

JASPER INVESTMENTS LIMITED
(Company Registration No. 198700983H)

EMPHASIS OF MATTER BY AUDITORS

In accordance with Rule 704(5) of the SGX Listing Manual, the Company wishes to announce that the Auditor's Report of the Company for the financial year ended 31 March 2009 contains an emphasis of matter with regards to the going concern assumption. As at financial year end, the Group's current assets exceeded current liabilities.

As previously announced on 11 May and 3 June 2009, Turquoise Offshore Pte Ltd, a wholly owned subsidiary of the Company had acquired a bridging loan, which was provided by a bank to another subsidiary, Neptune Marine Invest AS, amounting to US\$186 million in principal and accrued interest ("Loan"). Approximately US\$180 million was funded by a loan from the Company's controlling shareholder, the maturity of which is extendable by the controlling shareholder. The rest of the Loan was funded from the proceeds of the rights issue completed in early June. The remaining deficit in working capital should be met from revenue from the Group's current operations.

A copy of the Auditor's Report is attached for information.

BY ORDER OF THE BOARD

Lee Mee Kium
Company Secretary

2 July 2009

Independent auditor's 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 2009, the consolidated income statement, 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.

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 2009 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 2009, the Group's current liabilities exceed its current assets by US\$238,302,000. The financial statements have been prepared on a going concern basis as subsequent to year end, the Group discharged a bank loan of US\$186 million in principal and accrued interest. This was funded by from proceeds of a rights issue of US\$6 million and a loan from the controlling shareholder amounting to US\$180 million, the maturity of which is extendable by the controlling shareholder. This loan has been classified as current liabilities. For the remaining deficit in working capital, it will be funded through the net proceeds from the drilling contract with a customer. If the Group is not able to fund repayment of the loans through normal working capital and extend the term of the shareholder loan, 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 and the existing breaches of the terms of the loan agreements in Note 18 to the financial statements.

Foo Kon Tan Grant Thornton
Public Accountants and
Certified Public Accountants

Singapore, 26 June 2009