for-sale financial assets	(1,364)	(453)
Unutilised benefits	-	(927)
	<u>8,245</u>	<u>7,920</u>

Deferred tax liabilities have been recognised on the coal concession valuation for PT Batubara Selaras Saptu in Indonesia and investments in quoted equities in Australia.

**15) Assets/Liabilities held for sale**

The Group had on 21 May 2010 signed a conditional sale and purchase agreement ("Agreement") to dispose off our crude oil production subsidiary Songyuan Yongda Oilfields Exploration & Technology Co., Ltd ("YD"). The details on this disposal can be obtained from our announcement made on 25 May 2010.

In accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*, the results of YD has been disclosed separately as discontinued operations and assets or liabilities held for sale in the statement of comprehensive income and statement of financial position respectively.

The assets classified as held for sale was S\$1.8 million and liabilities directly associated with the assets held for sale was S\$2.4 million, resulting in an approximate net liability of S\$0.6 million for year ended 30 June 2010.

Losses from discontinued operations during the year ended 30 June 2011 was S\$0.1 million.

The disposal of YD was completed on 30 November 2010.

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

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

<b>As at 30-Jun-2011</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
3,387	26

<b>As at 30-Jun-2010</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
4,493	262

**Amount repayable after one year**

<b>As at 30-Jun-2011</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
619	-

<b>As at 30-Jun-2010</b>	
<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>
1,319	-

**Details of any collateral**

The Group's short-term bank loans are secured by:

- a letter of guarantee from a corporate shareholder of a subsidiary and a first fixed charge on its receivables and first floating charge on all its undertaking, property, assets and rights of the joint venture entity;
- a Standby Letter of Credit from a bank in Singapore;
- a personal guarantee from the directors, guarantee from a corporate shareholder and a hypothecation of machinery of a joint venture company in India;
- a first floating charge on all its undertaking, other property, assets and rights of a joint venture entity in Singapore;
- the pledging of a subsidiary's fixed deposits of S\$5,227,295 to certain banks.

The Group's long-term finance lease obligations and borrowings relates to hire purchase of vehicles and the term loan for acquisition of leasehold property as disclosed in note 11.

1(c) A consolidated statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<b>GROUP</b>	
	<b>Twelve months ended</b>	
	<b>Jun 2011</b>	<b>Jun 2010</b>
	<b>S\$'000</b>	<b>S\$'000</b>
		<b>(Restated)</b>
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax		
Continuing operations	3,863	(863)
Discontinued operations	(122)	(441)
	3,741	(1,304)
Adjustments of non-cash items	(3,617)	2,924
<b>Operating cash flows before working capital changes</b>	<b>124</b>	<b>1,620</b>
- Working capital changes	3,571	(1,287)
<b>Cash flows from operations</b>	<b>3,695</b>	<b>333</b>
Interest income received	322	263
Interest paid	(157)	(262)
Income taxes paid	(851)	(1,447)
<b>Net cash generated from/(used in) operating activities</b>	<b>3,009</b>	<b>(1,113)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	310	290
Purchase of property, plant and equipment	(1,192)	(5,419)
Net proceeds from sale of available-for-sale financial assets	3,815	4,051
Acquisition of available-for-sale financial assets	(6,722)	(6,158)
Payment of interest in PEL	(7)	(2)
Net payment of petroleum exploration expenditure	-	(313)
Payments of dividends by a subsidiary company to minority interests	(462)	(457)
Dividends received from associated companies	63	62
Net cash inflow on disposal of subsidiary	562	-
<b>Net cash flows used in investing activities</b>	<b>(3,633)</b>	<b>(7,946)</b>
<b>Cash flows from financing activities</b>		
Repayment of lease obligations	(64)	(50)
Proceeds from borrowings	-	2,506
Repayment of borrowings	(1,743)	(759)
Fixed deposits pledged to a bank	1,300	4,618
Proceeds from issue of ordinary shares	3,625	-
<b>Net cash flows generated from financing activities</b>	<b>3,118</b>	<b>6,315</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,494</b>	<b>(2,744)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>8,393</b>	<b>11,259</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(766)</b>	<b>(122)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>10,121</b>	<b>8,393</b>
<b>Represented by:</b>		
Continuing operations		
Cash and bank balances	8,036	7,779
Fixed deposits	2,111	789
Bank overdrafts, unsecured	(26)	(262)
	10,121	8,306
<u>Discontinued operations</u>		
Cash and bank balances	-	87
	<b>10,121</b>	<b>8,393</b>
Cash and cash equivalents from continuing operations		
Cash and bank balances	8,036	7,779
Fixed deposits	7,338	7,404
<b>Cash and cash equivalents</b>	<b>15,374</b>	<b>15,183</b>
Less: Pledged fixed deposits	(5,227)	(6,528)
Less: Bank overdraft	(26)	(262)
<b>Cash and cash equivalents</b>	<b>10,121</b>	<b>8,393</b>

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

Group	Attributable to shareholders							Non-controlling Interests	Total Equity
	Share-based Payment Reserve		Fair Value Reserve	Translation reserve	Statutory Reserve	Retained Earnings	Total		
	Share Capital								
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>Balance at 1 July 2010</b>	116,502	171	4,983	(5,059)	14	(74,579)	42,032	26,487	68,519
Total comprehensive income/(loss) for the period	-	-	15,166	(1,737)	-	1,256	14,685	1,570	16,255
Grant of equity share options	-	4	-	-	-	-	4	-	4
Transferred to subsidiary share capital	-	-	-	-	(14)	-	(14)	-	(14)
Issue of new ordinary shares	3,625	-	-	-	-	-	3,625	-	3,625
Dividends paid	-	-	-	-	-	-	-	(462)	(462)
<b>Balance at 30 June 2011</b>	120,127	175	20,149	(6,796)	-	(73,323)	60,332	27,595	87,927

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 (cont'd)

Group	Attributable to shareholders							Non-controlling Interests	Total Equity
	Share Capital	Share-based Payment Reserve	Statutory Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance as at 1 Jul 2009	116,502	176	-	(67)	(3,448)	(74,263)	38,900	28,716	67,616
Effects after adopting FRS 27	-	-	-	-	(353)	1,047	694	(694)	-
Balance as at 1 July 2009	116,502	176	-	(67)	(3,801)	(73,216)	39,594	28,022	67,616
Total comprehensive income/(loss) for the period	-	-	-	5,050	(1,258)	(1,338)	2,454	(1,091)	1,363
Transferred to/(from) statutory reserve	-	-	14	-	-	(25)	(11)	11	-
Grant of equity share options	-	3	-	-	-	-	3	2	5
Reversal of equity share options	-	(8)	-	-	-	-	(8)	-	(8)
Dividend paid	-	-	-	-	-	-	-	(457)	(457)
Balance as at 30 Jun 2010	116,502	171	14	4,983	(5,059)	(74,579)	42,032	26,487	68,519

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 (cont'd)

Company	Share Capital	Share-based Payment Reserve	Revaluation Reserve	Revenue Reserve	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jul 2010	116,502	151	5,438	(92,436)	29,655
Expense on share options granted to directors and employees	-	4	-	-	4
New issue of shares	3,625	-	-	-	3,625
Total comprehensive income for 4Q2011	-	-	8,758	(619)	8,139
Balance at 30 Jun 2011	120,127	155	14,196	(93,055)	41,423
Balance at 1 Jul 2009	116,502	159	2,068	(88,209)	30,520
Reversal of equity share options	-	(8)	-	-	(8)
Total comprehensive income for 4Q2010	-	-	3,370	(4,227)	(857)
Balance at 30 Jun 2010	116,502	151	5,438	(92,436)	29,655

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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Date	Description	No of shares	Paid-up Capital S\$'000
1-Jul-10 and 30-Jun-11	Issue and paid-up capital	2,048,678,060	120,127
1-Jul-09 and 30-Jun-10	Issue and paid-up capital	1,758,678,060	116,502

Under the Magnus Energy Employee Share Option Plan, the options for 1,541,400 unissued ordinary shares were outstanding as at 30 Jun 2011 (30 Jun 2010: 7,150,000). 5,566,900 options expired on 4 December 2010, and 41,700 options were forfeited following the resignation of staff.

A share placement of 290 million ordinary shares at S\$0.0125 for each subscription share was completed in the previous quarter. The share placement increased the paid-up capital by S\$3,625,000.

**1(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>30-Jun-11</b>	<b>30-Jun-10</b>
No. of ordinary shares issued and fully paid	2,048,678,060	1,758,678,060

There are no treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

**1(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 figures have neither been audited nor reviewed by the 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.**

Except as disclosed in Part 5 below, the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Interpretations and amendments to published standards effective in year 2010. On 1 July 2010, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date.

The following is the new or amended FRS and INT FRS that is relevant to the Group:

- Amendments to FRS 1 Presentation of Financial Statements
- FRS 24 (Revised) Related Party Disclosures
- Amendments to FRS 27 Consolidated and Separate Financial Statements under improvements to FRS 2010
- Amendments to FRS 103 Business Combinations under the improvements to FRS 2010
- Amendments to FRS 107 Financial Instruments: Disclosures

The adoption of the above new or amended FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on these financial statements.

**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.**

Earnings per share for the period ended 30 Jun 2011:

	<b>Group</b>		<b>Group</b>	
	<b>Fourth Quarter</b>		<b>Twelve Months</b>	
	<b>Apr-Jun 2011</b>	<b>Apr-Jun 2010</b>	<b>Jul-Jun 2011</b>	<b>Jul-Jun 2010</b>
Earnings per ordinary share of the Group after deducting any provision for preference dividends				
Earnings for the period (S\$'000)	(810)	(856)	1,256	(1,338)
- Based on weighted average number of ordinary shares in issue (cents)	(0.040)	(0.049)	0.061	(0.076)
Weighted average number of ordinary shares ('000)	2,048,678	1,758,678	2,048,678	1,758,678
- On a fully diluted basis (detailing any adjustments made to the earnings) (cents)	(0.040)	(0.048)	0.061	(0.076)
Weighted average number of ordinary shares on fully diluted basis ('000)	2,050,219	1,765,828	2,050,219	1,765,828

**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>Net assets value per ordinary share (cents)</b>	<b>Group</b>		<b>Company</b>	
	<b>As at 30-Jun-11</b>	<b>As at 30-Jun-10</b>	<b>As at 30-Jun-11</b>	<b>As at 30-Jun-10</b>
Basic	2.94	2.39	2.02	1.69
Fully diluted basis	2.94	2.38	2.02	1.68

**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

Revenue and gross profit margin for the year ended 30 Jun 2011 ("FY2011") and 30 Jun 2010 ("FY2010")

With reference to note 15 on page 6, results for FY2010 have been adjusted and restated for the purpose of comparison with the current period.

For FY2011, the Group's revenue decreased by 26.0% to S\$55.3 million, as compared to S\$74.7 million in FY2010, due to the decrease in revenue from the oilfield equipment supply segment. The higher revenue for FY2010 was contributed by a few high value low margin special orders.

Inline with decreased revenue, cost of sales decreased by 29.6% from S\$64.0 million for FY2010 to S\$45.0 million for FY2011.

The Group's gross profit decreased marginally from S\$10.7 million for FY2010 to S\$10.3 million for FY2011, despite a decrease in revenue as shown above. Gross profit margin increased from 14.4% to 18.6% respectively. This is mainly due to improved margin for FY2011 as compared to lower blended gross profit margin for FY2010.

Quarter to quarter comparison shows a decrease in the Group's revenue from S\$14.0 million for 4Q10 to S\$11.7 million for 4Q11, recording a 17.0% decrease in the Group's revenue, contributed by our oilfield equipment supply segment. However, gross profit margin improved from 20.0% for 4Q10 to 22.9% for 4Q11.

Other operating income

Other operating income for continuing operations was S\$3.1 million for FY2010 and S\$5.1 million for FY2011. Other operating income was mainly contributed by;

- gain on disposal of quoted equities S\$0.3 million
- fair value gain on disposal of quoted equities S\$0.8 million
- services income S\$0.4 million
- unrealised exchange gain S\$0.9 million
- gain on disposal of subsidiary S\$2.4 million
- other income S\$0.1 million
- gain on disposal of fixed assets S\$0.2 million

The exchange gains or losses mentioned above are in relation to movements in USD and AUD.

Distribution and selling expenses

Distribution and selling expenses increased from S\$0.4 million for FY2010 to S\$0.5 million for FY2011, mainly due to increased of doubtful debts of S\$0.3 million. Other distribution and selling expenses generally were reduced by S\$0.2 million.

Administrative expenses

Administrative expenses were generally similar from S\$10.97 million for FY2010 to S\$11.06 million for FY2011. Reductions of emoluments, remuneration and salaries of S\$0.5 million were offset by marginal increases across all other administrative expenses.

Other operating expenses

There is no other operating expense for FY2011 (FY2010: S\$3.1 million). Other operating expenses for FY2010 were mainly fair value loss transferred from fair value reserve upon disposal of quoted equities S\$0.6 million and provision for diminution of quoted investments of S\$1.7 million.

#### Finance/Interest income

Interest income decreased from S\$0.32 million for FY2010 to S\$0.25 million for FY2011 due to lower amount of fixed deposits, withdrawn for investment purposes. Finance expenses decreased from S\$0.5 million for FY2010 to S\$0.3 million for FY2011. Finance expenses are mainly due to hire purchase interests and bank charges and the reductions were due to reductions of lease obligations and loans.

#### Net profit after tax from continuing operations

Inline with decreased revenue, total expenses decreased from S\$15.0 million for FY2010 to S\$11.8 million for FY2011, resulting in a 22.7% decrease.

Net profit after tax recorded a substantial increase from net losses of S\$1.3 million for FY2010 to S\$2.9 million for FY2011. This is mainly due to one-off gain of S\$2.4 million on disposal of subsidiary in other operating income and decreased in total expenses. Income tax expense increased from S\$0.4 million for FY2010 to S\$1.0 million for FY2011, inline with increased in net profits. Quarter to quarter net losses after tax was S\$1.4 million in 4Q10 and S\$1.0 million in 4Q11.

- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group recorded S\$3.0 million net cash inflow from operating activities for FY2011 as compared to the net cash outflow S\$1.1 million for FY2010, as our oil equipment supply subsidiary continued to draw down on inventory and record better margins. The improvement in cash flow from operations was also due to higher profit margins for FY2011 as compared to previous corresponding period. Income tax paid decreased from S\$1.4 million for FY2010 to S\$0.9 million for FY2011.

Net cash flow used in investing activities was S\$3.6 million for FY2011 was significantly lower as compared to S\$7.9 million for FY2010. This was mainly due to the acquisition of a lease property in the previous corresponding period. Net cash used was mainly for acquisition of available for sale financial assets. Please refer to note 4 on page 5 for further information on available for sale financial assets.

Net cash generated from financing activities was S\$3.1 million for FY2011 and S\$6.3 million for FY2010. This higher cash generated in the previous period was mainly due to the release of pledged fixed deposits of S\$4.6 million. Net cash generated for current period was mainly due to proceeds from issuance of new ordinary shares of the Company for S\$3.6 million and released of pledged fixed deposit of S\$1.3 million. Repayments of borrowings increased from S\$0.8 million for FY2010 to S\$1.7 million for FY2011 was mainly due to repayment of loan for the leasehold property.

Comparatively, the Group's cash and cash equivalents increased by S\$1.7 million, after adjusting for effects of foreign currencies exchanges, from S\$8.4 million as at 30 June 2010 to S\$10.1 million as at 30 June 2011.

**9 Where a forecast, or a prospect statement, has been previously disclosed to 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 Group's main core businesses today comprise of oil and gas equipment distribution in the Asia Pacific region.

Oil And Gas Equipment Distribution

In consideration of the serious economic and financial issues in Europe and the US and the uncertainties surrounding the global economic landscape, the Group is cautious about its prospects for the next 12 months.

Mid-Continent Equipment Group Pte Ltd, our oil and gas equipment distribution subsidiary expects to maintain its growth momentum and remain profitable in the next twelve months. The Group's main businesses are currently operating in the faster growing Asia Pacific markets and the Group is cautiously optimistic that there will be a continuous demand for our equipment and spares as well as tubular products.

Exploration And Development Of Coal Mining Activities

Our Australian listed subsidiary APAC Coal Ltd. ("APAC"), and its subsidiaries ("APAC Group"), have been advised by our Indonesian litigation lawyer that the formal outcome of the Judicial Review has been received from The Indonesian Supreme Court. The Judicial Review verdict mentioned that the administrative court does not have any competency to examine the title of ownership of the shares of PT Batubara Selaras Sapta ("PT BSS") and that only the district civil court has such a competence.

The lawyers for PT Deefu Chemical Indonesia, shareholder of PT Batubara Selaras Sapta, are now in the final stages of preparation of arguments for a civil lawsuit at the District Civil Court. The Company will keep our shareholders updated on any material development in connection with the legal case. Further announcements will be made as and when appropriate.

In order to assist APAC to advance the litigation process and exploration activities, APAC is now in negotiations with some strategic partners who will provide funds and expertise to expedite the overall development of the concession area.

Investments in Iron Ore Mining

In May 2010, Hudson acquired an 80% share interest in PT Denichi Amina Selaras ("PTDAS") which owns an iron ore mining concession in Aie Dingin, Padang, Indonesia. During this financial year, APAC has made an investment in Hudson Minerals Holdings Pte Ltd ("Hudson") in the form of a convertible loan for A\$2,500,000 at an interest rate of 9% per annum with a maturity tenor of 4 years. Based on the current paid up capital of Hudson, APAC will hold a 20.928% equity interest in Hudson upon full conversion.

This iron ore project has moved to the final stage of pre-production. Early stages of mining shall be conducted in the initial 2 Ha. in the 10.11 Ha site. APAC has agreed to commit to a further short term investment of A\$350,000 to Hudson as announced on 20 July 2011 by APAC, and subsequently announced by Magnus on 21 July 2011, to enable the project to meet its maiden production timeline. The drawdown for this short term investment of A\$350,000 was executed on 20 July 2011.

Others

The group is exposed to movements in US Dollar and Australian Dollars and price fluctuation of quoted equities in our investment portfolio. Such movements may have a significant impact on the Group's future results. Following the disposal of our crude oil production subsidiary, the group has exited from crude oil production on 30 November 2010.

**11 Dividend**

- (a) Current Financial Period Reported On - Not applicable
- (b) Corresponding Period of the Immediately Preceding Financial Year - Not applicable
- (c) Date payable - Not applicable
- (d) Book closure date - Not applicable

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

No dividend has been declared/recommended for year ended 30 June 2011.

**13 Interested Person Transactions**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$'000	S\$'000
	-	-

There was no interested person transaction for the year ended 30 June 2011.

**14 Confirmation by the Board pursuant to Rule 705(5)**

We, Lim Kuan Yew and Koh Teng Kiat, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 30 June 2011 to be false or misleading.

**PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

15 **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.**

(a) FY 2011

	Oilfield Equipment Supply and services (Continuing operations)	Crude oil production (Discontinued operation)	Total Operations
	S\$'000	S\$'000	S\$'000
External revenue	55,304	2,166	57,470
Segment result	3,900	(122)	3,778
Financial costs			(292)
Financial income			253
Share of results of associated companies			1
Income tax expenses			(959)
Non-controlling interests			(1,525)
Loss attributable to shareholders			1,256

(b) FY2010

	Oilfield Equipment Supply and services (Continuing operations)	Crude oil production (Discontinued operation)	Total Operations
	S\$'000	S\$'000	S\$'000
External revenue	74,693	4,993	79,686
Segment result	(678)	(434)	(1,112)
Financial costs			(531)
Financial income			318
Share of results of associated companies			21
Income tax expenses			(414)
Non-controlling interests			380
Loss attributable to shareholders			(1,338)

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

Referring to Note 15 of the Statement of Financial Position, the group has completed the disposal of our crude oil production segment on 30 November 2010.

**17 A breakdown of sales.**

	Group		
	1-Jul-2010 to 30-Jun-2011	1-Jul-2009 to 30-Jun-2010	Inc/ (Dec)
	S\$'000	S\$'000	%
Sales reported for the first half year	32,105	33,541	(4.3)
Operating (loss)/profit after tax before deducting minority interests reported for the first half year	3,855	(60)	>100
Sales reported for the second half year	25,365	46,145	(45.0)
Operating loss after tax before deducting minority interests reported for the second half year	(1,074)	(1,658)	(35.2)

Note: Referring to Note 15 and Item 15, sales pertaining to discontinued operations amount to S\$2.166 million and S\$4.993 million in FY 2011 and FY2010 respectively.

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

**Total Annual Dividend**

	Latest Full Year (30-Jun-2011)	Previous Full Year (30-Jun-2010)
Ordinary	-	-
Preference	-	-
<b>Total</b>	-	-

**BY ORDER OF THE BOARD**

**Luke Ho Khee Yong**  
Company Secretary  
26 August 2011

**Submitted by Luke Ho Khee Yong, Company Secretary on 26/08/2011 to the SGX**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*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 Ms Foo Quee Yin  
Telephone number: 6221 0271*