

JASPER INVESTMENTS LIMITED
(Company Registration No. 198700983H)

1. UPDATE OF REFINANCING OF LOAN IN NEPTUNE MARINE
2. EMPHASIS OF MATTER BY AUDITORS

When the Company acquired Neptune Marine Oil & Gas Limited (“Neptune Marine”) in December 2007, Neptune Marine Invests AS, a wholly owned subsidiary of Neptune Marine had a one year loan facility of US\$230,000,000 which matures in December 2008 (“Loan”). In a circular dated 4 March 2008 to shareholders in connection with the acquisition of Neptune Marine, it was disclosed that Neptune Marine Invests AS had in December 2007 refinanced, through the Loan, its previous borrowings. As further disclosed in the Company’s Offer Information Statement dated 27 March 2008 and the Company’s announcement of its full year results on 29 May 2008, Neptune Marine was then working with banks to refinance the Loan into a term facility.

As an update, the Company wishes to inform that Neptune Marine has received commitments from banks for a US\$290,000,000 term loan and is currently finalizing documentation for the facility. The new facility will be utilised to repay the Loan and to fund the remaining costs of upgrading its drillship, “Neptune Explorer”. Signing of the US\$290,000,000 facility agreement is expected to take place shortly.

As the completion of the refinancing did not occur at the close of the Company’s financial year end of 31 March 2008, the Loan was classified under “Current Liabilities”; resulting in the consolidated current liabilities exceeding consolidated current assets by US\$215,260,000. As a consequence, the Auditors’ Report of the Company for the financial year ended 31 March 2008 contains an emphasis of matter regarding this item. A copy of the Auditor’s Report is attached for information.

Additionally, the Company will be using US\$65,000,000 of the proceeds from its Rights Issue to reduce Group borrowings.

The Annual Report for the year ended 31 March 2008 of the Company, which will contain the Auditors’ Report, will be dispatched to shareholders and the SGX-ST on 14 July 2008.

BY ORDER OF THE BOARD

Lee Mee Kium
Company Secretary

11 July 2008

Independent auditors' report to the members of Jasper Investments Limited

We have audited the accompanying financial statements of Jasper Investments Limited ("the Company") and its subsidiaries ("the Group"), which comprise the balance sheets of the Company and the Group as at 31 March 2008, the consolidated income statements, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

This report is made solely to the Company's members, as a body, in accordance with Section 207 of the Companies Act, Cap. 50. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's members as a body, for our audit, for this report, or for the opinions we have formed.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Independent auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.


Independent auditors' report to the members of Jasper Investments Limited (cont'd)

Opinion

In our opinion:

- (a) the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2008 and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in the Republic of Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Without qualifying our opinion, we draw your attention to Note 2 (a) to the financial statements which state that as at 31 March 2008, the Group's current liabilities exceed its current assets by US\$215,260,000. The financial statements have been prepared on a going concern basis as the Group is currently engaged with financial institutions to raise approximately US\$290,000,000 to refinance its short-term loan on a long-term basis. If the Group is not able to raise the expected funds from financial institutions, the Group may be unable to continue in operational existence for the foreseeable future, then adjustments would have to be made to reflect the situation that the assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts stated in the balance sheet. In addition, the Group may have to provide for further liabilities which may arise. In forming our opinion, we have considered the adequacy of the disclosure of this matter in the financial statements.



Foo Kon Tan Grant Thornton
Public Accountants and
Certified Public Accountants

Singapore, 26 June 2008