

**JASPER INVESTMENTS LIMITED**  
**(Company Registration No. 198700983H)**

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**CLARIFICATION ON AUDITOR'S REPORT**

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Jasper Investments Limited would like to clarify certain press reports on the Company's Auditor's Report for the financial year ended 31 March 2010 ("FY2010").

The Company's auditors had, in the past 3 financial years, commented that the Group's net current liabilities exceeded its current assets. In FY2010 the Group's net current liabilities exceeded its current assets by U\$56 million, whereas in FY2008 and FY2009, the Group's net current liabilities exceeded its current assets by US\$215 million and US\$238 million respectively. Thus there has been a significant improvement in the Group's working capital position since FY2008.

The Group's existing current liabilities consists mainly of a loan from a local bank that is secured against a mortgage on the drillship, the "Explorer". As at 31 March 2010, the amount outstanding under the loan was US\$35 million against independent valuations of the "Explorer" of US\$280 million to US\$375 million. The bank providing the loan is a key relationship bank and the security value is well in excess of the loan provided. Subsequent to year end, the local bank increased the facility to US\$55 million.

Other than the above mentioned bank loan, the Group had no other third party borrowings as at 31 March 2010. The Group continues to receive material support from its controlling shareholders through the provision of shareholders' loans which as at 31 March 2010, amounted to approximately US\$201 million.

The Group is currently in active discussions with various parties to deploy the "Explorer".

The Company will continue to work towards a complete resolution of the auditor's comments.

**BY ORDER OF THE BOARD**

Lee Mee Kium  
Company Secretary

12 July 2010

