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Corporate Information

Directors and Executives

Victor Hwang	Chairman & President
Dr G Ming Wang	CEO & Director
Brian Chan	CFO & Director
Alan Peter Johnson	Director
Peter C Kelty	Director
Graeme Phipps	Director
Yunshi Cao	Director

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England



Annual Report 2010 - 2011

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Chairman's Statement

Dear Shareholders

Against the background of significant economic problems in both the United States and Europe, China is now the world's second largest economy with a continuing growth rate at around 9% per annum. The Chinese Government is endeavouring to rein in inflation and re-balance the economy from a source of cheap labour and manufacturing to a fully developed economic power with domestic consumer demand capable of sustaining growth and these steps are expected to slow growth in the short term. However, demand for natural gas in China is continuing to grow significantly. We believe the expansion of China's pipeline coverage will ensure that domestic gas consumption will continue to expand rapidly and demand for natural gas is forecast to significantly exceed supply for 2011 and beyond for the foreseeable future.

This trend has had an effect on gas prices, with the Chinese Government under pressure to establish a natural gas pricing mechanism that reflects availability of resources and market supply and demand. China gas importers typically buy at import prices that are higher than the average domestic sale prices and import prices in China are moving towards the Far East LNG prices paid by Japan and Korea which are linked to oil prices. We believe the increasing disparity between import and domestic gas prices will drive market reform. As an interim measure, the Government increased domestic prices by almost 25% in 2011. Primeline is well positioned to take advantage of these fundamental economic factors.

Development of the LS36-1 gas field has now commenced. Since we signed various development agreements with China National Offshore Oil Corporation (CNOOC) in March 2010, CNOOC became the operator for the LS36-1 development operations and they have commenced design and early procurement activities so that the development remains on schedule with first gas currently being expected in mid 2013. CNOOC is also responsible for the finalisation and submission of the Overall Development Program (ODP) to the Chinese Government for the appropriate approvals. Before the ODP can be filed it is necessary to obtain approval for the Environmental Impact Assessment (EIA) which has taken longer than originally anticipated due in part to the general tightening by the Chinese Government of its environmental regulations but also due to the necessity to change the site for the onshore processing terminal.

During the year, CNOOC and Primeline identified an alternative existing site that is significantly better than the previous site. Arrangements for the acquisition of the alternative site are being finalised and that has allowed CNOOC to finalise the EIA which has now been reviewed by the appropriate authorities and is now in the process of preparation for filing with the ODP.

Primeline has also signed a loan memorandum with a major Chinese bank on the general terms of project financing for its share of the development cost. That financing is subject to the approval of the bank's credit committee and the current expectation is that the submission to the credit committee for approval will be made after the ODP has been submitted to and approved by the appropriate Chinese authorities.

With regard to exploration, Primeline drilled the LS35-3-1 well during the year which flowed natural gas. Although the volume of gas discovered was not commercial, the discovery is significant in that it proved the migration of natural gas into prospects on the western margin of the basin.

In addition, Primeline has also secured a new petroleum contract to replace the exploration rights and commitments under the Block 25/34 petroleum contract, the exploration phase of which was due to expire in May 2013. In July 2011, CNOOC and Primeline entered into a memorandum of agreement under which it was agreed that the existing petroleum contract will continue only in relation to the LS36-1 development and that CNOOC will grant Primeline a new petroleum contract with a seven year exploration period and with a slightly larger area of 5,877 sq kms. The effect of the new contract is to give Primeline significantly more time to explore the area for resources which can be tied into the LS36-1 production facilities. It also has effectively delayed the requirement for financing the exploration costs, a positive development having regard to the current uncertainties in the equity market. With that in mind, in May 2011, I made available to the Company a US\$4 million interest free working capital facility in order to avoid the necessity of the Company having to issue equity to finance working capital requirements in current market conditions.

Accordingly, in view of continued progress made by CNOOC on the development of the LS36-1 discovery, coupled with the recent agreement for a new petroleum contract, I am confident that Primeline is poised to make significant progress in the coming year. With CNOOC currently maintaining the development schedule, subject to financing being put in place, Primeline expects to be generating petroleum sales income in 2013 and will have the benefit of the new petroleum contract with which to explore the full potential of the Lishui Basin in the East China Sea.

I take this opportunity to again thank all our shareholders for their support and the Primeline team for another year of hard work and continued progress towards our goal to be a major gas producer in offshore China.

Victor Hwang
Chairman and President

主席報告

親愛的股東

在當前歐美出現重大經濟問題的背景下，中國成為世界第二大經濟體並仍持續保持約 9% 的年增長率。中國政府在抑制通貨膨脹的同時，正努力改變現有的經濟模式，即從以廉價勞動力和製造業為主的經濟模式轉化為通過拉動內需來推動可持續發展的經濟模式。這些舉措在短期內可能導致中國經濟的增長速度放緩。然而，中國對天然氣的需求卻保持快速增長的勢頭。我們相信，隨著中國天然氣管道覆蓋面的進一步擴大，國內天然氣的消費量將同步快速增長。二零一一年，中國天然氣的需求量將遠遠超過其供應量；在可預見的未來，國內天然氣供不應求的局面將呈擴大趨勢。

這種趨勢對天然氣的價格產生了相應的影響，而中國政府急需建立一套天然氣定價機制以應對天然氣資源的短缺以及市場需求之間的矛盾。中國天然氣的進口價格通常要高於國內天然氣的平均銷售價格，並逐步逼近日韓所支付的與原油價格掛鈎的遠東液化天然氣價格。我們相信，中國天然氣進口價格與國內銷售價格的日漸懸殊，勢必引發國內天然氣市場的改革。作為一項臨時措施，中國政府於二零一一年將國內天然氣的銷售價格提高了近 25%。而超準將得益於這些基本經濟因素所帶來的優勢。

麗水 36-1 氣田開發項目現已啟動。自超準與中國海洋石油總公司（中海油）於二零一零年三月簽署了一系列開發協議後，中海油成為麗水 36-1 氣田開發項目的作業者。目前，中海油已經開始了項目設計及初期的採辦工作，以期能夠按計劃於二零一三年年中實現氣田投產。中海油同時亦負責總體開發方案（ODP）的完稿以及上報中國政府審批的工作。ODP 獲批的一個必不可少的因素是環境影響評估報告需通過國家相關部門的審批。由於中國政府的環境監管政策日趨嚴格以及麗水 36-1 氣田陸上終端處理廠場址的變更，環評報告的審批較原定計劃耗時更長。

在這一年裡，超準與中海油選定了一處位置更優的終端場址。新終端場址的徵地工作已進入尾聲，相應的陸上終端環評報告業已通過政府有關部門的審查。中海油正積極地為 ODP 的上報做最後的準備工作。

超準已與一家中國大型銀行簽署了項目融資貸款備忘錄，確定了超準籌措其所應承擔的開發費用的主要條件。而此融資需經銀行信貸審查委員會的批准方能生效。預計銀行將在總體開發方案上報國家發改委並獲得批准後，將融資申請上報其信貸審查委員會審批。

在勘探方面，超準於本年度鑽探了麗水 35-3-1 井，並喜獲天然氣流。儘管此發現尚不具備商業開發的價值，但它證實了麗水盆地西斜坡具備天然氣運移成藏的條件。

此外，超準與中海油商定，擬以一份新的石油合同取代將於二零一三年五月到期的 25/34 區塊石油合同中勘探期的權利和義務。二零一一年七月，中海油和超準簽署了一份合同備忘錄，規定現有的石油合同將只繼續執行麗水 36-1 氣田的開發及生產作業，同時中海油將與超準簽署一份新的勘探期為 7 年的石油合同，其勘探面積將略大於現有的面積，為 5,877 平方公里。新石油合同給予超準更充裕的時間來勘探此區域的油氣資源，而這些潛在油氣資源的開發可以依託即將架設的麗水 36-1 氣田的生產設施。新石油合同亦有效地推遲了勘探費用的融資需求；考慮到當前資本市場的不穩定性，這具有積極的意義。鑒於此，於二零一一年五月，本人為本公司提供了 400 萬美金的免息貸款作為運營資金，以避免本公司在當前的市場環境下由於營運資金需求而發行股權融資。

綜上所述，基於中海油在麗水 36-1 氣田開發項目上取得的積極進展，以及近期擬簽訂的新石油合同，我相信超準將在未來的一年取得飛躍性的發展。目前中海油在開發項目上進展順利，若融資工作順利完成，超準預期於二零一三年產生油氣銷售收入。此外，得益於新石油合同，超準將更全面地勘探中國東海麗水盆地中的油氣潛能。

借此良機，我再次感謝全體股東一如既往的支持和超準全體同仁在過去一年中的辛勤工作。我們向成為中國海上天然氣主要生產商的既定目標，又邁進了一大步！

黃偉華
主席兼總裁



Primeline Energy Holdings Inc. (TSX Venture-PEH)
Management Discussion and Analysis for the Year Ended March 31, 2011
(Prepared by Management)

Introduction

This management discussion and analysis is dated July 20, 2011 and takes into account information available up to that date. It should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended March 31, 2011, which have been prepared in accordance with Generally Accepted Accounting Principles in Canada. All monetary amounts in this discussion and analysis are expressed in Canadian dollars unless otherwise noted.

Cautionary Note Regarding Forward-Looking Statements

Some of the following disclosures contain forward-looking statements, which involve inherent risk and uncertainty affecting the business of Primeline. These statements relate to the time anticipated to submit and gain government approval of the Overall Development Program (referred to herein as the "ODP") for the Lishui 36-1 (or LS36-1) gas field, the commencement of the development of the LS36-1 gas field (referred to herein as the "LS36-1 Development"), the Company's expectation that it will enter into a final contract for the sale of gas from the LS36-1 gas field and the results of exploration of the Company's other resources and exploration prospects. They are based on assumptions that submission of the ODP for government approval will be completed and approval gained in a timely fashion, that the LS36-1 Development will be commenced as planned, that funding will be sufficient to pay the costs of the LS36-1 Development, that a final gas sale contract can be concluded on acceptable terms and that the results of further exploration will be favourable. Actual results may vary from those anticipated in such statements. Work may be delayed for technical and other reasons and, if it is, approval of the ODP will also be delayed. Funding may not be sufficient and, if it is not, the Company may be unable to complete some or all of the LS36-1 Development. Costs of the LS36-1 Development may be greater than anticipated. The Company may not be able to conclude a final contract for gas sale on acceptable terms. Exploration for oil and gas is subject to the inherent risk that it may not result in a commercial discovery.

Company and Project Overview

Primeline Energy Holdings Inc. ("the Company") is focused exclusively on upstream oil and gas opportunities in China. The Company owns rights in and operates under an exploration licence for 5,221 sq kms in the East China Sea ("Block 25/34") pursuant to a Petroleum Contract dated March 24, 2005 ("Petroleum Contract") entered into between China National Offshore Oil Corporation ("CNOOC"), Primeline Energy China Ltd. ("PECL"), a wholly owned subsidiary of the Company, and Primeline Petroleum Corporation ("PPC"), an affiliated company wholly owned by Mr. Victor Hwang, the Company's chairman and majority shareholder. PECL and PPC act jointly as the "Contractor" under the Petroleum Contract and PECL and PPC own 75% and 25% respectively of the Contractor's interests in the Petroleum Contract. Primeline Energy Operations International Ltd. ("PEOIL"), another wholly owned subsidiary of the Company, is designated as "Operator" under the Petroleum Contract. References in this MD&A to 'Primeline' refer generally to the Company, PECL, PEOIL and PPC and references to the Company include its subsidiaries PECL and PEOIL. References to the "Contractor" are to PECL and PPC acting jointly.

Pursuant to the Petroleum Contract, the Contractor is required to fund all exploration costs and CNOOC has the right to participate in up to 51% of any commercial development by paying its pro rata share of the development and operating costs required for production of any oil or gas. The Contractor has the right to recover exploration costs from future production.

管理層論述及分析
截至二零一一年三月三十一日止年度
(由管理層編纂)

引言

此管理層論述及分析包含了截至二零一一年七月二十日的所有公司業務資料，讀者亦需參閱截至二零一一年三月三十一日止年度之經審核綜合財務報表及相關附註。此報表乃根據加拿大公認會計原則編製。本論述及分析中所有貨幣單位，除非特別說明，皆以加元呈列。

關於對未來前瞻性表述的警示

此論述及分析包含了對未來的前瞻性展望，而其固有的風險和不確定因素將對超準的業務造成影響。這些論述包括對麗水 36-1 氣田總體開發方案的提交和批准以及啟動該氣田開發的預期；公司對麗水 36-1 氣田天然氣最終銷售合同簽署的預期和對公司其它資源的勘探結果的預期。而這些都是基於以下的假設：總體開發方案的提交和批准工作能夠按時完成；麗水 36-1 氣田的開發工作可以按時啟動，同時有足夠的開發資金做支持；最終的天然氣銷售合同能按我們滿意的條款成功簽署以及下一步的勘探工作能夠帶來令人滿意的結果。而實際情況可能與上述預期不同，比如因為技術和其它原因可能造成的延誤，進而影響整體開發方案的審批時間；也可能因資金短缺而造成麗水 36-1 氣田開發工作部分或全部停滯；麗水 36-1 氣田開發費用可能會大大高於預計；公司可能無法就最終天然氣銷售合同的條款與買方達成一致；基於石油和天然氣勘探本身的風險性，周邊區域的勘探可能無法找到具有商業開發價值的油氣發現。

公司及項目概況

超準能源開發機構（“本公司”）是一家專注於開發中國石油天然氣工業上游商機的獨立能源公司。本公司依據與中國海洋石油總公司（“中海油”）於二零零五年三月二十四日簽訂的石油合同，而擁有中國東海 25/34 區塊內 5,221 平方公里海域的勘探開發權並擔任勘探作業。依據此份合同，本公司的全資附屬公司 - 超準能源中國有限公司，與本公司主席，亦是主要股東的黃偉華先生所擁有的超準石油公司（“超準石油”），共同作為石油合同中的“合同者”，分別擁有 75% 及 25% 的合同者權益。超準能源服務國際有限公司 - 本公司的另一家全資附屬公司，則被指定為石油合同的作業者。此論述和分析中提及的“超準”泛指本公司、超準能源中國有限公司、超準能源服務國際有限公司及超準石油公司；而“公司”則包括其子公司超準能源中國有限公司和超準能源服務國際有限公司；“合同者”則為超準能源中國有限公司和超準石油公司的聯合稱謂。

依據石油合同，合同者需承擔所有勘探費用。中海油有權參與未來任何商業開發最高 51% 的股份，並需按比例承擔油氣生產的開發費用和生產作業費用。而合同者有權從未來的油氣生產收入中回收前期所發生的勘探費用。



Primeline and CNOOC are implementing a rolling development strategy in the Lishui Basin. Primeline is working with CNOOC on the development of the LS36-1 gas field in Block 25/34 on a stand-alone basis. The LS36-1 gas field was discovered by Primeline and has two wells with DSTs which tested flow rates of 9.9 and 12.6 MMcf/d of natural gas and has probable recoverable gas reserves of 119 bcf (Company net of 46 bcf). CNOOC is the Operator for the development and production operations of the LS36-1 gas field according to the Development Agreements signed between CNOOC and Primeline and described below. The participation interests in the LS36-1 Development are 51% CNOOC, 36.75% PECL and 12.25% PPC. The development and operating costs will be borne by the parties in accordance with their respective participating interests.

There are several related prospects in the vicinity of the LS36-1 gas field (generally referred to as the "Lishui Gas Play") which have been seismically delineated and Primeline has discovered gas in one of these prospects through its well LS35-3-1 drilled in April to June 2010. Furthermore, Primeline believes that there is hydrocarbon potential, in addition to the Lishui Gas Play, in the remainder of Block 25/34. The Company continues to be the Operator for all exploration activities in Block 25/34 and is required to bear 75% of the exploration costs with PPC bearing the remaining 25%.

The LS36-1 Development may not by itself yield significant income in the near term but it would establish a production facility for the Lishui Gas Play and secure access to the dynamic local gas market in Eastern China. The confirmation of the market and the creation of the production facility would significantly enhance the potential value of any additional resources which may be discovered, not only in the LS36-1 gas field itself, in the probable and possible category resources, but, also in the Lishui Gas Play and elsewhere within Block 25/34.

On July 15, 2011, CNOOC, the Company and PPC entered into a Memorandum of Agreement (the "MOA") which amended the Petroleum Contract such that no further exploration activity will be carried out under the Petroleum Contract although it will continue in effect in relation to the continuing development and production operations relating to the LS36-1 Development. Further, under the MOA, Primeline and PPC agreed to relinquish all of the current contract area of 5,221 sq kms, save for the development area for the LS36-1 gas field, comprising 84.7 sq kms and CNOOC agreed to grant the Company and PPC a new petroleum

contract with a new seven year exploration period and for a slightly larger area of 5,877 sq kms, covering the existing contract area of the Petroleum Contract.

Annual Progress Review

The 2010 – 2011 financial year was a very important year for Primeline. During the year under review, Primeline has secured and commenced the development project and hence implemented its dual strategy of working towards a stand-alone development of the LS36-1 gas field, based on the currently confirmed resources, whilst at the same time continuing its efforts to explore the nearby prospects to expand the current resource base. As referred to above, it has also secured a new petroleum contract, giving significantly more time to further explore the contract area.

Primeline's development and exploration activities during the year under review have consisted of:

LS36-1 Development

Following the signing, in March 2010, of the Supplemental Development Agreement ("SDA") and related agreements with CNOOC governing the development and production operations relating to the LS36-1 gas field, CNOOC became the operator for the development operations. Primeline and CNOOC have:-

- secured a new, better site for the proposed onshore terminal for the LS36-1 Development from Wenzhou government and, subsequently, signed a framework agreement with the Wenzhou Government relating to the land acquisition and the construction of the onshore terminal;
- completed the engineering survey for the new terminal site and revised the ODP accordingly;
- completed the revised environmental surveys on the new terminal site and the Environmental Impact Assessment (EIA) Report, final approval of which is expected shortly;
- prepared for full government filing submission of the ODP and supporting documents, final submission of which is also expected shortly;

超準與中海油正在麗水盆地實施滾動開發策略。雙方正在啟動對位於 25/34 區塊內的麗水 36-1 氣田的獨立開發工作。麗水 36-1 氣田由超準勘探發現，目前已鑽了兩口勘探井，其鑽桿測試分別獲得日產量為 9.9 和 12.6 百萬立方英尺的天然氣流，氣田已評估的可採天然氣儲量為 1,190 億立方英尺（公司淨值為 460 億立方英尺）。依據中海油與超準簽署的麗水 36-1 氣田開發協議，中海油為該氣田的開發和生產的作業者。開發權益比例為中海油 51%，超準能源中國有限公司 36.75%，超準石油公司 12.25%。開發費用亦據此比例分攤。

在麗水 36-1 氣田周邊經地震勘探發現存在若干相關並有很好油氣潛能的圈閉（統稱“麗水氣區”）。於二零一零年四至六月間，超準在其中一個圈閉鑽探了麗水 35-3-1 井，並有天然氣發現。而且，超準相信除麗水氣區外，在 25/34 區塊的其餘海域內還應該蘊藏有豐富的油氣資源。本公司繼續作為勘探作業者開展其在 25/34 區塊內的勘探工作，而所發生的勘探費用由本公司與超準石油以 75% 和 25% 的比例分攤。

麗水 36-1 氣田的獨立開發項目可能在短期內不會給公司帶來巨大的收益。其重要意義在於它能夠為本區域出產的天然氣確立銷售市場，並在麗水氣區建立油氣生產設施。天然氣銷售市場的確立與開發生產設施的架設不但能極大地加強麗水 36-1 氣田未動用的控制和預測儲量的潛在價值，更重要的是能為麗水氣區周邊以及 25/34 區塊內任何後續發現的開發奠定基礎。

二零一一年七月十五日，中海油與本公司及超準石油一道簽署了合同備忘錄（“備忘錄”）用以修改現有的石油合同。依據此備忘錄，現有石油合同區塊中將不再開展勘探工作而只執行麗水 36-1 氣田的開發和生產作業，本公司及超準石油同意將退還現有石油合同下 5,221 平方公里面積中的所有勘探面積，而只保留麗水 36-1 氣田 84.7 平方公里開發面積。中海油亦同意將授予本公司和超準石油一份新的勘探期為 7 年的石油合同。新的石油合同之勘探面積不僅將涵蓋現有石油合同的面積，更將其擴充為 5,877 平方公里。



年度工作進展與回顧

二零一零至二零一一年度的財政年度，對於超準來說是非常重要的一年。在過去一年中，超準完成了麗水 36-1 氣田開發的準備工作，並啟動了開發作業。超準因而實施了其滾動開發策略，即在依據現階段所確定的資源量對麗水 36-1 氣田進行開發的同時，進一步對周邊有利圈閉進行勘探，以增加本公司的油氣資源量。如前所述，超準還成功地鎖定了一份新的石油合同，這給我們在合同區的勘探工作提供了更為充裕的時間。

超準本年度的開發和勘探工作包括以下幾個方面：

麗水 36-1 氣田的開發

繼二零一零年三月份超準與中海油就麗水 36-1 氣田開發生產事宜簽署了開發補充協議，以及相關的協議後，中海油成為麗水 36-1 氣田開發和生產的作業者。超準和中海油一道完成了如下工作：

- * 與溫州政府確定了位置更佳的麗水 36-1 氣田開發項目陸上終端新址。之後，與溫州政府簽署了關於徵地和陸上終端建設的框架協議；
- * 完成了新的陸上終端場址的工程調查及相關的總體開發方案的修訂工作；
- * 完成了新的陸上終端場址的環境調查及環境影響評估報告業已完成，預期將於近期獲得相關部門批復；
- * 總體開發方案及相關支持文件的準備工作已經完成，並將於近期上報國家有關部門備案；
- * 開始進行麗水 36-1 氣田開發項目的工程基本設計和採辦工作；
- * 就天然氣銷售條款與浙江天然氣開發有限公司（“浙氣”）進行進一步協商，並與浙氣簽署了天然氣銷售的框架協議以及後續的補充協議。
- * 繼續與金融機構就超準在麗水 36-1 氣田開發項目中所應承擔之資金份額的融資事宜進行洽談。

- commenced and carried out basic engineering design and commenced procurement for the LS36-1 Development;
- further negotiated the terms of the gas sale and upgraded the previous gas sale agreement into a Framework Agreement with Zhejiang Natural Gas Development Co. Ltd. ("Zhejiang Gas") and entered into a subsequent supplemental agreement; and
- continued discussions with financial institutions relating to the financing of Primeline's share of the LS36-1 Development project funding.

Exploration

As part of the overall rolling development strategy, Primeline has:-

- drilled an exploration well, LS35-3-1, resulting in a hydrocarbon discovery;
- completed the post well evaluation and a re-assessment of the remainder of the Block incorporating the information collected from the new well;
- selected a new well location and carried out well design;
- secured a rig slot for drilling the next well in late 2011; and
- secured a new petroleum contract with a seven year exploration period over a larger area.

DEVELOPMENT OF LS 36-1 GAS FIELD

Development Work Overview

Primeline's existing gas discovery, LS36-1, has relatively small reserves defined by the two successful wells and was previously regarded as sub-commercial. In 2007, Primeline and CNOOC obtained reserve approval from the Chinese State Reserve Commission and completed a feasibility study of the stand-alone development of LS 36-1. Based on the results of the formal feasibility study, Primeline and CNOOC signed an Agreement in Principle with Zhejiang Gas for the Sale and Purchase of Natural Gas from LS36-1 ("Agreement in Principle") in October

2008. In 2009, Primeline and CNOOC commenced and completed the preparation of the ODP for the LS 36-1 gas field and confirmed the commerciality of the gas field. Primeline and CNOOC then entered into the SDA and various other agreements related to the LS36-1 Development in March 2010. Subsequently, Primeline and CNOOC secured a better site for the onshore terminal and because of this change, CNOOC needed to revise the ODP and EIA study. In November 2010, CNOOC commenced the engineering design, and, whilst the documentation for submission of the ODP to the government was being finalised, the procurement activities for the LS36-1 Development were also commenced.

Development Agreements and Development Operator's Set Up

In March 2010, Primeline and CNOOC signed a series of agreements relating to the LS 36-1 Development, comprising the SDA, a Joint Operating Agreement ("JOA"), an agreement relating to the implementation of the development and procurement and cost control principles ("Implementation Agreement") and a letter agreement amending a previous agreement relating to the terms of the Petroleum Contract ("Amendment Agreement"). These agreements (together, the "Development Agreements") govern the development and production operations relating to the LS36-1 gas field. The main features of these agreements are the transfer of operatorship for the development and production operations for the LS36-1 gas field from Primeline to CNOOC and various cost saving and schedule optimisation measures. The Development Agreements were ratified by Ministry of Commerce of the People's Republic of China and became effective on June 13, 2010.

Following the transfer of operatorship, CNOOC China Lishui Operating Company (LOC), a subsidiary of CNOOC, has been officially established as operator for the LS36-1 Development and all registration documentation has now been obtained. In November 2010, Primeline and CNOOC, through the Joint Management Committee (JMC), approved a staffing plan for LOC for 2011 and the office and staffing infrastructure for LOC is now being established.

勘探

作為滾動開發策略的一部份，超準完成了如下工作：

- * 鑽探了麗水 35-3-1 勘探井，並有油氣發現；
- * 完成了鑽後評估工作，並結合從該井收集到的資料對區塊內剩餘區域進行了重新評估；
- * 選定一口新井井位，並開始鑽井設計；
- * 為二零一一年底下一口井的鑽探鎖定了鑽井船資源；
- * 鎖定了一份勘探期為七年，涵蓋面積更為廣闊的新石油合同。

麗水 36-1 氣田的開發

開發工作概述

超準現有的麗水 36-1 氣田中由兩口鑽井確定的儲量較小，此前一直被認為不具備商業性開發的價值。二零零七年，麗水 36-1 氣田的儲量獲得了國家儲量委員會的批准，同時超準和中海油一道完成了麗水 36-1 氣田獨立開發的可行性研究。依據正式的可行性研究結果，超準和中海油與浙氣就天然氣購銷事宜進行了磋商，並於二零零八年十月簽署了麗水 36-1 氣田天然氣購銷原則協議（“原則協議”）。二零零九年超準與中海油展開並完成了麗水 36-1 氣田總體開發方案的編制，明確了該氣田開發的商業性。二零一零年三月份，超準與中海油就氣田開發簽訂了開發補充協議以及其它一系列相關的協議。之後，由於超準和中海油選定了一個更好的陸上終端場址，因此中海油需要對總體開發方案和環境影響評估進行重新修訂。二零一零年十一月，中海油開始了工程基本設計，而麗水 36-1 氣田開發所需提交給政府的文件的最後準備工作和工程採辦工作亦同時開始著手進行。

開發協議與開發作業者的確立

二零一零年三月份，超準和中海油簽署了關於麗水 36-1 氣田開發的一系列協議，這包括開發補充協議、聯合作業協議、關於開發和採購及成本控制的“執行協議”以及針對之前石油合同條款修訂的“修訂協議”。這些協議連同開發協議是麗水 36-1 氣田開發和生產的主導性文件。其內容主要包含麗水 36-1 氣田的開發及生產作業者由超準轉換為中海油以及由此帶來的各項費用的節省和項目進度的優化。開發協議經中華人民共和國商務部批准，於二零一零年六月十三日起生效。

隨著項目開發作業者的轉換，中海油之子公司 — 中海石油（中國）有限公司麗水作業公司（麗水作業公司）亦隨之成立，而其相關的註冊手續業已齊備。該公司將作為麗水 36-1 氣田開發的作業者。在二零一零年十一月召開的聯合管理委員會（“聯管會”）上，超準和中海油批准了麗水作業公司二零一一年的人員編制計劃。目前辦公場所已落實，人員亦陸續到位。



Terminal Land

The Company has been working closely with CNOOC on the acquisition from Wenzhou Government of the land required for the onshore terminal. Due to delay in the surrounding reclamation programme, and the Chinese central government's tougher controls on land reclamation from the sea, it was decided that the original terminal site was no longer suitable for the LS36-1 Development. It became apparent in late 2009 that it would be an increasingly long process to obtain full approval for the necessary reclamation and there would also be a significant risk of subsidence of land that had been reclaimed from the sea. As a result, Primeline and CNOOC entered into discussions with Wenzhou Government in 2009 and, in the middle of 2010, agreed an alternative location for the terminal site. The new site is located on the southern side of the Niyu Island (the previous location was in the north) and is significantly better than the previous site. The site was created in the past two years by Wenzhou Government as part of their quarrying for other reclamation programmes. The majority of the land comprising the new site is flat, solid made ground which can be built on without significant foundation preparation. This should make up some of the lost project time and, more importantly, should minimise any potential future foundation subsidence issues.

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Following further significant discussions and negotiations during the year, a Framework Agreement for the Construction of Natural Gas Terminal for LS36-1 gas field was signed between the Government of Wenzhou Municipality and CNOOC (on behalf of CNOOC and Primeline) on December 7, 2010. The agreement sets out the responsibilities of the parties in relation to the development and construction of the terminal for LS36-1 gas field on Niyu Island to the east of Wenzhou. Onsite construction by the Wenzhou Government and the LOC is anticipated to commence in the second half of 2011.



Satellite photograph of terminal site,
Niyu Island
位於霓嶼島的新終端場址衛星圖

Overall Development Program

The ODP is required to be approved by the Chinese government before the LS36-1 Development can officially commence. It comprises a formal development engineering plan, backed up by survey results and environmental studies, together with a full economic analysis of the LS36-1 Development.

With the resolution of the terminal issue in July 2010 and confirmation of the revised delivery point for the gas sale with Zhejiang Gas, CNOOC moved promptly onto revision and finalisation of the ODP which had previously been agreed in 2009, for submission to the National Development and Reform Commission (NDRC) and, in particular, to the completion of the EIA for the new terminal site which was the main outstanding document required for that submission. The development pipeline routing study was also revised to reflect the change of terminal site and the gas pipeline route between the terminal and the delivery point and, following an expert review, a public enquiry was held between February 22, and March 5, 2011 without any negative feedback. The State Oceanography Administration ("SOA") held a final approval meeting for the routing on April 14, 2011. The EIA was completed in early 2011 and CNOOC conducted an internal review of the revised EIA which was approved by CNOOC on March 12, 2011. The Report was then submitted to the SOA and reviewed on April 26, 2011 without any major concern or challenge. However, minor amendments were required by that review and the final EIA is expected to be approved shortly following which the ODP can be submitted to NDRC. CNOOC has confirmed that it will use reasonable endeavours to submit the ODP as soon as reasonably practicable subject only to final approval of the EIA.

In the meantime, the LOC, as operator for the LS36-1 Development, appointed CNOOC Research to commence engineering basic design for the LS36-1 Development in November 2010, in order to maintain the LS36-1 Development schedule. The engineering basic design was reviewed at a review meeting at the end of May 2011 and finalisation of the design is currently underway. Once the design is completed, LOC will be able to commence full procurement for the LS36-1 Development. Early procurement work for long lead items commenced in Q1 2011. Primeline is fully involved in the management of the engineering design and procurement with LOC.

終端用地

本公司和中海油就陸上終端用地的徵地事宜與溫州政府進行了磋商。由於原終端場址周邊填海計劃的延誤，以及中央政府收緊對填海造地項目的審批等原因，二零零九年年底我們意識到原陸上終端場址已不適合麗水 36-1 氣田開發項目，因為要想獲得填海用地的審批顯然需要更長的時間，而且同時也存在圍墾後地基沉降的風險。因此，超準和中海油在二零零九年開始與溫州政府就終端用地問題進一步協調，並於二零一零年年中就新的終端場址達成一致。新址位於靄嶼島南端（舊址位於北邊），其位置遠遠好於舊址。該場址是過去兩年間溫州政府為其它填海項目採石而形成。土地大部平整、基岩地基而無需做更多處理即可直接進場進行建設施工，能大大彌補之前項目損失的時間。更重要的是能最大限度地降低潛在的地基沉降風險。

經過近一年的深入討論和協商，中海油（代表中海油和超準）和溫州市政府就終端用地事宜，於二零一零年十二月七日簽署了《麗水 36-1 氣田陸上終端建設框架協議》。該協議明確了雙方在麗水 36-1 氣田開發項目位於溫州東部的靄嶼島上的陸上終端場址的開發和建設中各自的職責歸屬。溫州政府與麗水作業公司預期將於二零一一年下半年開始進場施工。



總體開發方案

開發工作需待總體開發方案獲中國政府批准後方能正式開展。此方案需包含正式的麗水 36-1 氣田開發工程計劃、勘察結果、環境評估以及對開發工程的全面經濟分析。

隨著二零一零年七月終端用地問題的解決以及與浙氣就天然氣陸上交付點的確認，中海油迅速將工作重心轉移到對二零零九年完成的總體開發方案的修改和定稿上，期冀儘快上報國家發展和改革委員會（國家發改委）。報批尚缺的主要文件是新終端用地的環境影響評估報告尚未獲得最終審批。開發項目的海管路由以及天然氣交付管線的路由亦針對終端場址之變化作了相應變動，在經專家審查之後，分別於二零一一年二月二十二日及三月五日完成了公眾問卷調查，群眾反應良好，並無異議。之後國家海洋局於二零一一年四月十四日對海管路由進行了最終評審。項目環評報告於二零一一年年初完成，中海油對該報告於二零一一年三月十二日進行了內部審核，並批准通過。環評報告繼而上報國家海洋局，並於二零一一年四月二十六日進行了初審。專家組並未對報告提出任何重大異議，但提出報告仍需做細微的修改。最終的環評報告預期將於近期報批並期獲得批復，之後總體開發方案即可上報國家發改委。中海油確認將在環評報告最終批復之後，努力儘快上報總體開發方案。

在此期間為確保該項目按計劃進行，作為項目作業者的麗水作業公司於二零一零年十一月委託中海油研究中心開始對麗水 36-1 氣田開發項目進行工程基本設計。基本設計的專家審查會於二零一一年五月底召開，依據專家意見進行的設計修改以及最終的定稿將於近期完成。待設計方案完成后，麗水作業公司即可全面著手採辦工作。前期的長線採辦工作已於二零一一年第一季度開始。超準將全程參與工程設計和項目採辦工作。

Gas Sale Agreement

The Agreement in Principle signed between CNOOC (on behalf of themselves and Primeline) and Zhejiang Gas in 2008 defined the general terms on which Zhejiang Gas agreed to purchase the future production of natural gas from the LS36-1 gas field, including the quality of the gas, take-or-pay principles, base price, annual quantity and delivery schedule. The principles set out in the Agreement in Principle govern the further negotiation of the Framework Agreement, and, subsequently, the final gas sale contract, the terms of which can only be finalised during the development of the production facility. During the year under review, Primeline, CNOOC and Zhejiang Gas concluded the negotiation of the detailed terms of the gas sale for incorporation into a more formal agreement relating to the gas sale, referred to as the Framework Agreement. CNOOC and Zhejiang Gas signed the Framework Agreement for Gas Sale and Purchase from LS36-1 Gas Field on July 7, 2010. The Framework Agreement replaced the Agreement in Principle. The commercial terms are substantially the same as the Agreement in Principle but the Framework Agreement contains various detailed terms, including the delivery point, delivery planning and schedule, determination of final delivery gas price and payment terms, which had not previously been confirmed in the Agreement in Principle. The Framework Agreement is sufficient to satisfy the requirement for the government approval and project financing for the LS36-1 Development.

On May 18, 2011, CNOOC and Zhejiang Gas entered into a further agreement which supplements the Framework Agreement. The Framework Agreement defined the base sale price for delivery at the terminal and the supplemental agreement confirms the location of a revised delivery point and increased delivery pressure, together with an increased gas price at the delivery point to compensate for the increase in the development costs caused by such changes.

During the development of the production facility, when further supply and production details are confirmed, CNOOC and Primeline will negotiate further details of the gas sale and it is anticipated that the Framework Agreement will in due course be replaced by a final gas sale contract.

In signing the Framework Agreement and the supplemental agreement, CNOOC acted on its own behalf and on behalf of the Company and PPC. CNOOC has previously entered into a separate agreement with the Company and PPC confirming that the Company's and PPC's share of the gas (being 36.75% and 12.25% respectively) from the LS 36-1 gas field will be sold through CNOOC on the same terms as the Framework Agreement.

LS36-1 Development Finance

Concurrent with the progress on the LS36-1 Development, Primeline has reached in principle agreement on the general terms of the project financing with a major Chinese Bank, subject to approval of the Bank's credit committee. The Bank is currently finalising its evaluation of the project financing proposal and it is now expected that the submission to the Bank's credit committee for approval will be made after the ODP submission to and approval by NDRC.



天然氣銷售協議

由中海油（代表其自身及超準）和浙氣共同簽訂的原則協議確定了浙氣同意購買麗水 36-1 氣田所產之天然氣的原則性商務及合同條款，這包括氣質、照付不議原則、氣價、年供氣量和交付計劃。原則協議對這些條款的規定將指導下一步的框架協議乃至最終的天然氣購銷合同的商談。而最終的天然氣購銷合同之條款，需等到生產設施建設伊始方能確定。本財務年度內，超準、中海油及浙氣就包含天然氣購銷具體條款的天然氣購銷框架繼續進行了談判。中海油與浙氣於二零一零年七月七日簽訂了麗水 36-1 氣田天然氣購銷框架協議。此協議取代了之前的原則協議。相較原則協議，框架協議未對實質性商業條款做大的改動，但包含了一些詳細條款，諸如天然氣交付點，交付計劃和安排，最終交付價格確定以及支付方式等；而這些詳細條款在原則協議中未做規定。框架協議的簽署，已能滿足總體開發方案的報批要求，並可作為麗水 36-1 氣田開發融資的有力保障。

二零一一年五月十八日，中海油與浙氣進一步簽署了天然氣銷售框架協議的補充協議。原先的框架協議中規定了天然氣在終端交付的基礎價格，補充協議則確認了修改後的天然氣交付點，提升後的天然氣交付壓力要求，以及由這些變化而產生出的相應的天然氣價格上漲。

生產設施建設期間，隨著供氣和生產細節的進一步確定，中海油和超準將就天然氣購銷的進一步細節與浙氣進行洽談。在時機成熟時，天然氣供銷框架協議預計將被最終的天然氣購銷合同所取代。

中海油簽署框架協議和補充協議時代表了其自身、本公司及超準石油。之前本公司及超準石油與中海油已簽署了一份協議，授權中海油代表本公司及超準石油按照框架協議之規定銷售其在麗水 36-1 氣田所擁有的天然氣份額（本公司佔 36.75%，超準石油佔 12.25%）。

麗水 36-1 氣田開發項目融資

在麗水 36-1 氣田開發取得進展的同時，超準與一家中國主要銀行就其所應承擔的項目開發費用份額的融資意向以及主要條款進行商談，並達成原則協議。而協議的生效以該行信貸審查委員會的審批為準。目前，該銀行對項目融資的評估工作已基本完成，預計將在總體開發方案上報國家發改委並獲得批復後即上報其信貸審查委員會審批。

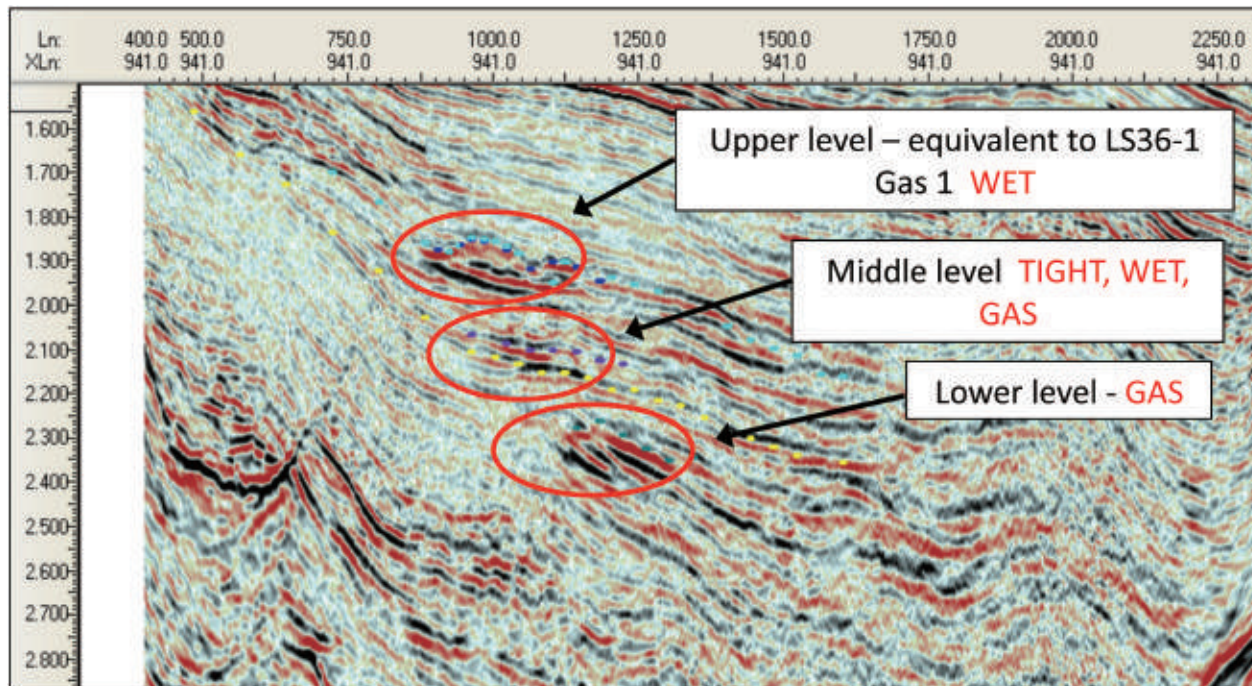


RESERVE UPGRADE

Primeline appointed McDaniel and Associates Consultants Limited ("McDaniel") of Calgary to update its independent evaluation of the LS36-1 project. McDaniel is one of the world's leading petroleum consulting firms specialising in geological studies, reserves evaluations, resource assessments, economic evaluations and petroleum engineering studies. They reviewed the full ODP report and the Gas Sale Agreements as at 31st March 2010 and 2011 and have updated their evaluation of the natural gas and natural gas liquid reserves located in the LS36-1 gas field in accordance with the standards set out in Canadian National Instrument 51-101 and the Canadian Oil and Gas Evaluation Handbook (COGEH). McDaniel's evaluation estimates that the LS36-1 gas field has a total project recoverable Probable Reserves of 119 bcf of natural gas and 4.9 MMbbl of natural gas liquid and light oil, which translates to Company net Probable Reserves of 45.7 bcf of gas and 1.9 MMbbl of natural gas liquid and light oil and project Possible Reserves of 93 bcf of gas and 3.8 MMbbl of natural gas liquid and light oil, which translates to Company net Possible Reserves of 34 bcf of gas and 1.40 MMbbl of natural gas liquid and light oil.

Under the oil industry definition, there is a 50% probability that the quantities actually recovered will equal or exceed the Probable Reserves. Possible Reserves are those additional reserves that are less certain to be recovered than Probable Reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the Possible Reserves. McDaniel stated that "proved reserves have not been assigned as the ODP has not yet been approved by CNOOC and the government." The effective date of McDaniel's evaluation is March 31, 2011.

Based on the Framework Agreement with Zhejiang Gas and their view of the full product price, McDaniel estimates a net present value for the LS 36-1 project's Probable Reserves, net to Primeline, of US\$83 million at a discount rate of 5% and US\$253 million, again net to Primeline, when the Possible Reserves in LS 36-1 are included. It should be noted that these estimated values are not an estimate of fair market value.



LS35-3-1 - Hydrocarbons Results
麗水 35-3-1 井油氣層分佈

儲量更新

超準聘請加拿大卡爾加利的麥克丹尼諮詢公司對麗水 36-1 氣田項目做獨立評估。麥克丹尼公司是世界上知名的石油諮詢公司之一，特別擅長於地質研究、儲量評估、資源評估、經濟評價和石油工程學研究等方面。他們於二零一零年及二零一一年三月三十一日對總體開發方案和天然氣銷售協議進行了詳細的評估；並遵照加拿大國家規範 (NI51-101) 和加拿大石油和天然氣評估手冊的要求，對麗水 36-1 氣田的天然氣和凝析油儲量進行了更新。麥克丹尼的評估結論是麗水 36-1 氣田項目總可採純烴控制儲量為 1,190 億立方英尺天然氣，490 萬桶凝析油及輕質油，其相當於本公司淨可採純烴控制儲量為 457 億立方英尺及 190 萬桶凝析油及輕質油。項目預測儲量為 930 億立方英尺天然氣和 380 萬桶凝析油及輕質油，其相當於本公司淨預測儲量為 340 億立方英尺和 140 萬桶凝析油及輕質油。

依據石油行業之規定，實際開採量等於或大於控制儲量的可能性為 50%。而預測儲量是指那些比控制儲量更為不確定的儲量。實際開採量等於或大於預測儲量的可能性為 10%。麥克丹尼表示“由於總體開發方案還尚未獲得中海油和中央政府的批准，故探明儲量未能正式確定”。麥克丹尼評估的生效日期為二零一一年三月三十一日。

基於與浙氣簽署的天然氣銷售框架協議以及對全部產品價格的瞭解，麥克丹尼對麗水 36-1 氣田項目的控制儲量的淨現值進行了評估。在貼現率為 5% 的情況下，本公司項目權益的淨現值為 8,300 萬美元。如果將預測儲量考慮進去的話，則本公司權益的淨現值為 25,300 萬美元。但必須指出的是該評估值不是公平市值。



**SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
as at March 31, 2011
FORECAST PRICES AND COSTS**

RESERVES CATEGORY	RESERVES ⁽¹⁾⁽²⁾							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS		NATURAL GAS LIQUIDS	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mbbbl)	Net (Mbbbl)
CHINA								
PROVED								
Developed Producing	-	-	-	-	-	-	-	-
Developed Non-Producing	-	-	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-	-	-
TOTAL PROVED	-	-	-	-	-	-	-	-
PROBABLE	671	723	-	-	43,871	45,754	1,133	1,182
TOTAL PROVED PLUS PROBABLE	671	723	-	-	43,871	45,754	1,133	1,182
POSSIBLE	496	505	-	-	34,107	33,995	881	878
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	1,167	1,228	-	-	77,978	79,749	2,014	2,060

基於二零一一年三月三十一日的預測價格及費用
所作的油氣資源小結與未來淨收入之淨現值

儲量類別	儲量 ⁽¹⁾⁽²⁾							
	輕質油及中質油		重油		天然氣		天然氣液體	
	總量 (千桶)	淨量 (千桶)	總量 (千桶)	淨量 (千桶)	總量 (千桶)	淨量 (千桶)	總量 (千桶)	淨量 (千桶)
中國								
探明儲量								
開發動用	-	-	-	-	-	-	-	-
開發未動用	-	-	-	-	-	-	-	-
未開發	-	-	-	-	-	-	-	-
探明總儲量	-	-	-	-	-	-	-	-
控制儲量	671	723	-	-	43,871	45,754	1,133	1,182
探明及控制總儲量	671	723	-	-	43,871	45,754	1,133	1,182
預測儲量	496	505	-	-	34,107	33,995	881	878
探明、控制及預測總儲量	1,167	1,228	-	-	77,978	79,749	2,014	2,060

NET PRESENT VALUES OF FUTURE NET REVENUE ⁽¹⁾⁽²⁾⁽³⁾

RESERVES CATEGORY	BEFORE INCOME TAXES DISCOUNTED AT (%/year)					AFTER INCOME TAXES DISCOUNTED AT (%/year)				
	0 (\$M US)	5 (\$M US)	10 (\$M US)	15 (\$M US)	20 (\$M US)	0 (\$M US)	5 (\$M US)	10 (\$M US)	15 (\$M US)	20 (\$M US)
CHINA										
PROVED										
Developed Producing	-	-	-	-	-	-	-	-	-	-
Developed Non-Producing	-	-	-	-	-	-	-	-	-	-
Undeveloped	-	-	-	-	-	-	-	-	-	-
TOTAL PROVED	-	-	-	-	-	-	-	-	-	-
PROBABLE	283,680	128,071	38,309	(15,911)	(49,858)	207,546	83,026	10,365	(33,971)	(61,952)
TOTAL PROVED PLUS PROBABLE	283,680	128,071	38,309	(15,911)	(49,858)	207,546	83,026	10,365	(33,971)	(61,952)
POSSIBLE	432,609	226,811	129,013	78,683	50,888	324,220	169,723	96,366	58,654	37,855
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	<u>716,288</u>	<u>354,882</u>	<u>167,322</u>	<u>62,772</u>	<u>1,030</u>	<u>531,766</u>	<u>252,750</u>	<u>106,731</u>	<u>24,684</u>	<u>(24,097)</u>

Notes:

- (1) Company Gross reserves are based on a 36.75 percent working interest share of the property gross resources, assuming CNOOC exercise their right to back-in and take a 51 percent interest. See "Oil and Gas Property and License Status".
- (2) Company Net reserves are based on a Company share of total Cost and Profit oil and, due to repayment of past costs, are greater than Company Gross.
- (3) The CO₂ revenue offsets the capital and operating cost of CO₂ production and therefore the value of any CO₂ sales is assumed to be zero.
- (4) \$M US is equivalent to 1,000.00 US\$ (Thousand US\$)

In the report McDaniel also commented that "the development of the LS36-1 gas field will provide an infrastructure hub in the area which may be utilised in any development of the nearby prospects. It is envisaged that development of these prospects will be by subsea wells or a well head platform with all processing at the infrastructure hub. Incremental development costs will therefore be low and the economics for any additional resources which may be discovered within LS36-1 gas field itself or in the nearby identified prospects would be significantly enhanced."

A summary of the McDaniel's report is available on Primeline's website: <http://www.pehi.com>.

未來淨收入之淨現值 ⁽¹⁾⁽²⁾⁽³⁾

儲量類別	貼現所得稅之前 (%/年)					貼現所得稅之後 (%/年)				
	0	5	10	15	20	0	5	10	15	20
	(千美元)	(千美元)	(千美元)	(千美元)	(千美元)	(千美元)	(千美元)	(千美元)	(千美元)	(千美元)
中國										
探明儲量										
開發動用	-	-	-	-	-	-	-	-	-	-
開發未動用	-	-	-	-	-	-	-	-	-	-
未開發	-	-	-	-	-	-	-	-	-	-
探明總儲量	-	-	-	-	-	-	-	-	-	-
控制儲量	283,680	128,071	38,309	(15,911)	(49,858)	207,546	83,026	10,365	(33,971)	(61,952)
探明及控制總儲量	283,680	128,071	38,309	(15,911)	(49,858)	207,546	83,026	10,365	(33,971)	(61,952)
預測儲量	432,609	226,811	129,013	78,683	50,888	324,220	169,723	96,366	58,654	37,855
探明、控制及預測總儲量	716,288	354,882	167,322	62,772	1,030	531,766	252,750	106,731	24,684	(24,097)

註釋：

- (1) 本公司總資源是在基於其享有項目總資源 36.75% 的有效權益，同時中海油完全行使其 51% 的股權的基礎上做出的評估。見“石油與天然氣產業與許可狀態”。
- (2) 本公司淨儲量是基於其享有的成本油和利潤油之份額加上償還既往費用之總和大於本公司總儲量的基礎上做出的評估。
- (3) 二氧化碳的收入抵消了二氧化碳生產所需的資金和運營成本，因此二氧化碳的收益假定為零。

麥克丹尼在報告中亦指出，麗水 36-1 氣田的開發將在該地區設立一套生產設施樞紐，而該設施樞紐可以被用於任何周邊有利圈閉的開發。周圍這些有利圈閉的滾動開發可能會使用水下井口或設立井口平臺，而後續處理加工工作將在已設立的生产設施樞紐上進行；從而成本增量將會降低，因而麗水 36-1 氣田內額外資源或其周邊已識別的有利圈閉的經濟性亦將大大提高”。

麥克丹尼的報告簡本刊載於超準的網站：<http://www.pehi.com>。

EXPLORATION ACTIVITY

Lishui Gas Play and 3D Seismic Data

Through the evaluation of the 737 sq kms of 3D seismic data, covering the LS36-1 discovery and nearby prospects, Primeline interpreted the existence of channel and canyon systems and several sizeable prospects in this area, referred to as the Lishui Gas Play. Tertiary channel sands are a proven play type in other areas including Western Africa and the Gulf of Mexico.

LS35-3-1 Drilling

The LS35-3-1 well was the first exploration well in the rolling development and exploration programme which Primeline and CNOOC are implementing in the region. The strategy is to find additional resources which can be tied into the proposed production facility to be built at the LS 36-1 gas field, to augment future production.

The LS35-3 prospect is approximately 14.5 km from the existing LS36-1 discovery and is one of several channel system prospects Primeline identified in the area adjacent to the LS36-1 gas field.

China Oilfield Service Ltd. ("COSL") drilled the LS35-3-1 well under a turnkey agreement using COSL rig 942. COSL is the leading integrated oilfield services provider in offshore China and is listed on the Hong Kong and Shanghai Stock Exchanges. The well was spudded on April 12, 2010 and reached the planned total depth (TD) of 2,886m and Primeline decided to deepen it to the TD of 2,908m. Gas shows and weak oil shows were encountered during drilling.



勘探工作

麗水氣區及三維地震資料

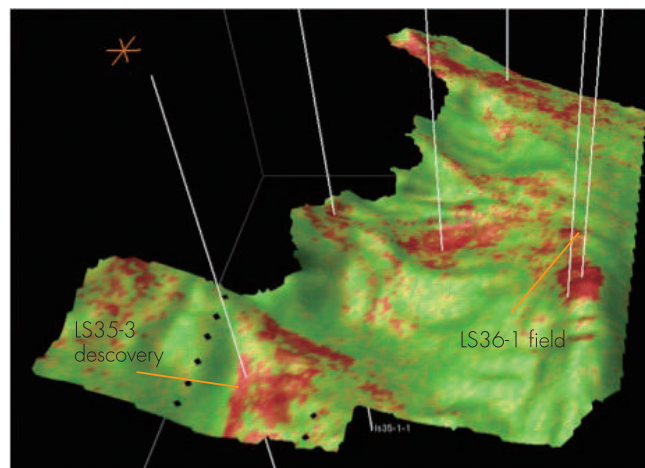
通過對麗水 36-1 氣田以及周邊圈閉包括 737 平方公里海域的三維地震資料分析，超準解釋了在此區域有河道和峽谷系統的存在，並有數個較可觀的有利圈閉，合稱麗水氣區。而第三紀河道砂體在西非，墨西哥灣及其它地區均已被證實是一種有利的油氣藏類型。

麗水 35-3-1 井的鑽探

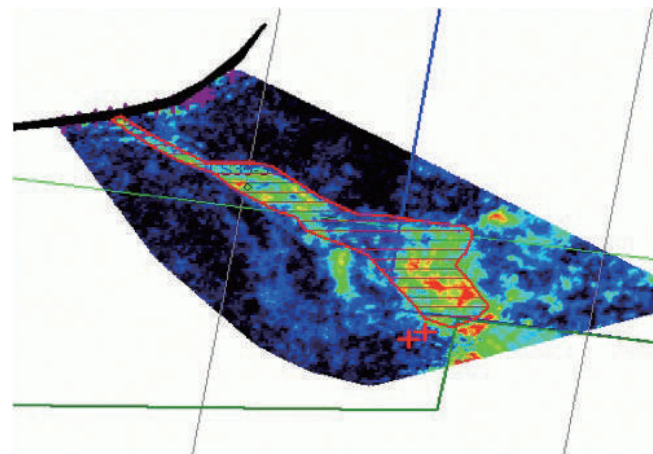
麗水 35-3-1 井是超準與中海油執行滾動開發策略以來，在此區域所打的第一口勘探井。此勘探井的鑽探是為即將架設的麗水 36-1 氣田生產設施尋求額外的氣源，以增加其未來的產量。

麗水 35-3 圈閉距離麗水 36-1 氣田發現僅 14.5 公里，是超準經三維地震分析所界定的在麗水 36-1 氣田周圍數個有利河道系統的主要圈閉之一。

在與超準簽訂總包合同之後，中海油田服務股份有限公司（中海油服）使用其自升式鑽井平臺“海洋石油 942”鑽探了麗水 35-3-1 井。中海油服是提供中國海上油田綜合性服務的主要承包商，其股票分別在香港及上海證券交易市場上市。此井於二零一零年四月十二日開鑽。在鑽探至 2,886 米的設計深度時，超準決定將鑽井深度加深至 2,908 米。在整個鑽井過程中，本井多個層段有氣測顯示和少量的油顯示。



Lishui Gas Play
麗水氣區的含氣圈閉



LS 35-3 Seismic Amplitudes
麗水 35-3 地震振幅異常

LS35-3-1 Testing Results

At TD, Primeline implemented a programme of electric logging and conducted a formation evaluation logging programme including Vertical Seismic Profiling (VSP), Reservoir Characterisation Instrument (RCI-RFT) and side wall coring. Interpretation of the log data confirmed that:

- Target Zone 1 comprised continuous sandstone with porosities ranging 13-22% but no indications of hydrocarbons;
- Target Zone 2 comprised sandstone with mudstone interbeds with porosities ranging 0-16% but with limited indications of hydrocarbons;
- Target Zone 3 comprised sandstone and mudstone interbeds with over 20m aggregate of potential hydrocarbon gas pay in two zones with porosities ranging 5-16%.

Based on these results, Primeline instructed COSL to conduct drill stem testing (DST) of the two intervals in Target 3 which commenced on May 16, 2010 under a turnkey arrangement.

DST 1 was conducted over the depth range 2,836-2,852m measured depth (MD). This was conducted conventionally using diesel in the wellbore. There was no flow of hydrocarbons to the surface.



LS35-3-1 – Gas Flare
麗水 35-3-1 天然氣測試

DST 2 was conducted over the depth range 2,794-2,802m MD. Nitrogen was used in the wellbore to optimise the pressure drawdown and gas flowed naturally to the surface and was flared continuously and steadily for over 7 hours. A second flow period was attempted after an 18 hour shut-in but was unsuccessful because the test valve was blocked by formation sand. There was then a second shut-in period of 15 hours. Data from the downhole pressure gauges showed that the two pressure build-ups during the shut-in periods were consistent. The surface gas flow during the first flow period was at a low pressure which steadily rose over the 7 hour flow period but did not reach the pressure necessary to operate the separator or the flow meters. The flow potential of the well was thus not measured. Gas samples were collected at the wellhead and fluid samples were collected from the wellbore for laboratory analysis. The test programme ended on May 29 and the LS35-3-1 well was declared as a gas discovery. The COSL rig was released on June 7 after the completion of end-of-well operations.

This discovery is significant in that it confirms that hydrocarbons have migrated to and are trapped in the west flank of the West Lishui Basin, the majority of which is inside Block 25/34. Three channel systems have been mapped and delineated in Primeline's 3D area, with others recognised to the north of that area which is covered by 2D seismic data. Primeline has completed the post well evaluation of LS35-3 and is now refining the petroleum system model in order to high-grade and further define prospects for further exploration drilling.

This discovery is also the first surface flow of natural gas from a low permeability reservoir in the southern East China Sea. This is significant, not only for further exploration in Block 25/34, but also for upside in the LS36-1 Development. The LS36-1 gas field has over 200 metres of gas-bearing low-permeability reservoirs which are directly below the gas zone being developed. With the new data from LS35-3-1, Primeline will assess the potential for modern fracing, horizontal and multi-lateral drilling technology to enhance the low permeability reservoirs' production rates.

The cost of drilling the well was US\$16.5m and the cost of testing was US\$11.8m, which was in line with the budget.

麗水 35-3-1 井測試結果

在完成鑽井後，超準對麗水 35-3-1 井做了電纜測井並進行了包括垂直地震剖面，儲層特徵測試 (RCI-RFT) 和井壁取芯的地層評價測井項目。通過對電測結果的分析解釋，可以確認：

- * 第一個目的層：為砂岩層，孔隙度為 13-22%，但不含任何烴類顯示。
- * 第二個目的層：為砂岩層夾雜有泥岩層，孔隙度為 0-16%，含少量烴類顯示。
- * 第三個目的層：為砂岩層夾雜有泥岩層，上下兩層合計有超過 20 米厚，是潛在烴類氣層，孔隙度為 5-16%。

根據這些初步結論，超準指示中海油服按照鑽井總包合同，於二零一零年五月十六日在第三個目的層的兩個區間進行鑽杆測試。

第一層鑽杆測試在測試深度 2,836 米至 2,852 米的地層之間展開。此測試採用傳統的柴油液墊的測試方法。但沒有任何油氣流到地面。

第二層鑽杆測試在測試深度 2,794 米至 2,802 米的地層之間展開。此次測試中，氮氣取代柴油液墊用以增加壓差。地層中的天然氣自然流動至表面，點火成功並持續放噴超過 7 個小時。在關井 18 個小時，井中壓力恢復之後，執行第二次放噴，但由於測試閥被地層出砂所封堵住的原因，二次放噴的結果不甚理想。之後再次關井 15 個小時。兩次關井的過程中，井下壓力計顯示出了一致的壓力恢復曲線。一開 7 個小時的放噴過程中，井口壓力逐步上升，但仍未達到操作氣流進分離器或流量計的必要壓力，故此井的流量未能實測到。此次測試過程中，符合實驗室分析要求的井口的氣樣以及井下液樣被成功採集。麗水 35-3-1 井的測試作業於二零一零年五月二十九日結束，此井被視為天然氣發現井。“海洋石油 942”在完成了最終的棄井作業後，於六月七日被拖離井場。

此次發現的重大意義在於，證明了烴類已運移並聚集在麗水盆地西斜坡上的河道系統內，而此區域的大部份位於 25/34 區塊內。另有三個河道系統已經在超準的三維地震資料區內被測繪和劃定，而超準的二維地震資料也已涵蓋了此區域的北部。超準已經完成了麗水 35-3 發現的鑽後評估工作，目前正在修正油氣成藏模型以期進一步定義未來鑽探工作區域。

此次發現是迄今為止在中國東海南部低滲儲層中第一次測試取得到達地面的天然氣流。它不僅對 25/34 區塊後續勘探工作具有積極的作用，更有利於麗水 36-1 氣田項目的開發。麗水 36-1 氣田正在開發的氣層下面蘊含著超過 200 米的含氣低滲儲層。麗水 35-3-1 井的鑽探工作為這一含氣低滲儲層的開發提供了新的思路。為了使這些低滲儲層具備商業開發的可能，超準將進一步評估現代壓裂，水平鑽井，多分枝鑽井等技術對提高低滲層產量的作用。

此次鑽井工作所花費費用為 1,650 萬美元，測試工作所花費費用為 1,180 萬美元，此兩項均在預算範圍內。



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中國浙江省温州市

LS35-3-1 Post Well Evaluation

Following the drilling of the LS35-3-1 exploration well, Primeline conducted a detailed post well evaluation of the data gathered in the well and re-evaluated the remainder of the Block using the new data. LS35-3-1 confirmed a hydrocarbon accumulation on the Western Flank of the Lishui Basin which is significant for Primeline's ongoing exploration effort in the region. The well flowed gas from a low permeability reservoir which has implications for the possible development of the deeper gas zones in the LS36-1 gas field and the gas potential in the region in general.

The LS35-3-1 well was located to test three inferred stacked channel sand reservoirs: Targets 1, 2 and 3, over an expected depth range of 2100 – 2880 metres. Target 1 was forecast to be similar to the good reservoir sequence in the LS36-1 gas field which Primeline and CNOOC are currently developing. Targets 2 and 3 were forecast to be similar to the lower gas sands in the LS36-1 gas field. All three predicted reservoir targets had seismic amplitude and AVO characteristics similar to those seen in the LS36-1 gas field.

All three sands were encountered in well LS35-3-1, however, Target 1 was water bearing whilst Target 2 had some gas, but mostly water. Target 3 had gas from top to base of the reservoir. Although on test gas flowed naturally to the surface from the upper zone of Target 3 and was flared continuously for 7 hours, no accurate measurement of gas flow was possible. Calculations on the differential pressure across the choke indicate a low flow rate without stimulation.

Analyses of the gas samples from the well show low inert gas content (N₂, CO₂) of 1.5 – 3.3% and a similar hydrocarbon composition to LS36-1 gas field, but with more liquid hydrocarbon content.

Implications of the Results

Proving the presence of trapped hydrocarbons on the Western Flank of the Lishui Basin supports Primeline's hydrocarbon source generation and migration model. The low CO₂ levels also support Primeline's view that the CO₂ present at LS36-1 gas field is a result of localised and late CO₂ generation in isolated areas and that CO₂ is not regionally present throughout the basin.

Target 1 comprised good quality porous sand of over 44m, somewhat better in quality than at the LS36-1 gas field. The most probable reason for the lack of hydrocarbons in Target 1 is thought to be up-dip leakage from this sand level at this stratigraphic trap location as tests have subsequently shown that the reservoir had been charged with gas.

Achieving gas flow from the deeper low permeability reservoir is encouraging but the commercial potential of LS35-3-1 will depend on successful fracturing and other optimisation techniques presently used elsewhere in the industry to improve production rates from tight gas sands. Primeline and CNOOC plan to test such concepts early in the LS36-1 Development drilling program. Success in flowing gas at reasonable rates from these deeper, tighter reservoirs could convert some of the gas-in-place in the lower sands at LS36-1 gas field into producible reserves. The volume of gas-in-place in the lower zones in LS36-1 gas field is of a similar amount to that in the top good reservoir but, as it was not previously regarded as commercial, it has not been included in any previous reserve calculation or development proposal. Any gas produced from these lower zones would significantly enhance the economics of the LS36-1 Development as production would be through the same infrastructure, which will be financed by the production from the upper zone. In addition, the gas encountered in the LS35-3-1 exploration well could be commercial if these fracturing techniques prove successful as the tie-in distance to the proposed LS36-1 platform is only about 14.5 km.

Trap integrity is now the biggest exploration prospect-specific risk going forward. Finding Target 1 to be water bearing at LS35-3-1 is a setback to Primeline's concept of using high seismic amplitudes coupled with AVO seismic attributes as a direct indicator of hydrocarbons. The rock physics from LS35-3-1 has confirmed that water filled porous sands will also generate an AVO response. Primeline is investigating the applicability of other indirect hydrocarbon indicators whilst continuing with traditional mapping and trap definition techniques to reduce the exploration risk.

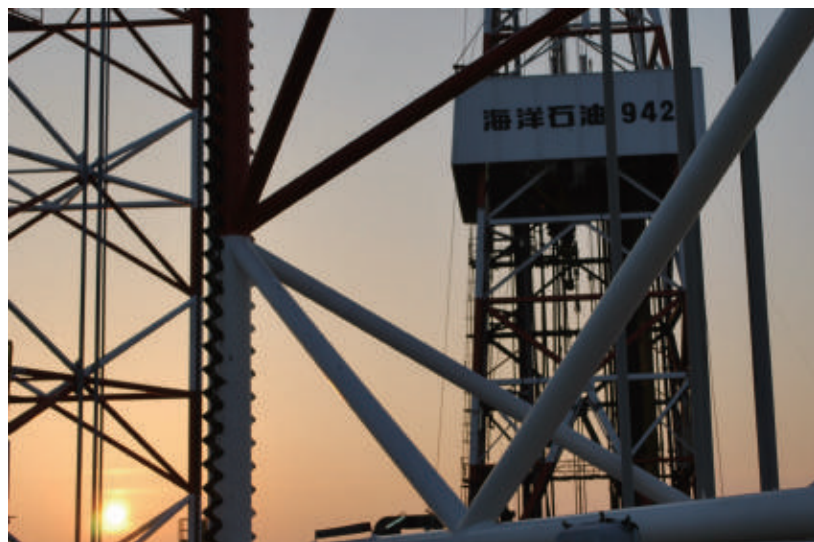
麗水 35-3-1 井的鑽後評估

在完成麗水 35-3-1 井鑽探工作後，超準便針對鑽井及測井過程中搜集的資料展開了細緻的鑽後評估工作，並以新搜集的資料對整個區塊做了重新評估。麗水 35-3-1 井的鑽探確認了麗水盆地西斜坡有烴類的聚集，這對超準在此區域內正在做的勘探工作尤為重要。從此井低滲層流出的天然氣氣流，預示著對麗水 36-1 氣田深層氣的開發以及此區域內潛在的天然氣藏的開發有可能實現。

麗水 35-3-1 井的鑽探旨在測試其推斷出的三個成疊河道砂岩儲層：三個目的層的預測埋深度為 2100-2880 米。第一個目的層被預測為類似於超準與中海油目前正在開發的麗水 36-1 氣田中良好的油藏序列。第二個和第三個目的層被預測為類似於麗水 36-1 氣田中下部低滲含氣砂岩。所有三個預測的氣藏均擁有類似於麗水 36-1 氣田中所測得的地震幅度以及 AVO 特性。

上述三個砂岩層在麗水 35-3-1 井的鑽探過程中均鑽遇。然而，第一個目的層為含水層，第二個目的層含少許氣，但主要仍為含水層。第三個目的層從頂至底均含氣。儘管在測試過程中，第三個目的層上部的天然氣自然流動至表面並成功點火放噴 7 個小時，但天然氣的流量仍未能精確測試。從油嘴兩端的壓力差，計算表明未經改造的天然氣流量較低。

井中採集的氣樣分析結果表明，其成份中含有 1.5-3.3% 的惰性氣體（氮氣及二氧化碳）以及類似於麗水 36-1 氣田的烴類。相比麗水 36-1 氣田，麗水 35-3-1 井中的氣樣含有更多的液態烴。



測試結果的含義

麗水 35-3-1 井的測試結果表明麗水盆地西斜坡上有烴類的聚集，證實了超準的烴類生成及遷移模型。麗水 35-3-1 井所採氣樣中所含的二氧化碳成份較低，證明了超準之前認定的麗水 36-1 氣田中高二氧化碳組分只是後期生成的二氧化碳在局部聚集的結果，並非盆地全沉的理論。

麗水 35-3-1 井的第一個目的層包含了超過 44 米厚的優質多孔砂層，其質量優於麗水 36-1 氣田中發現的砂岩。而此層中缺少烴類的最可能的原因是地層圈閉中的上傾的泄漏，因為鑽後測試證明此處曾有天然氣存在蹟象。

從下部低滲層中獲得天然氣氣流是令人振奮的，但麗水 35-3-1 井的商業開發潛力取決於成功的壓裂技術以及在其它氣田運用成熟的地層優化技術，以便從緻密的砂岩中獲取商業性天然氣流量。超準與中海油正計劃在麗水 36-1 氣田開發項目的鑽探過程中測試此方案的可行性。若從麗水 36-1 氣田下部更緻密的砂岩中成功獲得適當的天然氣流，便可將麗水 36-1 氣田中部份低滲層所含的天然氣轉化為可採儲量。麗水 36-1 氣田中深部低滲層所含天然氣的原地地質儲量接近於其頂部好砂岩所含的天然氣儲量。但此前這部份天然氣一直被認為是無經濟開發價值，故此部份儲量一直沒有被納入先前的儲量評估以及開發方案中。若能成功獲得麗水 36-1 氣田下部低滲層產出的商業性天然氣流，則這部份天然氣將可直接利用為開發麗水 36-1 氣田上部好氣藏所架設的生產設施加以開發，而整個項目的經濟性亦將大大提升。此外，若這些壓裂技術可行，則預示著麗水 35-3-1 井中發現的低滲氣藏亦具備開發的潛力，因為麗水 35-3-1 井距離麗水 36-1 氣田開發項目的生產平臺僅 14.5 公里。

圈閉完整性是未來在該地區勘探的最大風險。麗水 35-3-1 井中發現的第一個目的層僅含水，這對於超準先前把高地震幅度加 AVO 地震特性作為烴類存在的直接判斷的做法是一個否定。而對麗水 35-3-1 井中岩石物性的研究表明含水的多孔砂也能產生 AVO 效應。超準在繼續運用傳統測繪以及圈閉定義技術的同時，亦積極研究其它可行的間接判斷烴類存在的檢測方法，以降低未來的勘探風險。

Preparation of the Next Exploration Well

Primeline and CNOOC jointly reviewed the post well evaluation results and agreed the future exploration strategy at Technical Committee Meetings in November 2010 and January 2011. A joint working session was held in February 2011 when the parties agreed the optimal next exploration drilling location, which is LS30-3-1 in Block 25/34. Well design was completed promptly.

The LS30-3-1 location as agreed by CNOOC and Primeline was selected based on the interpretation of 3D seismic data and is another channel sand stratigraphic trap prospect. The proposed well is approximately 16.5 km north west from Primeline's LS36-1 gas field and, if successful, can be tied into the production platform to be built for LS36-1. As part of Primeline's rolling development strategy the step out drilling of LS30-3-1 and the other prospects identified will be coordinated with the development of the LS36-1 gas field.

Primeline commenced discussions with COSL in late 2010 in order to secure a drilling rig for the next exploration drilling campaign. Following several rounds of negotiation, a letter of intent ("LOI") for the Turnkey Drilling Operation was entered into on April 27, 2011 to record the rig availability and agreed turnkey drilling contract price.

Pursuant to the LOI COSL has agreed, subject to contract, to enter into a turnkey drilling contract with Primeline under which COSL will drill one exploration well, LS 30-3-1, sometime in the fourth quarter of 2011. In addition, Primeline will have an option to drill a further well in the nearby area, after completion of the proposed well, at the same rates. COSL will supply all necessary equipment, services and personnel for the drilling. The turnkey price for drilling LS30-3-1 well, as defined by the LOI, is US\$15.8m including site survey and mobilisation costs. The total budget for the well is up to about US\$25m for a success case, depending on the level of testing to be carried out. Before entering into the LOI, Primeline obtained confirmation from its major shareholder and Chairman, Mr. Victor Hwang, that he would underwrite the cost of the drilling contract in order to enable Primeline to secure the rig. The cost of the exploration well will be borne by Primeline and PPC in the proportions 75/25, representing their respective interests in the Petroleum Contract.

However, following the recent MOA (see "Petroleum Contract" below), it is now anticipated that drilling will be delayed until after the new petroleum contract is signed and a new drilling slot confirmed.

CORPORATE DEVELOPMENT

Rights Offering

In order to fund the cost of the turnkey drilling contract for LS35-3-1 Primeline effected an offering to shareholders of rights to subscribe for 47,020,623 Shares at \$0.50 per Share ("Rights Offering").

The preparation of the offering commenced in early 2010 when Primeline commenced the discussions with COSL on the drilling contract.

The Company's largest shareholder, Primeline International (Holdings) Inc. ("Primeline International"), agreed to provide a standby commitment (the "Standby Guarantee") under which Primeline International would purchase from the Company at the Subscription Price any Shares that were not otherwise subscribed for under the Rights Offering prior to the expiry time. Primeline International is owned by Mr. Victor Hwang, the Company's chairman. The obligations of Primeline International under the Standby Guarantee were secured by a cash deposit with the Company of C\$23,510,311.

The Company engaged Jennings Capital Inc. ("Jennings Capital") as managing dealer for the Rights Offering and entered into a managing dealer agreement dated March 24, 2010. Jennings Capital was entitled to a fee equal to the greater of (i) 2% of the gross proceeds from the exercise of Rights by holders of Shares, other than Mr. Hwang, his family members and affiliates (including Primeline International) and the directors and officers of the Company, and (ii) CAD\$75,000.

The Rights Offering closed on May 6, 2010. Under the Rights Offering, shareholders subscribed for and purchased 39,640,833 Shares resulting in gross proceeds of \$19,820,416. Under the Standby Guarantee, Primeline International purchased the balance of 7,379,790 Shares available under the Rights Offering, for gross proceeds of \$3,689,895. Aggregate gross proceeds of \$23,510,311 were received by Primeline. Net proceeds were \$23,056,752 after deducting the fee to Jennings Capital and professional fees of \$453,559. The net proceeds of the Rights Offering were used to pay for the Company's share of the costs of drilling and testing of the LS35-3-1 exploration well, amounting to US\$28m (the Company's share being US\$21m) plus associated supervision and evaluation costs, with the balance remaining being retained for working capital purposes.

下一口勘探井的準備工作

超準與中海油在分析了鑽後評估資料之後，於二零一零年十一月份以及二零一一年一月份的技术研討會上就未來的勘探策略達成一致意見。在二零一一年二月份的聯合工作會議上，雙方確認了下一口探井的最佳井位為 25/34 區塊中的麗水 30-3-1 井，並隨即完成了鑽井設計。

超準與中海油對麗水 30-3-1 井井位的確認是基於三維地震資料的解釋顯示此處為又一河道砂體地層圈閉。設計的麗水 30-3-1 井位於超準麗水 36-1 氣田開發項目的西北側，距離僅為 16.5 公里。若此處有商業價值的發現，則可利用麗水 36-1 氣田開發項目的生產設施加以開發。作為超準滾動開發策略的一部份，對麗水 30-3-1 井以及其它有利圈閉的的鑽探，將會與麗水 36-1 氣田的開發同步協調進行。

超準於二零一零年年底就與中海油服展開了協商，試圖為下一輪的鑽探鎖定鑽井船資源。經過幾輪的談判，於二零一一年四月二十七日，超準與中海油服簽訂了鑽井總包作業的意向書。此意向書不僅為超準鎖定了下一口井的鑽井船資源，更明確了總包合同的價格。

依據此意向書，中海油服同意將與超準簽訂一個鑽井總包合同，在二零一一年第四季度鑽探麗水 30-3-1 井。此外，在完成該井的鑽探工作之後，超準有權選擇在鄰近區域，以同樣的費率再鑽另一口井。中海油服將提供鑽井所必需的設備、服務和人員。意向書所明確的麗水 30-3-1 井鑽探總包費用將為 1,580 萬美元，其中包括井場調查費以及動復員費。此井的總預算為不超過 2,500 萬美元，具體視鑽井情況以及之後的測試工作量而定。在簽署意向書之前，超準得到了其最大股東兼董事會主席黃偉華先生的確認，他將擔保超準有能力承擔鑽井合同簽署所需費用，以確保超準能夠鎖定鑽井船資源。麗水 30-3-1 井的鑽探及測試費用，將由超準與超準石油按其各自在石油合同中的權益，以 75% 和 25% 的比例分攤。

然而，依據最近簽署的石油合同修改備忘錄，新勘探井的鑽探將順延至新的石油合同簽署以及新的鑽井船期確認之後。

公司發展

配股

為了給麗水 35-3-1 井的鑽探工作籌集資金，超準給股東配股 47,020,623 股，每股價格為 0.5 加元。

配股的準備工作於二零一零年初，超準與中海油服就鑽井合同展開商議時就已經開始著手進行。

公司的最大股東，超準國際控股有限公司（超準國際）同意提供備用承諾 / 擔保，即超準國際將從公司以認購價格購買公司在配股發售期滿之前尚未被認購的股票。超準國際的擁有者為本公司董事會主席黃偉華先生。依照備用擔保，超準國際所承諾的義務將由其在公司的 23,510,311 加元的現金存款所保證。

本公司指定 Jennings 公司為此次配股的經紀管理公司，並於二零一零年三月二十四日與之簽訂了經紀管理協議。Jennings 公司將收取相當於下述二項中的高者作為傭金：

1. 股份持有人配股所得總額扣除黃偉華先生及其家庭成員和下屬子公司（包括超準國際）以及公司董事及高層管理人員認購部分後的 2%，或者
2. 7.5 萬加元

此次配股發售於二零一零年五月六日結束，公司股東共認購 39,640,633 股，總募款為 19,820,416 加元。根據備用承諾擔保協議，超準國際認購了剩餘 7,379,790 股，所付款項為 3,689,895 加元。因此此次配股的集資款項總和為 23,510,311 加元。扣除用於支付 Jennings 公司和其它各種專業諮詢費用的 453,559 加元外，淨集資總額為 23,056,752 加元。該筆款項用於支付麗水 35-3-1 勘探井的鑽井和測試作業中本公司應承擔費用之份額。該井總費用約為 2,800 萬美元（超準份額為 2,100 萬美元）另有相關的管理和評估費用。集資餘額留作周轉資金。

PETROLEUM CONTRACT

The Petroleum Contract provided for an initial exploration period with a development period and a production period for each commercial development. The exploration period was originally for seven years commencing on May 1, 2005, split into three phases lasting three, two and two years respectively, and a one year extension to the first phase was granted in 2008.

In 2007 the Company and CNOOC agreed on a rolling development strategy, which entails developing the existing gas resources in the LS36-1 gas field whilst at the same time continuing exploration of nearby prospects. As a result, in April 2009, in view of the work programme being undertaken in relation to the ODP and the difficulty then being experienced in locating a suitable rig, CNOOC agreed that Primeline could carry forward the unfulfilled one well commitment from the first phase into the second phase of the exploration period.

There was thus a two-well exploration commitment for the second phase of the exploration period for Block 25/34 which expired on April 30, 2011. Primeline drilled one of those two commitment wells in April to June 2010. Having regard to the current development activity and the drilling program agreed by COSL, CNOOC agreed, in a letter to Primeline dated April 28, 2011, to a grace period of three (3) months so that the expiration date of the second phase of the exploration period was extended from May 1, 2011 to July 31, 2011 to allow time for discussions with regard to the coordination of the exploration program, development work and for Primeline to decide whether to elect to enter into the third phase. CNOOC also agreed that the unfulfilled commitment well in the second phase could be carried over to the third phase, so that the work program for the third phase would be a minimum of two commitment wells.

However, as a result of further discussions following such agreement, Primeline and CNOOC have now negotiated revised exploration licence arrangements which arrangements are set out in a memorandum of agreement dated July 15, 2011 ("MOA"). The MOA amends the Petroleum Contract such that no further exploration activity will be carried out under that contract and Primeline and PPC will relinquish all of the current area of 5,221 sq kms held under the Petroleum Contract, save for the development area for the LS36-1 gas field, comprising 84.7 sq kms. The Petroleum Contract will remain in effect in relation to the continuing development and production operations for the LS36-1 gas field. In order to provide Primeline with continuing exploration rights in the area, the MOA also provides that a new petroleum contract ("New Contract") will be granted on the following basis:

- Area: The exploration area under the New Contract will cover the same area as that currently held under the Petroleum Contract but with an additional adjacent area to the east making a new contract area of 5,877 sq kms. The new area has been designated as Block 33/07.
- Term: The New Contract will have a seven year exploration period divided into three exploration periods of three, two and two years each with a minimum work commitment in the first phase of two wells plus 600 sq kms of 3D seismic. The commitment for each of the second and third phases is one well.
- Future discoveries in the new contract area (and any CNOOC self financed discoveries nearby, if there is spare capacity and subject to payment of a proportion of operational costs) will enjoy the right to free use of the production facilities to be built for the LS36-1 gas field.
- All other terms are the same as the Petroleum Contract and the New Contract will be held by Primeline and PPC in the same proportions in which they hold the Petroleum Contract of 75%/25%.

Accordingly, Primeline and PPC will continue to have a significant exploration area around the LS36-1 gas field for a further seven years whilst CNOOC, Primeline and PPC will continue to develop the LS36-1 gas field over the next two years.

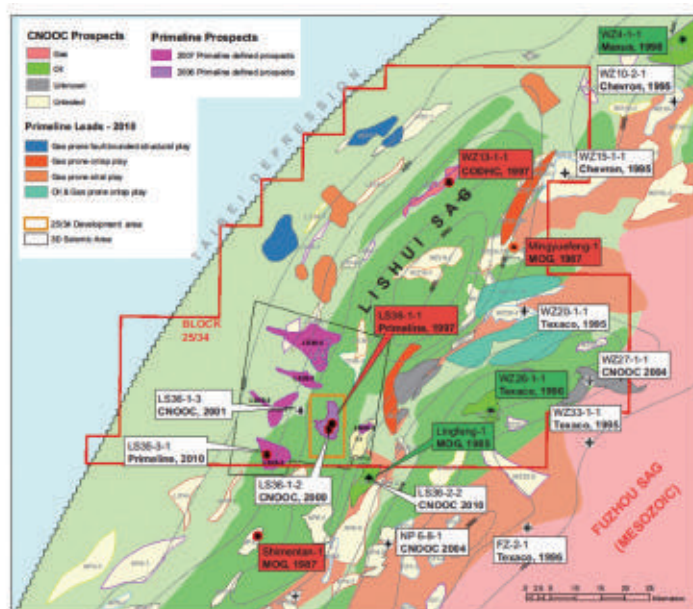
It is intended that Primeline and CNOOC will finalise and enter into the New Contract shortly, which will then be subject to the approval of the Ministry of Commerce in China.

石油合同

石油合同的合同期分为最初勘探期，开发期和对每一个商业开发油气田分别界定的生产期。勘探期最初规定为从二零零五年五月一日开始，为期七年，分为三个阶段，分别为期三年，两年和两年。二零零八年，中海油同意将勘探期第一阶段延期一年。

二零零七年，本公司与中海油就滚动开发策略达成一致，这意味着丽水 36-1 气田周边有利圈闭的勘探工作将与气田本身的开发同步进行。二零零九年四月份，考虑到总体开发方案的编制工作量，以及落實合適鑽井平臺的難度，中海油同意超準可以将勘探期第一阶段尚未履行的一口義務勘探井順延至第二階段。

因此，在二零一一年四月三十日勘探期第二階段到期之前，超準在 25/34 區塊還需承擔兩口義務井。超準在二零一零年四月至六月間，完成了一口義務井的工作量。考慮到現階段的開發活動以及與中海油服商定的鑽井計劃，中海油於二零一一年四月二十八日在給超準的書面信函中同意給予三個月的寬限期。因此，超準的勘探第二階段到期日由二零一一年五月一日延長至二零一一年七月三十一日。這段寬限期讓雙方可以就勘探與開發的協調，以及超準是否選擇進入勘探第三階段等問題展開討論。中海油亦同意超準可將第二階段未完成的義務井順延至第三階段。這意味著超準在勘探第三階段有最少兩口探井的義務。



Map showing area of the proposed new contract – Block 33/07
33/07 新合同區圍構造圖

然而，在進一步談判之後，超準與中海油就修訂勘探合同的安排達成共識。新的安排修正條款羅列於合同備忘錄中，此備忘錄於二零一一年七月十五日簽署。備忘錄規定，原石油合同繼續其開發及生產作業，而進一步的勘探作業將停止。同時，備忘錄規定在保留麗水 36-1 氣田開發項目所涵蓋的 84.7 平方公里面積的基礎上，超準將退還原石油合同項下 5,221 平方公里內的勘探面積。原石油合同中涉及麗水 36-1 氣田的開發與生產作業的條款仍然有效。為了使超準繼續有權在此區域行使其勘探權利，備忘錄規定雙方將按如下條款簽訂新的石油合同。

- 面積：新的石油合同將涵蓋現有石油合同項下的勘探面積，並向東做了部份延伸，擴大至 5,877 平方公里。新的勘探區塊被指定為 33/07 區塊。
- 期限：新的石油合同的勘探期為 7 年，分為 3 個勘探階段，各自為期 3 年，2 年和 2 年。第一階段的最低義務工作量为兩口探井加上 600 平方公里的三維地震勘探；第二、第三階段的最低義務工作量为每階段一口探井。
- 依據新的石油合同，未來在新合同區域任何發現均可免費使用為麗水 36-1 氣田開發項目所架設的生產設施加以開發。（中海油在周邊地區自營項目的發現亦享有此權益，但前提條件是此生產設施尚有餘量，以及需支付相應比例的操作費用）。
- 其餘全部的條款與現有的石油合同保持一致。本公司及超準石油將按照其各自在原石油合同中的權益比例（75%：25%），擁有新的石油合同。

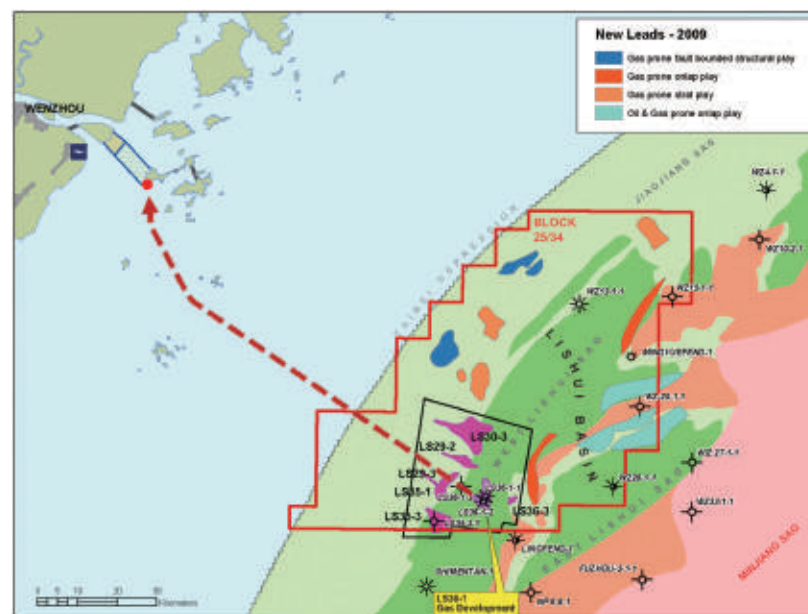
由此，本公司及超準石油將繼續享有麗水 36-1 氣田周邊很大面積的勘探權，此勘探權將為期 7 年；而中海油，本公司及超準石油在未來的 2 年內將繼續對現有的麗水 36-1 氣田加以開發。

超準與中海油有意儘快簽署新的石油合同，新合同需經中華人民共和國商務部批准後方能生效。

GENERAL FINANCIAL OUTLOOK

As at the year-end (March 31, 2011), the Company held cash resources of C\$1.05 million. The costs of running the Company's general operations are estimated at approximately C\$2.5 million per annum. Accordingly, in order to provide interim funding for working capital, in May 2011, Primeline entered into an agreement with Mr. Victor Hwang, its President, Chairman and largest shareholder, under which Mr. Hwang granted Primeline a loan facility of up to US\$4,000,000 (the "Facility") which may be drawdown in multiple tranches at any time before November 30, 2011. The amount drawdown under the Facility, which is to be used for working capital purposes, is interest free and is repayable on written demand at any time after November 30, 2011. Primeline is investigating options for generating funds to repay the funds drawdown, and expects to make an announcement about repayment in due course. As a result of the Facility, the Company has sufficient funds in hand to continue its general operations during the coming year. However, additional financing would be required to fund the Company's obligations in relation to the LS36-1 Development, or if the Company was to enter into any future exploration drilling contracts. There may be various alternative financing options available to the Company in the event that the LS36-1 Development proceeds as planned and, as referred to above, the Company has obtained in principle agreement from a Chinese Bank for funding the LS36-1 Development, but it is likely that the Company will need to raise additional equity capital in order to finance any further exploration drilling contracts. The Company is exploring all possible fund-raising possibilities for both its share of development costs and for the planned exploration drilling programme.

As referred to above under "Rights Offering" Primeline International provided a Standby Guarantee deposit of C\$23,510,311 under which it agreed to purchase from the Company any Shares not otherwise subscribed under the Rights Offering. Subsequent to the completion of Rights Offering on May 6, 2010, the residual balance of the Standby Guarantee deposit, amounting to C\$7,684,223.82, was, with the agreement of Primeline International, credited as an advance to the Company from PPC to fulfil its cash call obligations in respect of the Petroleum Contract. As at March 31, 2011, following cash calls made in relation to operations by the Company and payable by PPC the remaining amount credited to PPC was C\$1.9 million of which C\$1.7 million was reclassified as a long term and non-interest bearing loan from PPC to the Company.

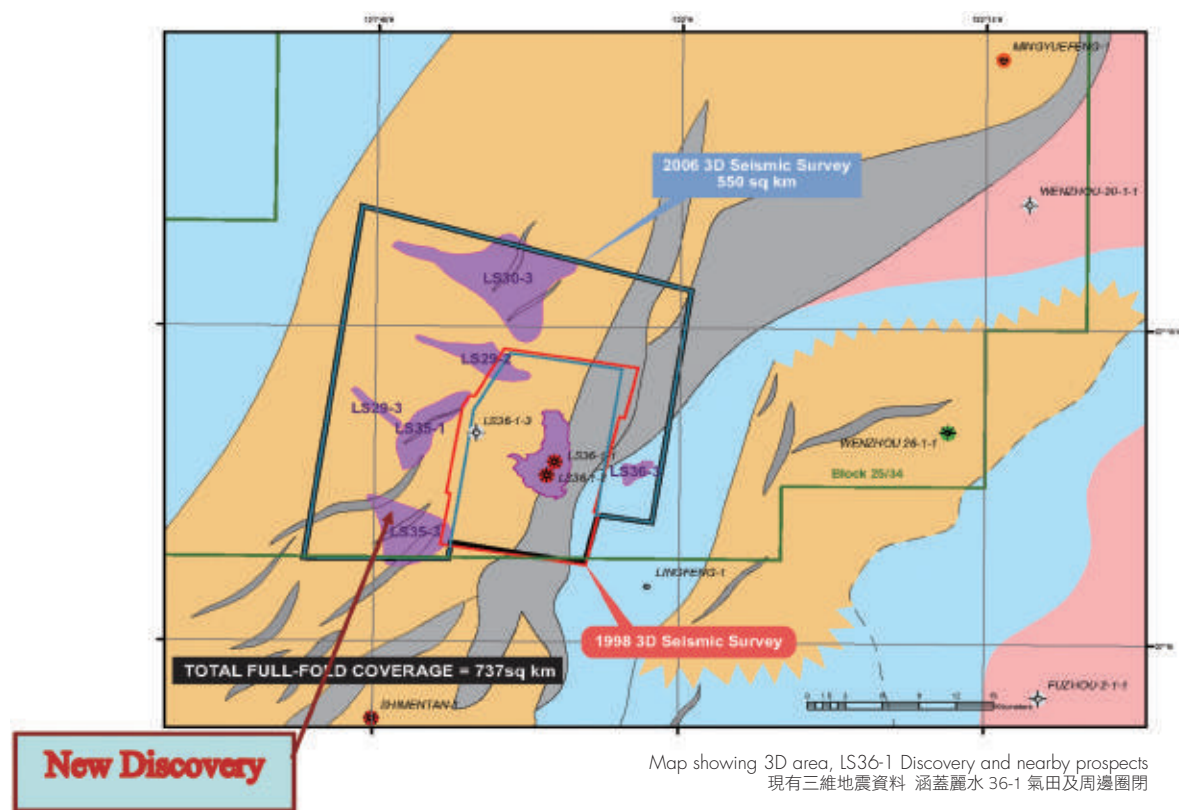


Location map of Block 25/34 showing proposed pipeline to Wenzhou
25/34 區塊位置圖顯示建設中的到溫州的海底管綫

財務展望

在截至二零一一年三月三十一日止的財務年裡，本公司持有資金為 105 萬加元，而公司日常運作的費用約為一年 250 萬加元。作為臨時的資金籌措，超準於二零一一年五月份與其最大股東兼董事會主席，黃偉華先生簽訂了協議。協議規定黃偉華先生將為超準提供 400 萬美金的貸款，此項貸款金額可由超準於二零一一年十一月三十日之前分批提取。此項用作公司營運資金的貸款享受零利息的優惠，需在二零一一年十一月三十日後依據書面要求償還。超準目前正在研究如何償還此貸款，在適當的時候會就償還作出聲明。得益於貸款融資，超準在未來的一年有足夠的資金支持公司日常運營。然而，為了承擔其在麗水 36-1 氣田開發項目中所需之份額，亦或簽署未來任何鑽井合同，公司需要額外籌集資金。於前者，公司有多種融資方案可供選擇，如上所述，本公司已與一家中國大型銀行就麗水 36-1 氣田開發融資一事達成原則協議；於後者，公司需要另行安排資金的到位。公司正為其份額內的開發投資和計劃中的勘探鑽井方案研究各種籌資的可行性。

如上所述，超準國際為配股提供 23,510,311 加元的現金存款作為備用擔保金，公司在發售期滿之前尚未被認購的股票將由此備用擔保金予以購買。在二零一零年五月六日完成配股的工作之後，經與超準國際協商一致，備用擔保金所剩之 7,684,223.82 加元的餘額將從超準石油直接匯入公司帳戶，以滿足其在石油合同下履行現金調用之義務。二零一一年三月三十一日，在超準石油為支持公司運作而提供現金調用之後，剩餘償還給超準石油的資金為 190 萬加元，其中有 170 萬加元被重新劃分為上述超準石油給予本公司的長期免息貸款的一部份。



FINANCIAL INFORMATION

Results of Operations

The Company's results for the financial year ended March 31, 2011 were a loss of \$1,388,974, compared to a total loss of \$1,448,046 for the previous year. The decrease in loss of \$59,072 was mainly due to a foreign exchange gain of \$19,983 this year vis-à-vis an exchange loss of \$625,444 last year, which was partially offset by increased professional fees of \$839,342 this year vis-à-vis \$397,763 last year. The US\$/C\$ exchange rate fell from 1.015 to 0.972 during the year. Loss per share was \$0.02 (2010 – \$0.03).

Liquidity and Capital Resources

As at March 31, 2011, net current assets of the Company amounted to \$686,931, whereas net current assets of \$25,452,075 were recorded in the prior year. The decrease in net current assets of \$24,765,144 was mainly due to the decrease in cash of \$29,277,389 which was largely utilised for petroleum exploration operations, the large majority of which were incurred in drilling well LS 35-3-1.

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During the year, exploration expenditure of \$24,650,008 (2010 – \$4,900,806) was incurred, and financed mainly from the Rights Offering. As at March 31, 2011, the total amount of petroleum exploration expenses incurred and capitalised amounted to \$63,962,941 (2010 – \$39,312,933) and may be broken down as follows:

	2011 \$	2010 \$
Exploration Drilling Related Services		
Drilling services	27,652,491	5,634,766
Drilling technical supervision and evaluation	582,117	337,001
Exploration Geological & Geophysical Surveys & Work		
Geological & geophysical survey acquisition & processing	9,787,442	9,787,442
Technical evaluations & management	5,705,724	4,887,397
Pre-development study	4,910,475	4,902,689
Interests on funding of deferred exploration expenditures	3,547,169	3,548,686
Deferred costs acquired from Primeline Petroleum Corporation	1,394,307	1,394,307
Project administration	3,522,007	2,969,484
Salaries and benefits	4,894,394	4,158,177
Travel and accommodation	2,247,985	1,974,154
Contract signing fee	539,917	539,917
Other	(821,087)	(821,087)
	63,962,941	39,312,933

The increase of \$22,017,725 in drilling services reflected the costs of drilling well LS 35-3-1 in 2010/11. Technical evaluation and management costs increased by \$818,327 from the \$4,887,397 recorded in 2010, due to the consultancy work undertaken in relation to the ongoing exploration programme.

Project administration costs may be further broken down as follows:

	2011	2010
	\$	\$
Bank charges	15,179	14,215
Office rental	1,742,743	1,606,944
Office supplies	141,572	114,958
Sundries expenses	450,726	372,857
Postage	36,294	31,682
Professional fees	639,489	441,979
Telecommunications	95,775	85,097
Transportations	358,740	271,087
Utilities	41,489	30,665
	3,522,007	2,969,484

As at March 31, 2011, the Company had total assets of \$65,345,596 (2010 – \$69,729,437) which were financed by net shareholders' equity of \$62,524,321 (2010 – \$40,829,146), current liabilities of \$695,724 (2010 – \$4,964,429) and long term finance from a related party of \$1,700,000 (2010 – \$nil).

The proceeds of the Right Offering were used to pay for the Company's share of the costs of drilling well LS35-3-1. During the financial year ended March 31, 2011, expenditure on petroleum exploration of \$26,919,353 was financed from the proceeds of the Rights Offering. Compared to prior year, this was \$24,080,317 higher.

As at March 31, 2011, the Company had net current assets of \$686,931 (2010 – \$25,452,075) and had a deficit of \$12,197,204 (2010 – \$10,808,230). Following the grant of a loan facility by Mr. Victor Hwang referred to under "Subsequent Events" below, the Company has sufficient funds to pay for its general and administration activities for the next year. However, as previously mentioned, additional financing will be required in respect of the LS36-1 Development once the ODP has been approved or if the Company was to enter into future exploration drilling contracts. As referred to above, the Company has already secured an in principle offer of a project finance facility for financing its share of the LS36-1 Development and the Directors are actively investigating funding options to address the financing requirements for the Company's exploration activities.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk and price risk.

a) Currency risk

The Company holds cash balances of HKD\$2,720,731, USD73,066 and RMB315,139 (2010 – US\$135,031 in term deposits which mature in 7 days and cash balances of US\$226,603 and RMB1,983,820).

Based on the above net exposures as at March 31, 2011, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the HK dollar, US dollar and Renminbi, would result in an increase/decrease of approximately \$33,982, \$7,102 and \$4,674 (2010– Nil, \$36,706 and \$29,599) respectively in the company's net loss.

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and cash equivalents are held at a large international financial institution in interest bearing accounts. Minimal cash balances are held in Chinese financial institutions. The Company has no investments in asset-backed commercial paper.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below under the heading "Capital Management". Accounts payable relating to petroleum exploration costs and other accounts payable and accrued liabilities are due within the current operating period. Additional information regarding liquidity risk is disclosed in Note 1 of the consolidated financial statements.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realise a loss as a result of a decline in the fair value of the short-term investments included in cash and cash equivalents is minimal because these investments roll over in a very short period (seven days to one month).

e) Price risk

The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its petroleum interest, acquire additional petroleum property interests and to maintain a flexible capital structure which optimises the costs of capital at an acceptable risk. In the management of capital, the Company includes its cash and cash equivalent balances and components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

At this stage of the Company's development, in order to maximise ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing R1-High investment rated (DBRS) investments with maturities 90 days or less from the original date of acquisition.

The Company currently is not subject to externally imposed capital requirements.

Additional information regarding capital management are disclosed in note 1 of the consolidated financial statement.

Transactions with Related Parties and Directors

During the year ended March 31, 2011, the Company paid or accrued the following:

a) London office rent of \$60,470 (2010 – \$66,335) to a company under common control of which the shareholder of that company is also the shareholder of the Company's ultimate holding company, Primeline International Holdings Inc, ("PIHI"), a private British Virgin islands corporation, all of the issued and outstanding shares of which are beneficially owned by Mr. Victor Hwang, President and a director of the Company.

b) Fees and expenses of \$18,472 (2010 – \$26,062) to a company controlled by Mr. Peter Kelty, a director for advisory services relating to investor relations, securities and exchange matters and other administrative services. This agreement terminated on December 31, 2010.

c) Cash call of \$8,733,411 utilised for exploration operations (2010 – \$2,383,991) received from a company under common control of which the Shareholder of that company is also the shareholder of the company's ultimate holding company PIHI.

d) Advance of C\$1,700,000 (2010 – \$ nil) from a company under common control. The shareholder of that company, Mr. Hwang, is also the majority shareholder of the Company.

e) An annual retainer of \$25,000 (2010 – \$ nil) payable to each non-executive director with effect from January 1, 2011.

These transactions, which occurred in the normal course of operations, are measured at the exchange amount, which is the amount of the consideration established and agreed by the related party.

International Financial Reporting Standards (“IFRS”)

The Company expects to adopt IFRS effective April 1, 2011. In 2011, the Company will have to present 2010 comparative figures restated using IFRS for each comparative period after the transition date. As a result, the Company has been executing its plan for the changeover to IFRS from current Canadian GAAP since 2009.

The Company has identified areas that may be affected by the transition to IFRS and has compared its current accounting policies under Canadian Generally Accepted Accounting Principles (“GAAP”) to IFRS to identify differences between the two standards and the impact that adjusting for IFRS would have on its financial statements.

Based on its review of historical transactions and its current and expected business activities, the Company identified the treatment of Exploration and Evaluation (“E&E”) costs, and asset impairment as areas with the greatest potential to create significant differences in the Company’s financial statements as a result of adopting IFRS. The International Accounting Standards Board (“IASB”) has still not made a definitive determination as to whether E&E costs should be capitalised or expensed. IFRS 6 allows companies to choose a policy that capitalises these costs. The policy must be disclosed in the notes to the financial statements. The Company expects to continue capitalising its E&E costs in a manner consistent with its current accounting policy.

Asset impairment is measured as the excess of the carrying value of the asset over its recoverable amount based on discounted cash flows. Impairment is tested on a cash generating unit basis which is defined as the lowest level of assets with separately identifiable cash flows. Under IFRS, impairment can be reversed for assets other than goodwill if there

is a change in the circumstances that resulted in the original impairment. If the recoverable amount exceeds the asset’s carrying value, the asset is written up to the value determined based on discounted cash flow. Under Canadian GAAP, impairment testing is performed using a two-step test. The first step is to determine if there is an impairment loss by using an undiscounted cash flow analysis. If that analysis identifies an impairment loss, the loss is measured as the amount by which carrying value exceeds fair value. The fair value is often based on discounted cash flows.

Other IFRS that apply to the Company’s operations, but that are not expected to have a significant effect on the Company’s results based on the Company’s current and expected activities are those relating to functional currency, business combinations, share based payments, and decommissioning and retirement obligations.

The Company is still considering the impact that the adoption of IFRS will have on its financial statements and management will propose draft accounting policies under IFRS to the Audit Committee of the Board of Directors for review and approval.

As at the effective date of this report, the Company has performed its review of IFRS based on standards currently applicable. The IASB is still developing IFRS and may propose changes to the standards between the date of this report and the date of the Company adopts IFRS. The Company’s assessment of differences between Canadian GAAP and IFRS is based on its historical, current, and expected business activities. Changes in business activities could also lead to unexpected differences to the Company’s financial statements, notes, and other disclosures as reported under Canadian GAAP and IFRS. Changes to business activities or transactions and/or IFRS could have material effects on the Company’s analysis discussed above.

The Company has tracked the difference between Canadian GAAP and IFRS on individual transactions throughout 2010 and prepared balance sheets for 2008, 2009 and 2010 based on the draft IFRS accounting policies. The Company’s external auditors are carrying out an initial review of the IFRS compliant balance sheets. The Company will continue to implement its IFRS changeover and also IFRS education and training sessions to its accounts staff.

Subsequent Events

a) Extension of expiration of the second phase of the Petroleum Contract

On April 27, 2011, CNOOC agreed to grant a three-month period to the Company so that the expiration date of the second phase was extended to July 31, 2011. If the Company had elected to enter into the third phase, the starting date of such phase would be May 1, 2011 and the remaining one well minimum work commitment in the second phase would be transferred to the third phase, which ends on April 30, 2013. Therefore, the Company would have to drill two wells in the third phase. However, as referred to in d) below, the MOA has further amended the Petroleum Contract to the intent that there are no further exploration obligations under such contract.

b) Letter of intent with China Oilfield Services Limited for a turnkey drilling contract

On April 27, 2011, the Company has signed a letter of intent ("LOI") with China Oilfield Services Limited ("COSL") to enter into a turnkey drilling contract for one well, with an option for a second well, to continue its step out exploration drilling program.

Pursuant to the LOI; COSL has agreed, subject to contract, to enter into a turnkey drilling contract with Primeline under which COSL will drill one exploration well, LS 30-3-1, in Block 25/34 sometime in the fourth quarter of 2011. In addition, Primeline will have an option to drill a further well in the nearby area after completion of the proposed well at the same rates.

The turnkey price for drilling LS30-3-1 well, as defined by LOI, is US\$15.8m including site survey and mobilisation costs. The total budget for the well is up to about US\$25m for a success case, depending on the level of testing to be carried out. Before entering into the LOI, Primeline obtained confirmation from its major shareholder and Chairman, Victor Hwang, that he would underwrite the cost of the drilling contract in order to enable Primeline to secure the rig.

However, following the recent MOA (see "Petroleum Contract" below), it is now anticipated that drilling will be delayed until after the new petroleum contract is signed and a new drilling slot confirmed.

c) Loan facility of US\$4,000,000

On May 17, 2011, the Company has signed an agreement with Victor Hwang, its President, Chairman and largest shareholder, under which Mr. Hwang has granted the Company a loan facility of up to US\$4,000,000 (the "Loan") which may be drawdown in multiple tranches at any time before 30th November 2011. The Loan, which will be used for working capital purposes, is interest free and is repayable on written demand at any time after 30th November 2011.

d) Memorandum of Agreement ("MOA") with CNOOC to amend the existing petroleum contract for Block 25/34 ("Existing Contract) and to enter into a new petroleum contracts.

On July 15, 2011, the Company signed a MOA with CNOOC to amend the Petroleum Contract and to enter into a new petroleum contract. The MOA amends the Petroleum Contract so that no further exploration activity will be carried out under that contract and the Company and PPC will relinquish all of the current area of 5,221 sq kms held under the Petroleum Contract, save for the development area for the LS36-1 gas field, comprising 84.7 sq kms. The Petroleum Contract will remain in effect in relation to the continuing development and production operations for the LS36-1 gas field. In order to provide Primeline with continuing exploration rights in the area, the MOA also provides that a new petroleum contract ("New Contract") will be granted on the following basis:

- Area: The exploration area under the New Contract will cover the same area as that currently held under the Petroleum Contract but with an additional adjacent area to the east making a new contract area of 5,877 sq kms. The new area has been designated as Block 33/07.
- Term: The New Contract will have a seven year exploration period divided into 3 exploration periods of three, two and two years each with a minimum work commitment in the first phase of two wells plus 600 sq kms of 3D seismic. The commitment for each of the second and third phases is one well.
- Future discoveries in the new contract area (and any CNOOC self financed discoveries nearby, if there is spare capacity and subject to payment of a proportion of operational costs) will enjoy the right to free use of the production facilities to be built for the LS36-1 gas field.

- All other terms are the same as the Petroleum Contract and the New Contract will be held by Primeline and PPC in the same proportions in which they hold the Petroleum Contract of 75%/25%.

The Company and CNOOC will finalise and enter into the New Contract shortly, which will then be subject to the approval of the Ministry of Commerce in China.

Outstanding Share Data

On April 4, 2006, the Company granted 4,500,000 options at an exercise price of \$1.50 per share to directors, officers, employees and consultants, of which 4,300,000 outstanding options expired on April 4, 2011.

On December 1, 2006, the company awarded options to its non-executive directors, management and consultants to purchase up to 1,200,000 common shares at an exercise price of \$1.60 per share. 217,000 of the 1,200,000 options have been cancelled by agreement with the option holders. 433,000 of the 1,200,000 options expired on May 31, 2008 while the balance of 550,000 options expire on November 30, 2011.

On November 1, 2007, the company awarded options to purchase a total of 875,000 common shares at an exercise price of \$2.00 per share. 250,000 of the 875,000 options were awarded to CHF Investor Relations, the company's investor relations counsel, while 625,000 options were awarded to executive directors, management and consultants. All such options expire on October 31, 2012.

On June 1, 2010, one employee with 25,000 options granted to him on December 1, 2006 and November 1, 2007 left the Company. Those options accordingly expired on September 1, 2010 under the terms of the stock option plan.

On November 29, 2010, 350,000 options were granted to a consultant at an exercise price of \$0.50 per share, and such options expired on May 29, 2011.

As at July 20, 2011, there are 94,041,246 common shares and 1,375,000 stock options outstanding.

Quarter ended March 31, 2011

The Company realised a loss of \$855,371 for the quarter ended March 31, 2011 compared to a loss of \$469,400 for the same period last year. The increase of \$385,971 in loss can be attributed mainly to an increase of \$343,986 in legal and professional fees.

During the quarter exploration expenditure of \$545,679 were incurred, comprising mainly of technical evaluation and management of \$227,880 and salaries and benefits of \$238,843. These amounts were capitalised as petroleum exploration expenses.

Selected Annual Information

The following information were extracted from the Company's consolidated audited financial statements:

Years Ended March 31,	2011	2010	2009
	\$	\$	\$
Net (loss) income	(1,388,974)	(1,448,046)	417,602
Per basic share	(0.02)	(0.03)	0.01
Per diluted share	(0.02)	(0.03)	0.01
Total assets	65,345,596	69,729,437	43,137,623
Total long-term financial liabilities	2,125,551	23,935,862	425,117

The decrease in loss of \$59,072 between 2011 and 2010 was mainly due to a foreign exchange gain of \$19,983 this year vis-à-vis an exchange loss of \$625,444 last year, which was partially offset by increased professional fees of \$839,342 this year vis-à-vis \$397,763 last year and auditors' remuneration of \$103,155 this year vis-à-vis \$53,000 last year.

Summary of Quarterly Results (Unaudited)

Quarter Ended	2011	2010	2010	2010
	Mar 31	Dec 31	Sep 30	Jun 30
	\$	\$	\$	\$
Net (loss) income	(855,371)	(314,855)	(169,380)	(49,368)
Per basic share	(0.010)	(0.003)	(0.002)	(0.001)
Per diluted share	(0.010)	(0.003)	(0.002)	(0.001)

Quarter Ended	2010	2009	2009	2009
	Mar 31	Dec 31	Sep 30	Jun 30
	\$	\$	\$	\$
Net (loss) income	(469,400)	(270,558)	(326,125)	(381,963)
Per basic share	(0.010)	(0.005)	(0.007)	(0.008)
Per diluted share	(0.010)	(0.005)	(0.007)	(0.008)

The loss for the quarter ended March 31, 2011 of \$855,371 was mainly attributable to office expenses of \$93,903, professional fees of \$527,078 and auditors' remuneration of \$94,250.

The loss for the quarter ended March 31, 2010 of \$469,400 was mainly attributable to office expenses of \$46,283, professional fees of \$236,092 and foreign exchange loss of \$154,553.

The loss for the quarter ended December 31, 2009 of \$270,558 was mainly due to office expenses of \$77,327 and professional fees of \$128,230.

Disclosure of Internal Control

Management is responsible for designing, implementing and maintaining internal controls to provide reasonable assurance of preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, in accordance with Canadian GAAP.

An evaluation of the design and operating effectiveness of the Company's internal controls over financial reporting as at March 31, 2011, was performed under the supervision of the Chief Financial Officer (CFO) and the Chief of Executive Officer (CEO) with the assistance of management. As at the date of this report, both the Company's CFO and CEO have concluded that the Company's internal controls over financial reporting are effective and have been designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with Canadian GAAP.

The Company's internal controls over financial reporting can only provide reasonable but not absolute assurance that the objectives of the internal control system are met due to resource constraints and other factors.

During the financial year to March 31, 2011, there have been no material changes in the Company's internal controls over financial reporting.

The Company has an investor relations counsel, CHF Investor Relations (www.chfir.com) which handles the Company's corporate communications in Canada. Phone: +1 416.868.1079 Fax: +1416.868.6198. The Company has a website at www.primelineenergy.com or www.pehi.com. The site features information on PEHI, new releases, background information and a technical summary of the project.

財務資料

經營業績

本公司截至二零一一年三月三十一日止財政年度之經審核業績為虧損 1,388,974 加元，而上年度虧損為 1,448,046 加元。虧損減少了 59,072 加元主要由於本年匯兌收入增加了 19,983 加元，而去年匯兌虧損為 625,444 加元，但被提高的專業服務費部份沖抵（本年為 839,342 加元，去年為 397,763 加元）。於年度內美元 / 加元之兌換價由 1.015 下跌至 0.972。本年度每股虧損為 0.02 加元（二零一零年 - 每股虧損 0.03 加元）。

流動資產比率及資金資源

於二零一一年三月三十一日，本公司流動資產淨額為 686,931 加元，而去年流動資產淨額為 25,452,075 加元。流動資產淨額減少了 24,765,144 加元，主要由於石油勘探作業的需要 - 大部份用於麗水 35-3-1 井的鑽探，令現金減少了 29,277,389 加元。

於本年度內，產生之勘探費用為 24,650,008 加元（二零一零年 - 4,900,806 加元），此費用主要依靠配股提供資金。於二零一一年三月三十一日，石油勘探費用總額為 63,962,941 加元（二零一零年 - 39,312,933 加元），其分類剖析如下：

	二零一一年 加元	二零一零年 加元
有關鑽探之服務		
鑽勘服務	27,652,491	5,634,766
鑽勘技術監管及評估	582,117	337,001
勘探地質及 地球物理之勘測工程		
採集及處理地質及地球物理之勘測 技術評估及管理	9,787,442	9,787,442
5,705,724	4,887,397	
開發前研究	4,910,475	4,902,689
遞延石油勘探費用之資金利息	3,547,169	3,548,686
購入之遞延費用	1,394,307	1,394,307
項目行政費用	3,522,007	2,969,484
薪金及福利	4,894,394	4,158,177
差旅住宿費	2,247,985	1,974,154
合同簽署費	539,917	539,917
其它費用	(821,087)	(821,087)
	63,962,941	39,312,933

於本年內增加 22,017,725 加元之開鑽探服務費用，反映於二零一零 / 一一年進行的麗水 35-3-1 井的鑽探成本。技術評估及管理二零一零錄得 4,887,397 加元，本年因進行勘探工程之顧問工作增加了 818,327 加元。

項目行政費用進一步剖析如下：

	二零一一年 加元	二零一零年 加元
銀行手續費	15,179	14,215
辦公室租金	1,742,743	1,606,944
辦公室用品	141,572	114,958
雜項支出	450,726	372,857
郵費	36,294	31,682
專業顧問費	639,489	441,979
通訊費用	95,775	85,097
差旅費	358,740	271,087
能源消耗	41,489	30,665
	3,522,007	2,969,484

截止到二零一一年三月三十一日，本公司之總資產為 65,345,596 加元（二零一零年 - 69,729,437 加元），主要由股東權益淨額 62,524,321 加元（二零一零年 - 40,829,146 加元）及流動負債 695,724 加元（二零一零年 - 4,964,429 加元）及關聯方的長期融資 1,700,000（二零一零年為零）加元提供資金。

配股收益用於支付麗水 35-3-1 井鑽探成本中本公司應支付的部份。截止到二零一一年三月三十一日財政年度，石油勘探費用 26,919,353 加元源自於配股收益。此費用比去年高出 24,080,317 加元。

於二零一一年三月三十一日，本公司之流動資產淨額為 686,931 加元（二零一零年 - 25,452,075 加元）及其虧絀為 12,197,204 加元（二零一零年 - 10,808,230 加元）。根據「結帳後發生事項」中黃偉華先生給予的貸款協議，本公司有足夠資金支付下一年度日常行政開支。然而，如前所述，如整體開發方案獲得批准，麗水 36-1 開發繼續進行或本公司簽署新的勘探合同，則需求額外的資金支持。如上所述，公司已經與金融機構達成原則協議，以確保麗水 36-1 開發資金。管理層正研究可行的方案來應對公司的勘探作業所需資金。

融資工具

本公司的金融工具包括現金及現金等值、應收帳項、應付帳項及應計負債等。此等金融工具均屬短期或可即時清算，因此其公平價值接近其帳面價值。

本公司的金融工具暴露出一定的財務風險，包括貨幣風險、信貸風險、流動資金風險、利率風險及價格風險。

a) 貨幣風險

本公司現金餘額為 2,720,731 港幣、73,066 美元和 315,139 元人民幣（二零一零年 - 持有為期七日的 135,031 美元定期存款，226,603 美元及 1,983,820 元人民幣）。

按上述之披露，於二零一零年三月三十一日假設其他變數維持不變，加元對港幣、美元及人民幣升值或貶值 10%，將分別令公司之淨虧損增加或減少 33,982 加元、7,102 加元和 4,674 加元（二零一零年 - 零、36,706 加元及 29,599 加元）。

b) 信貸風險

信貸風險所承受的風險為如顧客或金融工具的第三者無法履行其契約責任的意外虧損。

本公司的現金及現金等值存放在大型國際金融機構的付息帳戶。少量現金結存存放在中國的金融機構內。本公司並無投資在資產支持的商業票據內。

c) 流動資金風險

所承受的風險為公司無法如期償付到期的財務責任。

本公司透過資本管理處理其流動資金風險並在下述“資本管理”章節中做了進一步闡述。有關石油勘探費用的應付帳項、其他應付帳項及應計負債均於本營運期內到期。更多關於流動資金風險的信息披露在合併財務報表的說明 1 中。

d) 利率風險

利率風險所承受的風險為市場利率對金融工具的公平價值或未來現金流量所引起的波動。本公司之投資週期均非常短期（七日至一個月），故短期投資包括理金及現金等值的公平價值下降機會細微。

e) 價格風險

本公司密切監管商品價格從而決定公司採取適當的相關行動。

資本管理

本公司管理資本的目標是為了進行勘探及發展其石油權益，收購更多石油產業權益及在可接受的風險下以有效的資本成本維持資本結構的彈性，從而確保公司可持續經營。於資本管理內，本公司包括現金及現金等值及股東權益中的成分。

本公司就經濟環境改變及有關資產的風險特性管理資本結構及作出修改。於維持或修改資本結構時，本公司可能會試圖發行新股、債務、收購或出售資產，又或調整現金及現金等值與投資的金額。

為了幫助其資本需求的管理，本公司編製週年支出預算及必要時（在各種因素的改變下，包括成功的資本部署及普遍業內環境）更新預算。這些週年及更新預算需由董事局會審批。

就本公司目前的發展階段及為往後發展達至最佳的成果，本公司沒有派發股息。

本公司的投資政策為將其現金投資在信貸評級機構 DBRS 評為 R1- 高，於購買日起九十天或更短到期的高流動性的短期付息投資。

本公司現時並未受對外徵求資本規定所管制。

更多關於資本管理的信息披露在合併財務報表的說明 1 中。

關連人士及董事之交易

於截至二零一一年三月三十一日止年度內，本公司支付或收取關連人士如下：

a) 倫敦辦公室租金 60,470 加元（二零一零年 - 66,335 加元）於一間共同控制公司，該公司之股東為本公司最終控股公司 - 超準國際控股股份有限公司（於英屬處女群島成立之私人公司）之同一股東，其所有已發行之股份均為本公司之總裁及董事及黃偉華先生持有。

b) 給由 Peter Kelty 先生（為本公司之董事）所控制的公司之費用及支出共 18,472 加元（二零一零年 - 26,062 加元），以提供投資者關係、證券交易及其他行政服務。此合同已於二零一零年十二月三十一日終止。

c) 替一間共同控制公司運用了其招集現金 8,733,411 加元（二零一零年 - 收取了 2,383,991 加元），該公司之股東亦為本公司最終控股公司 - 超準國際控股股份有限公司。

d) 來自一家共同控制的公司的預付款 1,700,000 加元（二零一零年 - 為零）。黃先生也是這家公司的主要股東。

e) 自二零一一年一月一日起，每年支付 25,000 加元（二零一零年 - 為零）給每一位非執行董事。

此等關連人士之交易以交換價量度，即其代價乃經本公司及關連人士同意下及按正常經營條款而釐定。

國際財務報告準則

本公司預期於二零一一年四月一日起採用國際財務報告準則，在過渡期後，介時將把二零一零年與每個比較期間之比較數字以國際財務報告準則重列，本公司已開始執行從二零零九年轉換國際財務報告準則之實施計劃。

本公司已經注意到在過渡到國際財務報告準則工程中可能受到的影響，也比較了其現時採用的加拿大公認會計原則下的會計政策與國際財務報告準則之間的差異。相關調整所造成的影響會在其財務報表中加以說明。

基於審視其過往交易、現時及預期的商業活動，本公司發現在勘探及估值成本，資產減值處理的範圍內，最有可能在本公司的財務報表採用國際財務報告準則後出現重大差異。國際財務準則委員會仍未確實決定勘探及估值成本應列為資本化或支出。國際財務準則第 6 號准許公司選取資本化此等成本，惟此政策必須於財務報表附註中披露。本公司預期會繼續資本化其勘探及估值成本以符合其現行之政策。

資產減值是基於資產的帳面金額價值超過其貼現現金流的可收回金額計量。測試資產減值是基於其貼現現金流，而這也是定義資產最低水平和獨立識別現金流量的基礎。國際財務報告準則規定，如果出現引起原有減值變化的情況，除商譽外的資產減值可以轉回。如果可回收金額超過資產帳面金額，資產可以是根據貼現現金流定義的價值。於加拿大公認會計原則下，礦物估值及勘探成本減值測試是以兩步測試來執行。第一步是以採用未貼現現金流分析來決定如這項為減損。如該分析確定為減損，其虧損應為帳面價值超出公平價值的金額。公平價值之金額一般基於貼現現金流計算。

基於本公司現時及預期的活動，應用到本公司營運上的國際財務報告準則為功能貨幣、業務合併、股份形式報酬及退役及退廢責任，並未預期對業績產生重大影響。

本公司仍在考慮採用國際財務報告準則對其財務報表之影響。的管理層會擬定財務政策建議草案提交董事會的審計委員會審查和批准以達到國際財務報告準則的要求。

在此報告生效期，基於目前標準的適用情況，本公司對國際財務報告準則進行了複審。國際財務準則委員會仍在發展國際財務報告準則，並可能於此報告日及公司採用國際財務報告準則期間作出變動。本公司基於其過往、現時及預期的商業活動，評估加拿大公認會計原則及國際財務報告準則之間的差異。改變商業活動可能會令本公司在拿大公認會計原則及國際財務報告準則報告下之財務報表、附註及其他披露帶來未能預期的差異。改變商業活動及交易及 / 或國際財務報告準則可能會對本公司上述之分析帶來重大影響。

本公司已就二零一零年在每項交易上加拿大公認會計原則及國際財務報告準則之間的差異進行了追蹤，也基於國際財務報告準則的財務政策草案準備了二零零八年、二零零九年和二零一零年的資產負債表。公司外部審計師正在審定國際財務報告準則兼容資產負債表。公司將繼續其針對國際財務報告準則的而展開的修訂工作，同時對財務部門的員工進行教育和培訓。

結帳後發生事項

a) 石油合同第二階段延期

二零一一年四月二十七日，中海油同意將石油合同第二階段的到期時間延後三個月至二零一一年七月三十一日。如果公司選擇進入合同規定的第三階段，則其起始時間為二零一一年五月一日。第二階段尚未履行的一口義務勘探井順延至截止日為二零一三年四月三十日的第三階段。因此，公司必須在第三階段鑽探兩口義務井。然而，依據 d) 中所述，協議備忘錄中已經就石油合同進行了修訂，從而在該合同中不在有勘探義務的存在。

b) 與中海油服簽訂鑽探總包合同意向書

二零一一年四月二十七日，為了繼續履行勘探承諾，公司與中海油服就鑽探一口氣井事宜簽署了鑽探總包合同意向書，該意向書亦保留了第二口井的鑽探選擇權。

依據意向書，中海油服同意與超準簽訂鑽探總包合同為超準在二零一一年第四季度在 25/34 區塊鑽探麗水 30-3-1 井。另外，超準擁有第一口井鑽探完畢後，在其周邊以相同價格當鑽探第二口井的選擇權。

意向書規定了總包價格為 15,800,000 美元，其中包括井場調查和動員費。如勘探成功，其總預算為 25,000,000 美元，當然要依據測試水平最終確定。在超準簽訂意向書前，從其最大的股東，也是超準主席的黃偉華先生那裡得到承諾即黃偉華先生承諾支付所有鑽探合同費用以確保超準能夠獲得鑽探船。

然而隨著協議備忘錄的簽署（見石油合同），鑽探工作要在新的石油合同簽訂后以及鑽探時間表確定后開始。

c) 四百萬美元貸款協議

二零一一年五月十七日，公司與本公司主席兼總裁，同時也是公司最大股東的黃偉華先生簽訂了一份協議，即黃偉華先生同意借貸給公司最多四百萬美元。此筆貸款將分筆於二零一一年十一月三十日之前到位，主要用於營運資金。同時此筆借貸為無息貸款，並於二零一一年十一月三十日之後可以書面形式要求償還。

d) 與中海油簽署的協議備忘錄修改了現有 25/34 區塊石油合同并重新簽訂新的石油合同。

二零一一年七月十五日，公司與中海油簽署了協議備忘錄，修改了現有石油合同並重新簽訂新的石油合同，因此在原有合同範圍內不會再進行任何新的勘探工作。公司和超準石油公司將會放棄原有合同規定的目前 5,221 平方公里的海域，保存麗水 36-1 氣田大約 84.7 平方公里海域。原有合同依然對麗水 36-1 氣田的開發和生產營運擁有效力。為了超準繼續可以擁有在相關海域勘探的權利，協議備忘錄提供了一份新的是有合同。該合同將會基於以下情況而得到批准：

- 面積：新合同的面積將涵蓋原有合同面積，但增加了東部鄰近海域。總面積達 5,877 平方公里。新區域已被命名為 33/07 區塊。
- 條款：新合同包括七年勘探期，分三個階段：三年、兩年、兩年。每個階段均有最低工作量承諾：第一階段需鑽探兩口義務井外加六百平方公里三維地震測量；第二和第三階段需各鑽探一口義務井。
- 未來在新合同區域的發現（以及任何中海油周邊的自營發現，如果有剩餘能力並且依比例支付作業成本）可以無償使用麗水 36-1 氣田的生產設施。
- 所有其他條款與原有合同相同。新合同中超準能源和超準石油所占比例與原有合同一致：75% 和 25%。

公司和中海油將在近期內敲定并簽署新的是有合同，并提交中國商務部批准。

發行股權資料

於二零零六年四月四日，本公司以每股行使價 1.50 加元授予董事、行政人員、員工及顧問共 4,500,000 份認購權證，其中 4,300,000 份仍然生效並已於二零一一年四月四日到期。

於二零零六年十二月一日，本公司給予其非執行董事、管理人員及顧問認購權證購買高達 1,200,000 股本公司普通股，其行使價為 1.60 加元。當中 217,000 份認購權證份已在持證人同意下註銷，433,000 份認購權證已於二零零八年五月三十一日到期及餘下之 550,000 份將於二零一一年十一月三十日到期。

於二零零七年十一月一日，本公司給予認購權證購買合共 875,000 份本公司普通股票，其行使價為 2.00 加元。當中 250,000 份認購權證給予 CHF Investor Relations 及公司的投資關係代理，625,000 份給予其執行董事、管理人員及顧問。所有認購權證均按照本公司的股票認購權證計劃所授予，並將於二零一二年十月三十一日到期。

二零一零年六月一日，公司一位在二零零六年十二月一日獲得 25,000 股認購權證的員工，於二零零七年十一月一日離開公司。其認購權證也相應於二零一零年九月一日到期。

於二零一零年十一月二十九日，350,000 認購權證授給一公司顧問，其行使價格為每股 0.50 加元。該認購權證已於二零一一年五月二十九日到期。

於二零一零年七月二十日，公司已發行之普通股為 94,041,246 股及認購權證為 1,375,000 份。

截至二零一一年三月三十一日止季度

本公司截至二零一一年三月三十一日止季度之虧損為 855,371 加元，相對去年同季之虧損為 469,400 加元。虧損增加 385,971 加元應為專業律師、顧問費用增加 343,986 加元所致。

本季度之勘探費用為 545,679 加元，其中主要包括技術評估及管理 227,880 加元及薪金和福利費用 238,843 加元。此等費用已撥至石油勘探費用內。

年度資料擇項

下列資料乃摘錄自本公司之審核財務報表：

截至三月三十一日止年度	二零一一年 加元	二零一零年 加元	二零零九年 加元
(虧損) 溢利淨額	(1,388,974)	(1,448,046)	417,602
每基本股	(0.02)	(0.03)	0.01
每攤薄股	(0.02)	(0.03)	0.01
資產總額	65,345,596	69,729,437	43,137,623
長期負債總額	2,125,551	23,935,862	425,117

於二零一一年及二零一零年間虧損減少 59,072 加元，主要由於相對去年為外匯虧損 625,444 加元，本年度外匯收益為 19,983 加元。其被增加的 839,342 加元專業顧問費（去年為 397,763 加元）和審計師薪酬 103,155（去年為 53,000 加元）所抵消。

季度業績擇要（未經審核）

季度截止	二零一一年 三月三十一日 加元	二零一零年 十二月三十一日 加元	二零一零年 九月三十日 加元	二零一零年 六月三十日 加元
(虧損) 溢利淨額	(855,371)	(314,855)	(169,380)	(49,368)
每基本股	(0.010)	(0.003)	(0.002)	(0.001)
每攤薄股	(0.010)	(0.003)	(0.002)	(0.001)

季度截止	二零一零年 三月三十一日 加元	二零零九年 十二月三十一日 加元	二零零九年 九月三十日 加元	二零零九年 六月三十日 加元
(虧損) 溢利淨額	(469,400)	(270,558)	(326,125)	(381,963)
每基本股	(0.010)	(0.005)	(0.007)	(0.008)
每攤薄股	(0.010)	(0.005)	(0.007)	(0.008)

截至二零一一年三月三十一日止季度之虧損為 855,371 加元，主要由於辦公室開支 93,903 加元、專業顧問費用 527,078 加元及審計師薪酬 94,250 加元所致。

於截至二零一零年三月三十一日止季度之虧損為 469,400 加元，主要由於辦公室開支 46,283 加元、專業顧問費用 236,092 加元及外匯虧損 154,553 加元所致。

於截至二零零九年十二月三十一日止季度之虧損為 270,558 加元，主要由於辦公室開支 77,327 加元及專業顧問費 128,230 加元所致。

內部控制披露

管理層負責設計、實施和維護其內部控制以提供合理的準備工作的保證以及公平呈列符合加拿大公認會計原則的正確的財務報表。

截止二零一一年三月三十一日，對公司內部控制的設計和運作的效率評估工作已經完成。此工作由公司首席財務官負責，首席執行官協助。在此報告生效日時，首席財務官和首席執行官認為公司對財務報告的內部控制是有效的，并能對財務報告的可靠性和對符合加拿大公認會計原則的供外部使用的財務報表的準備工作提供合理保障。

由於資源的限制和其他因素的影響，公司對財務報告的內部控制只能提供合理但不是絕對的保障，內部控制系統可達到所有的目標。

截止二零一一年三月三十一日財政年度，公司對財務報告的內部控制沒有重大變化。

超準能源的投資關係代理 CHF Investor Relations (www.chfir.com)，電話 +1 416.868.1079，傳真 +1 416.868.6198，為本公司處理在加拿大的企業資訊事宜。有關超準能源的詳細信息如新聞發布、背景資料項目、技術概要等，請登陸本公司網站 www.primelineenergy.com 或 www.pehi.com 瀏覽。

Independent Auditor's Report

To the Shareholders of Primeline Energy Holdings Inc.

We have audited the accompanying consolidated financial statements of Primeline Energy Holdings Inc., which comprise the consolidated balance sheet as at March 31, 2011 and 2010 and the consolidated statements of operations, comprehensive income (loss) and deficit and cash flows for the years then ended, and the related notes including a summary of significant accounting policies.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Primeline Energy Holdings Inc. as at March 31, 2011 and 2010 and its results of operations and cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which discloses conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Primeline Energy Holding Inc.'s ability to continue as a going concern.

PricewaterhouseCoopers LLP

Chartered Accountants

Vancouver, BC
July 21, 2011

Consolidated Balance Sheets
As at March 31, 2011 and 2010
(expressed in Canadian Dollars)

	2011 \$	2010 \$
Assets		
Current assets		
Cash and cash equivalents (note 3)	1,051,177	30,328,566
Prepaid expenses and deposit	331,478	87,938
	1,382,655	30,416,504
Petroleum exploration costs (note 4)	63,962,941	39,312,933
	65,345,596	69,729,437
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	473,141	2,552,959
Cash call payable (note 7c)	222,583	2,411,470
	695,724	4,964,429
Non-current liabilities		
Rights issue deposit (note 5)	–	23,510,311
Advance from a related party (notes 5 and 7d)	1,700,000	–
Future income tax liability (note 8)	425,551	425,551
	2,125,551	23,935,862
	2,821,275	28,900,291
Shareholders' Equity		
Capital stock (note 5)	128,619	64,309
Contributed surplus (note 5)	74,592,906	51,573,067
Deficit	(12,197,204)	(10,808,230)
	62,524,321	40,829,146
	65,345,596	69,729,437
Nature of operations and going concern (note 1)		
Commitments (notes 4 and 6)		
Subsequent Events (note 12)		

Approved by the Board of Directors

Guang Ming Wang

Director

Brian Chan

Director

**Consolidated Statements of
Operations, Comprehensive Income
(Loss) and Deficit
For the years ended March 31, 2011 and 2010
(expressed in Canadian Dollars)**

	2011 \$	2010 \$
Expenses		
Audit	103,155	53,000
Bank charges and interest	15,644	13,979
Business promotion	79,916	86,759
Foreign exchange (gain) loss	(19,983)	625,444
Non-executive directors retainer fee	25,000	-
Office	270,626	234,902
Professional fees	839,342	397,763
Stock-based compensation (note 5d)	20,899	4,088
Travel	63,044	33,615
Interest income	(8,669)	(1,504)
	<hr/>	<hr/>
Loss for the year and comprehensive loss for the year	(1,388,974)	(1,448,046)
Deficit - Beginning of year	(10,808,230)	(9,360,184)
	<hr/>	<hr/>
Deficit - End of year	(12,197,204)	(10,808,230)
	<hr/>	<hr/>
Basic and diluted loss per common share	(0.02)	(0.03)
	<hr/>	<hr/>
Weighted average number of common shares outstanding	89,403,596	47,020,623
	<hr/>	<hr/>

Accompanying notes are integral part of the financial statements

Consolidated Statements of Cash Flows
For the years ended March 31, 2011 and 2010
(expressed in Canadian Dollars)

	2011 \$	2010 \$
Cash flows from operating activities		
Loss for the year	(1,388,974)	(1,448,046)
Items not affecting cash		
Stock-based compensation	20,899	4,088
Changes in non-cash working capital items		
Prepaid expenses and deposit	(243,540)	(60,361)
Accounts payable and accrued liabilities	189,527	79,700
	(54,013)	19,339
	(1,422,088)	(1,424,619)
Cash flows from investing activities		
Expenditures on petroleum exploration costs	(26,919,353)	(2,839,036)
Cash flows from financing activities		
Rights issuance proceeds	8,733,411	23,510,311
Repaid deposit of right issue	(1,049,180)	-
Right issuance costs	(447,061)	-
Cash call (utilized for) received from a related party	(8,173,118)	2,383,991
	(935,948)	25,894,302
(Decrease) Increase in cash and cash equivalents	(29,277,389)	21,630,647
Cash and cash equivalents - Beginning of year	30,328,566	8,697,919
Cash and cash equivalents - End of year	1,051,177	30,328,566
Supplemental cash flow information		
Non-cash investing activities		
Change in accrued liabilities as a result of investing activities	(2,269,345)	2,060,036
Stock-based compensation and related future income taxes capitalized as deferred petroleum exploration costs	-	1,734

Notes to Consolidated Financial Statements March 31, 2011 and 2010 (expressed in Canadian Dollars)

1 Nature of operations and going concern

Primeline Energy Holdings Inc. (PEHI or the Company) was incorporated under the Companies Law of the Cayman Islands on March 31, 1995 and is in the business of exploration and development of off-shore oil and gas properties. To date, PEHI has not realized any revenues from its oil and gas properties and is considered to be an exploration stage company.

Primeline Energy China Ltd. (PECL), a wholly owned subsidiary, owns a 75% interest in a petroleum sharing contract (the Petroleum Contract) which entitles PECL to participate in the exploration, development and production of oil and gas in Block 25/34 in the East China Sea. The participation interests are detailed in note 3. Primeline Energy Operations International Limited (PEOIL), another wholly owned subsidiary, holds the operator rights under the Petroleum Contract.

PECL is currently exploring for oil and gas under the Petroleum Contract for Block 25/34 in the East China Sea of the People's Republic of China (PRC) and is also working with China National Offshore Oil Corporation (CNOOC) on a development proposal for the LS 36-1 gas field.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

Several adverse conditions cast significant doubt upon the validity of this assumption. Consistent with other entities in the exploration stage, the Company has incurred operating losses since inception, has no source of revenue, is unable to self-finance operations, and has significant cash requirements to meet its overhead and continue its exploration activities.

The Company's ability to continue as a going concern is dependent upon management's ability to secure the additional financing. While management has been successful in obtaining funding in the past including support from a related party (note 12(c)), there can be no assurance that it will be able to do so in the future.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used, and such adjustments would be material.

2 Significant accounting policies

Principles of consolidation

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the accounts of PEHI and its wholly owned subsidiaries, PECL and PEOIL, also incorporated in the Cayman Islands (collectively, the Company). Inter-company balances and transactions are eliminated on consolidation.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposits with banks and highly liquid short-term interest-bearing securities with maturities at the purchase date of three months or less.

Deferred petroleum exploration costs

The Company follows the full cost method of accounting for its oil and gas interests whereby all costs relating to the exploration for and development of oil and gas reserves are capitalized and charged against income as set out below. Capitalized costs include expenditures for lease acquisition, geological and geophysical surveys, drilling exploration and development wells, gathering and production facilities and other development expenditures. Expenditures related to renewals or betterments that improve the productive capacity or extend the life of an asset are capitalized. Maintenance and repairs are expensed as incurred.

Capitalized costs, including estimated asset retirement costs, along with estimated future capital costs to develop proved reserves, net of estimated salvage value, are depleted on a unit-of-production basis using estimated proved oil and gas reserves as determined by independent reserve evaluators. Natural gas reserves are converted to equivalent barrels of oil based on the ratio of six thousand cubic feet ("mcf") of natural gas to one barrel of oil ("bbl").

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Costs of acquiring and evaluating unproved properties and major development projects are initially excluded from the depletion and depreciation calculation until it is determined whether or not proved reserves can be assigned to such properties. Costs of unproved properties and major development projects are transferred to depletable costs based on the percentage of reserves assigned to each project. Unproved properties are evaluated for impairment on at least an annual basis. If an unproved property is considered to be impaired, the amount of the impairment is added to costs subject to depletion. To date, the Company does not have any proven resources.

Gains or losses from the sale of oil and gas interests in the producing stage are recognized only when the effect of crediting the proceeds to capitalized costs would result in a change of 20 percent or more in the depletion rate.

The net amount at which oil and gas interests are carried is subject to a cost recovery test (the "ceiling test"). The ceiling test is a two-stage process which is performed at least annually. The first stage is a recovery test whereby undiscounted estimated future cash flows from proved reserves at oil and gas prices in effect at the balance sheet date ("forecast prices") plus the cost of unproved properties less any impairment is compared to the net book value of the oil and gas interests to determine if the assets are impaired. An impairment loss exists if the net book value of the oil and gas interests exceeds such undiscounted estimated cash flows. The second stage determines the amount of the impairment loss to be recorded. The impairment is measured as the amount by which the net book value of the oil and gas interests exceeds the future estimated cash flows discounted at the risk-free rate from proved plus probable reserves at the forecast prices. Any impairment is recorded as additional depletion.

Foreign currency translation

For the purposes of consolidation, the Company's foreign subsidiaries are considered integrated operations and are translated into Canadian dollars using the temporal method. Under this method, the Company translates monetary assets and liabilities denominated in foreign currencies at period-end rates. Non-monetary assets and liabilities are

translated at historical rates. Revenues and expenses are translated at average rates in effect during the period except for depreciation and amortization which are translated at historical rates. The resulting gains or losses are reflected in operating results in the period of translation.

At the entity level, monetary assets and liabilities denominated in foreign currencies are translated into the measurement currency at the exchange rate in effect at the balance sheet date and non-monetary assets and liabilities are translated at the exchange rates in effect at the time of acquisition or issue. Revenues and expenses are translated at rates approximating the exchange rates in effect at the time of the transactions. All exchange gains and losses are included in statement of operations.

Use of estimates, risks and uncertainties

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. While management believes that these estimates and assumptions are reasonable, actual results could vary significantly.

A significant area requiring the use of management estimates relates to the recoverability of the petroleum exploration costs. Realization of the Company's assets is subject to risks and uncertainties, including reserves estimation; future oil and gas prices; estimated costs of future production; changes in government legislation and regulations; and various operational factors.

Capitalization of interest

The Company capitalizes interest directly attributable to petroleum exploration costs until the commencement of commercial production.

Income taxes

Income taxes are calculated using the liability method. Temporary differences arising from the difference between the tax basis of an asset

or liability and its carrying amount on the balance sheet are used to calculate future income tax liabilities or assets. Future income tax liabilities or assets are calculated using enacted or substantively enacted tax rates anticipated to apply in the periods that the temporary differences are expected to reverse. A valuation allowance is applied to the extent that it is not more likely than not that future income tax assets will be realized.

Stock-based compensation

The Company has a stock option plan, details of which are described in note 5. The Company applies the fair value method of accounting for stock-based compensation for both employees and non-employees. The fair value method requires recognition of an expense arising from stock options granted to both employees and non-employees. The fair value of options granted is established at the date of grant using the Black Scholes option pricing model. For employees, the fair value of the options at the date of the grant is accrued and charged to operations and/or mineral property, with the offsetting credit to the contributed surplus over the option's vesting period. For non-employees, the fair value of the options is measured at the earlier of the date at which counterparty's performance is complete, the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. On the exercise of stock options, share capital is credited for consideration received for fair value amounts previously credited to contributed surplus.

Asset retirement obligations

Asset retirement obligations are recorded for statutory, contractual, or legal obligations associated with the retirement of property, plant and equipment, when those obligations result from the acquisition, construction, development, or normal operation of the assets. The obligations are measured initially at fair value (using present value methodology), and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discounts and any changes in the amount or timing of the underlying future cash flows.

The related asset is adjusted only as a result of changes in the amount or timing of the underlying cash flows. The capitalized asset retirement cost is depreciated on the same basis as the related asset. Management has determined that, based on the exploration work carried out to date, there is no legal obligation requiring remediation of the company's oil and gas property at this time.

Earnings (Loss) per Share

Basic earnings (loss) per share is calculated using the weighted-average number of shares outstanding during the period. The company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized assuming the proceeds that could be obtained upon exercise of options, warrants and similar instruments would be used to purchase common shares at the average market price during the year.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. The Company classifies financial instruments as held-to-maturity, available-for-sale, held-for-trading, loans and receivables, or other financial liabilities. Financial assets held to maturity, loans and receivables, and financial liabilities other than those held-for-trading, are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income ("OCI"). Instruments classified as held for trading are measured at fair value with unrealized gains and losses recognized in the statement of operations. Transaction costs are expensed as incurred.

Cash and cash equivalents are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, cash call payable and advance from a related party are classified as other liabilities, which are measured at amortized cost.

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3 Cash and cash equivalents

Cash and cash equivalents consist of:

	2011	2010
	\$	\$
Cash on hand	956,776	620,939
Interest bearing deposits	94,401	29,707,627
	<u>1,051,177</u>	<u>30,328,566</u>

4 Petroleum exploration costs

	2011	2010
	\$	\$
Exploration drilling related services		
Drilling services	27,652,491	5,634,766
Drilling technical supervision and evaluation	582,117	337,001
Exploration Geological & Geophysical Surveys & Works		
Geological & geophysical survey acquisition & processing	9,787,442	9,787,442
Technical evaluations & management	5,705,724	4,887,397
Pre-development study	4,910,475	4,902,689
Interest on funding of deferred exploration expenditure	3,547,169	3,548,686
Deferred costs acquired from Primeline Petroleum Corporation	1,394,307	1,394,307
Project administration	3,522,007	2,969,484
Salaries and benefits	4,894,394	4,158,177

Travel and accommodation	2,247,985	1,974,154
Contract signing fee	539,917	539,917
Other	(821,087)	(821,087)
	<u>63,962,941</u>	<u>39,312,933</u>

The Company and Primeline Petroleum Corporation (PPC), a company with the same majority shareholder, are contractors (collectively, the Contractors) under a Petroleum Contract dated March 24, 2005 with China National Offshore Oil Corp. (CNOOC) to explore, develop and produce oil and gas reserves that may exist in an area known as Block 25/34 (the Contract Area) in Lishui and Jiaojiang Basins, East China Sea. The Contract Area includes the majority of previous Block 32/32 covered by a prior petroleum contract between the Contractors and CNOOC which was in effect during the period from December 12, 1994 to February 28, 2005. The Company and PPC hold 75% and 25% of the Contractors' interest, respectively.

The Petroleum Contract became effective on May 1, 2005, and has three periods: exploration, development and production, with a maximum contract term of 30 years. The exploration period is normally seven years while the production period is normally 15 years. The exploration period is further subdivided into three exploration phases, which includes the first phase of three contract years (the first contract year through the third contract year); the second phase of two contract years (the fourth contract year through the fifth contract year); and the third phase of two contract years (the sixth contract year through the seventh contract year).

Under the initial contract the Contractors were committed to drilling one exploration well in each of the three exploration phases (plus an additional 200 square kilometres of 3D seismic in phase one) and the minimum cost of completing these exploration operations should be US\$6,000,000 in the first phase and US\$5,000,000 in each of the

second and third phases. At the end of each of the first and second exploration phases, the Contractors must decide whether to enter into the next exploration phase and relinquish 25% of the remaining Contract Area, or terminate the Petroleum Contract. At the end of the third exploration phase, the Contract Area, except for any discovery, development or production area that may exist in the Contract Area, is relinquished.

The Petroleum Contract provides that the Contractors will fund all costs incurred during the exploration period, and CNOOC has the right to participate up to 51% in any future development and production of oil and/or gas fields in the Contract Area by paying its pro rata share of the development and production costs.

The Contractors will remain as operators for the development and production period until at least full cost recovery.

By an Amendment Agreement dated February 18, 2008 between CNOOC, the Company and PPC, the parties agreed that the Petroleum Contract be amended to provide that the exploration period beginning on the date of the commencement of the implementation of the contract shall be divided into three phases and shall consist of 8 years rather than 7 years. The first exploration period shall be for a period of four years from the date of commencement on May 1, 2005, and the second and the third exploration phases shall be for two year periods respectively. The Company is in compliance with all explorations requirements for phase 1 except for the commitment to drill one exploration well which has been transferred by agreement with CNOOC into phase 2 such that the minimum exploration requirement for phase 2, which ends on April 30, 2011, is two wells, one of which was completed during the current financial year (see Note 12).

On July 15, 2011, the Company has signed a Memorandum of Agreement ("MOA") with CNOOC to amend the Petroleum Contract and to enter into a new petroleum contract. The MOA amends the existing Petroleum Contract so that no further exploration activity will be carried out under that contract and the Company and PPC will relinquish all of the current area of 5,221 sq kms held under the Existing Contract, save

for the development area for the LS36-1 gas field, comprising 84.7 sq kms. The existing Petroleum Contract will remain in effect in relation to the continuing development and production operations for the LS36-1 gas field.

The MOA also provides that a new petroleum contract ("New Contract") will be granted on the following basis:

Area: The exploration area under the New Contract will cover the same area as that currently held under the Existing Contract but with an additional adjacent area to the east making a new contract area of 5,877 sq kms. The new area has been designated as Block 33/07.

Term: The New Contract will have a 7 year exploration period divided into 3 exploration periods of 3, 2 and 2 years each with a minimum work commitment in the first phase of two wells plus 600 sq kms of 3D seismic. The commitment for each of the second and third phases is one well.

Future discoveries in the new contract area (and any CNOOC self financed discoveries nearby, if there is spare capacity and subject to payment of a proportion of operational costs) will enjoy the right to free use of the production facilities to be built for the LS36-1 gas field.

All other terms are the same as the Existing Contract and the New Contract will be held by Primeline and PPC in the same proportions in which they held the Existing Contract of 75%/25%.

The Company, PPC and CNOOC have signed a Supplemental Development Agreement and other agreements with regard to the development of LS36-1 gas field which was discovered by the Company, following the completion of the Overall Development Program (ODP). The ODP comprises a formal development engineering plan, backed up by survey results and environmental studies, together with a full economic analysis of the development, which is required to be approved by the Chinese government before the Development can officially commence. Under these agreements, CNOOC became the Operator with the development and production operations and is proceeding with

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the development preparation whilst preparing for the full government approval submission of the development. PEOIL continues to be the exploration Operator on Block 33/07 under the new petroleum contract.

5 Capital stock and contributed surplus

a) Authorized

	2011	Number of shares 2010
Common shares with a par value of US\$0.001 each	500,000,000	500,000,000

b) Issued and outstanding

	Number of common shares	Amount \$	Contributed surplus \$
Balance - March 31, 2009	47,020,623	64,309	51,567,679
Fair value of options	-	-	5,388
Balance - March 31, 2010	47,020,623	64,309	51,573,067
Rights issue	47,020,623	64,310	22,998,940
Fair value of options	-	-	20,899
Balance - March 31, 2011	94,041,246	128,619	74,592,906
		2011	2010
Weighted average number of common shares outstanding		89,403,596	47,020,623

c) Rights issuance

On March 25, 2010, the Company filed a preliminary short form prospectus in the provinces of British Columbia, Alberta, Ontario and Quebec relating to a rights offering (the "Offering") to raise gross proceeds of C\$23,510,311.

According to the Offering, each holder of the Company's common shares ("Shares") would be entitled to receive one right (a "Right") for each Share held. One Right would entitle the holder to acquire one Share at a price of \$0.50 per share (the "Subscription Price").

The Company's largest shareholder, Primeline International (Holdings) Inc. ("Primeline International"), had agreed to provide a standby commitment (the Standby Guarantee") under which Primeline International would purchase from the Company at the Subscription Price any Shares (the "Standby Shares") that are not otherwise subscribed for under the Offering. Accordingly, Primeline International deposited C\$23,510,311 into the Company's bank account on March 26, 2010 as deposit for the Standby Guarantee.

The rights were issued to holders of common shares of record on April 15, 2010 and expired on May 6, 2010. Under the Offering, a total of 39,640,833 common shares were subscribed. Under the Standby Guarantee Agreement with the Company, Primeline International purchased the remaining balance of 7,379,790 common shares available under Offering.

Aggregate total gross proceeds of C\$8,733,411 were received by the Company from external shareholders during the year. The Company had repaid \$1,049,180 of the standby guarantee deposits to Primeline International during the year, with the remaining balance of \$7,684,231 being reassigned to as an advance from PPC (note 7(c), (d)).

d) Stock options

The company had a stock option plan (the Plan), pursuant to which the directors were authorized to grant up to 7,053,000 common shares in options. The options enabled the directors, officers, consultants and employees to acquire common shares. The exercise price of a share option was set by the board of directors, subject to TSX Venture Exchange policy. Options granted under the Plan have a maximum term of five years and vest in stages over at least 18 months the options vesting equally on a quarterly basis, as determined by the board of directors at the grant date.

Since November 26, 2010 the Company has had a stock option plan (the Plan), pursuant to which the directors are authorized to grant options to purchase a number of common shares equal to 10% of the number of common shares issued and outstanding from time to time. The options enable the directors, officers, consultants and employees to acquire common shares. The exercise price of a stock option will be set by the board of directors, subject to TSX Venture Exchange policy. Options granted under the Plan may have a maximum term of ten years. The vesting schedule, if any, is determined by the board of directors at the grant date.

The following table summarizes information about the stock options outstanding and exercisable at March 31, 2011 and 2010:

	2011		2010	
	Options outstanding	Weighted average exercise price \$	Options outstanding	Weighted average exercise price \$
Outstanding - Beginning of year	5,725,000	1.59	5,725,000	1.59
Expired	(50,000)	1.59	–	–
Granted	350,000	0.50	–	–
Outstanding - End of year	6,025,000	1.52	5,725,000	1.59
Options exercisable – End of year	5,975,000	1.53	5,725,000	1.59

On April 4, 2006, the Company granted 4,500,000 options at an exercise price of \$1.50 per share to directors, officers, employees and consultants, of which 4,300,000 options are outstanding and expired on April 4, 2011.

On December 1, 2006, the company awarded options to its non-executive directors, management and consultants to purchase up to 1,200,000 common shares at an exercise price of \$1.60 per share. 217,000 of the 1,200,000 options have been cancelled by agreement with the option holders. 433,000 of the 1,200,000 options expired on May 31, 2008 while the balance of 550,000 options expire on November 30, 2011.

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On November 1, 2007, the company awarded options to purchase a total of 875,000 common shares at an exercise price of \$2.00 per share. 250,000 of the 875,000 options were awarded to CHF Investor Relations, the company's investor relations counsel, while 625,000 options were awarded to executive directors, management and consultants. All such options expire on October 31, 2012.

On June 1, 2010, one employee with 25,000 options granted to him on each of December 1, 2006 and November 1, 2007 left the Company. Those options accordingly expired on September 1, 2010 under the terms of the stock option plan.

On November 29, 2010, 350,000 options were granted to a consultant, and 300,000 of such options vested as of March 31, 2011.

Assumptions used in the Black-Scholes option pricing model for revaluation of the options granted to non-employees for the years ended 2011 are as follows:

	2011
Risk-free interest rate	1.64 – 1.72%
Expected life	5 years
Expected volatility	90%
Expected dividends	Nil

In connection with the grant of stock options to directors, officers, consultants and employees, the company recognized a stock-based compensation expense of \$20,899 for the year ended March 31, 2011 (March 31, 2010 - \$4,088) and capitalized Nil to deferred exploration costs for the year ended March 31, 2011 (March 31, 2010 – \$1,300).

As at March 31, 2011 stock options outstanding and exercisable are as follows:

	Number of outstanding options as at March 31, 2011	Weighted average remaining contractual life	Number of exercisable options as at March 31, 2011
Exercise price			
1.5	4,300,000	0.01 year	4,300,000
1.6	525,000	0.7 years	525,000
2.0	850,000	1.6 years	850,000
0.5	350,000	0.2 years	300,000
	6,025,000	0.35 years	5,975,000

6 Commitments

a) Under the original petroleum contract, the Company had a commitment to drill 2 wells prior to April 30, 2011 during exploration phase 1 and 2. On April 27, 2011, CNOOC agreed to grant a three-month period to the Company so that the expiration date of phase 2 is extended to July 31, 2011. If the Company elects to enter into phase 3, the starting date of such phase will be May 1, 2011. The Company did not elect to enter into phase 3. On July 15, 2011, the Company has signed a Memorandum of Agreement with CNOOC to amend the existing petroleum contract for Block 25/34 and to enter into a new petroleum contract.

Under the new petroleum contract the Company and CNOOC will enter into, the Company will have a 7 year exploration period divided into 3 exploration periods of 3, 2 and 2 years with a minimum work commitment in the first phase of two wells plus 600 sq kms of 3D seismic. The commitment for each of the second and third phases is one well. Under current market conditions, the cost of drilling one well is estimated to be US\$ 30 million including any testing cost which is estimated to be US\$10 million of which the Company's 75% obligation would be a total of US\$ 22.5 million.

b) The company entered into two lease agreements for the rental of PEHI's Shanghai offices in the People's Republic of China. The leases are for a period of two years from September 1, 2010 to August 31, 2012 with a monthly rental fee of approximately \$7,936 (RMB 53,510).

7 Related party transactions

During the year ended March 31, 2011, the Company paid or accrued the following:

a) London office rent of \$60,470 (2010 - \$66,335) to a company under common control of which the shareholder of that company is also the shareholder of the Company's ultimate holding company, Primeline International Holdings Inc, ("PIHI"), a private British Virgin islands corporation, all of the issued and outstanding shares of which are beneficially owned by Mr. Victor Hwang, President and a director of the Company.

b) Fees and expenses of \$18,472 (2010 - \$26,062) to a company controlled by Mr. Peter Kelty, a director for advisory services associated with investor relations, securities and exchange matters and other administrative services. This agreement terminated on December 31, 2010.

c) Cash call of \$8,173,118 utilized for (2010 - \$2,383,991 received from) a company under common control of which the shareholder of that company is also the shareholder of the company's ultimate holding company PIHI. As at March 31, 2011, the remaining cash call payable is \$222,583.

d) Advance of \$1,700,000 (2010 - \$nil) from a company which the shareholder of that company is also the shareholder of the company's ultimate holding company PIHI.

e) A retainer fees of \$25,000 (2010: \$nil) were paid to the 4 non-executive directors for the period ended March 31, 2011.

These transactions, which occur in the normal course of operations, are measured at the exchange amount, which is the amount of the consideration established and agreed to by the related parties.

8 Income taxes

The Company is domiciled in an income tax-exempt jurisdiction and carries out its oil exploration activities in the PRC; these activities are subject to PRC income tax at a rate of 25%. In accordance with PRC tax regulation, exploration costs incurred by foreign oil and gas enterprises can be deferred and amortized from commencement of oil/gas production. All exploration activities incurred in PRC had been capitalized during the year (2010: nil).

Significant components of the company's future income tax liabilities are as follows:

	2011	2010
	\$	\$
Resource properties	425,551	425,551
Net future income tax liability	425,551	425,551

For certain acquisitions predominately stock based compensation and other payments for mineral property interests, the company records a future income tax liability and a corresponding adjustment to the related asset carrying amount.

9 Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and advances from a related party.

Fair values of assets and liabilities approximate amounts at which these items could be exchanged in transaction between knowledgeable parties. Fair value is based on available public market information or when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The calculation of estimated fair value is based on market conditions at the specific point in time and in the respective geographic locations and may not be reflective of future values.

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Cash and cash equivalent are classified as loans and receivables and recorded at amortized cost. Receivables and accounts payable and accrued liabilities and advances from a related party approximate their fair value as the effect of interest and credit risk is not significant taking into the account the counterparty's creditworthiness and short term maturity of the balance.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk and price risk.

(a) Currency risk

The Company holds cash balances of HKD\$2,720,731, USD73,066 and RMB315,139 (2010 - US\$135,031 in term deposits which mature in 7 days and cash balances of US\$226,603 and RMB1,983,820).

Based on the above net exposures as at March 31, 2011, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the HK dollar, US dollar and Renminbi, would result in an increase/decrease of approximately \$33,982, \$7,102 and \$4,674 (2010- Nil, \$36,706 and \$29,599) respectively in the company's net loss.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and cash equivalents are held at a large international financial institution in interest bearing accounts. Minimal cash balances are held in Chinese financial institutions. The company has no investments in asset-backed commercial paper.

(c) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined in note 10 to the consolidated financial statements. Accounts payable relating to petroleum exploration costs and other accounts payable and accrued liabilities are due within the current operating period. Additional information regarding liquidity risk is disclosed in Note 1.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash and cash equivalents is minimal because these investments roll over very short periods (seven days to one month).

(e) Price risk

The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

10 Capital management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to pursue the exploration and development of its petroleum interest, acquire additional petroleum property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the company includes its cash and cash equivalent balances and components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

In order to facilitate the management of its capital requirements, the company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

At this stage of the Company's development, in order to maximize ongoing development efforts, the company does not pay dividends.

The company's investment policy is to invest its cash in highly liquid short-term interest-bearing R1-High investment rated (DBRS) investments with maturities 90 days or less from the original date of acquisition.

The company currently is not subject to externally imposed capital requirements.

Additional information regarding capital management is disclosed in note 1.

11 Segment reporting

The Company has one operating segment, which is the exploration of oil and gas properties. The Company's assets are located in Canada, China and United Kingdom.

The following is a summary of assets by geographic location as at March 31, 2011 and 2010:

As at March 31, 2011	Canada	China	United Kingdom	Total
Total assets	99,002	65,200,998	45,596	65,345,596

As at March 31, 2010	Canada	China	United Kingdom	Total
Total assets	98,805	69,401,319	229,313	69,729,437

12 Subsequent events

a) Extension of expiration of Petroleum contract Phase 2

On April 27, 2011, CNOOC agreed to grant a three-month period to the Company so that the expiration date of phase 2 is extended to July 31, 2011. If the Company eventually elects to enter into phase 3, the starting date of such phase will be May 1, 2011. The remaining one well minimum work commitment in phase 2 will be transferred to phase 3, which ends on April 30, 2013. Therefore, the Company will have to drill two wells in phase 3.

b) Letter of intent with China Oilfield Services Limited for at turnkey drilling contract

On April 27, 2011, the Company has signed a letter of intent ("LOI") with China Oilfield Services Limited ("COSL") to enter into a turnkey drilling contract for one well, with an option for a second well, to continue its step out exploration drilling program.

Pursuant to the LOI; COSL has agreed, subject to contract, to enter into a turnkey drilling contract with Primeline under which COSL will drill one exploration well, LS 30-3-1, in Block 25/34 sometime in the fourth quarter of 2011. In addition, Primeline will have an option to drill a further well in the nearby area after completion of the proposed well at the same rates.

The turnkey price for drilling LS30-3-1 well, as defined by LOI, is US\$15.8m including site survey and mobilisation costs. The total budget for the well is up to about US\$25m for a success case, depending on the level of testing to be carried out. Before entering into the LOI, Primeline obtained confirmation from its major shareholder and Chairman, Victor Hwang, that he would underwrite the cost of the drilling contract in order to enable Primeline to secure the rig.

However, following the recent MOA (see "Petroleum Contract" below), it is now anticipated that drilling will be delayed until after the new petroleum contract is signed and a new drilling slot confirmed.

Notes to Consolidated Financial Statements
March 31, 2011 and 2010
(expressed in Canadian Dollars)

c) Loan facility of US\$4,000,000

On May 17, 2011, the Company has signed an agreement with Victor Hwang, its President, Chairman and largest shareholder, under which Mr. Hwang has granted the Company a loan facility of up to US\$4,000,000 (the "Loan") which may be drawdown in multiple tranches at any time before November 30, 2011. The Loan, which will be used for working capital purposes, is interest free and is repayable on written demand at any time after November 30, 2011.

d) Memorandum of Agreement ("MOA") with CNOOC to amend the existing petroleum contract for Block 25/34 ("Existing Contract") and to enter into a new petroleum contract.

On July 15, 2011, the Company has signed a MOA with CNOOC to amend the Existing Contract and to enter into a new petroleum contract. The MOA amends the Existing Contract so that no further exploration activity will be carried out under that contract and the Company and PPC will relinquish all of the current area of 5,221 sq kms held under the Existing Contract, save for the development area for the LS36-1 gas field, comprising 84.7 sq kms. The Existing Contract will remain in effect in relation to the continuing development and production operations for the LS36-1 gas field. In order to provide Primeline with continuing exploration rights in the area, the MOA also provides that a new petroleum contract ("New Contract") will be granted on the following basis:

Area: The exploration area under the New Contract will cover the same area as that currently held under the Existing Contract but with an additional adjacent area to the east making a new contract area of 5,877 sq kms. The new area has been designated as Block 33/07.

Term: The New Contract will have a 7 year exploration period divided into 3 exploration periods of 3, 2 and 2 years each with a minimum work commitment in the first phase of two wells plus 600 sq kms of 3D seismic. The commitment for each of the second and third phases is one well.

Future discoveries in the new contract area (and any CNOOC self financed discoveries nearby, if there is spare capacity and subject to payment of a proportion of operational costs) will enjoy the right to free use of the production facilities to be built for the LS36-1 gas field.

All other terms are the same as the Existing Contract and the New Contract will be held by the Company and PPC in the same proportions in which they held the Existing Contract of 75%/25%.

The Company and CNOOC will finalise and enter into the New Contract shortly, which will then be subject to the approval of the Ministry of Commerce in China.

獨立核數師報告

致超準能源開發機構全體股東

本核數師行已審核超準能源開發機構於二零一一年三月三十一日及二零一零年三月三十一日之綜合資產負債表，以及截至該日止等年度之綜合營運、全面（虧損）收入及虧絀表與現金流量表以及主要會計政策概要及其他附註解釋資料。

管理層就綜合財務報表之職責

管理層有依據加拿大公認財務原則準備和公平呈列綜合財務報表之職責。以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

審計師職責

本行的責任是根據我們的審計對該等綜合財務報表作出意見。

我們已根據加拿大會計師公會頒佈的加拿大審計準則進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

審計涉及執行程序以獲取有關綜合財務報表所載金額及露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編制綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非為對公司的內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

本行認為，按照加拿大公認會計原則，該等綜合財務報表在各重大方面公平呈報貴公司於二零一一年三月三十一日及二零一零年三月三十一日之財務狀況，以及截至該日止等年度之營運業績及現金流量表。

重點事項

儘管吾等並無發出保留意見，惟謹請注意財務報表附注 1 說明存在可能導致對超準能源開發機構能否持續經營的能力有所懷疑的重大不明朗情況。

PricewaterhouseCoopers LLP

特許會計師

溫哥華，卑詩省
二零一一年七月二十一日

綜合資產負債表

於二零一一年及二零一零年三月三十一日

(以加元列示)

	二零一一年 加元	二零一零年 加元
資產		
流動資產		
現金及現金等值項目 (附註 3)	1,051,177	30,328,566
預付費用及按金	331,478	87,938
	<hr/>	<hr/>
	1,382,655	30,416,504
石油勘探費用 (附註 4)	63,962,941	39,312,933
	<hr/>	<hr/>
	65,345,596	69,729,437
負債		
流動負債		
應付帳項及應計負債	473,141	2,552,959
應付召集現金 (附註 7c)	222,583	2,411,470
	<hr/>	<hr/>
	695,724	4,964,429
非流動負債		
發行供股按金 (附註 5)	-	23,510,311
關聯公司預付款 (附註 5 和附註 7d)	1,700,000	-
未來入息稅負債 (附註 8)	425,551	425,551
	<hr/>	<hr/>
	2,125,551	23,935,862
	<hr/>	<hr/>
	2,821,275	28,900,291
股東權益		
股本 (附註 5)	128,619	64,309
實繳盈餘 (附註 5)	74,592,906	51,573,067
累積虧絀	(12,197,204)	(10,808,230)
	<hr/>	<hr/>
	62,524,321	40,829,146
	<hr/>	<hr/>
	65,345,596	69,729,437
營運性質及持續經營 (附註 1)		
承擔 (附註 4 及 6)		
結帳後發生事項 (附註 12)		

經董事會審批

王光明 董事

陳志輝 董事

綜合營運、全面收入 (虧損) 及虧絀表
截至二零一一年及二零一零年三月三十一日止年度
(以加元列示)

	二零一一年 加元	二零一零年 加元
開支		
審計	103,155	53,000
銀行費用及利息	15,644	13,979
業務推廣	79,916	86,759
外匯 (溢利) 虧損	(19,983)	625,444
非執行董事年度聘金	25,000	-
辦公室開支	270,626	234,902
專業顧問費用	839,342	397,763
股份形式報酬 (附註 5(d))	20,899	4,088
差旅費	63,044	33,615
利息收入	(8,669)	(1,504)
	<hr/>	<hr/>
年度 (虧損) 收入及全面 (虧損) 收入	(1,388,974)	(1,448,046)
	<hr/>	<hr/>
年初虧絀	(10,808,230)	(9,360,184)
	<hr/>	<hr/>
年終虧絀	(12,197,204)	(10,808,230)
	<hr/>	<hr/>
每普通股 (虧損) 盈利 - 基本及攤薄	(0.02)	(0.03)
	<hr/>	<hr/>
已發行普通股之加權平均數	89,403,596	47,020,623
	<hr/>	<hr/>

隨著之附註為此財務報表整體的部份

綜合現金流量表

截至二零一一年及二零一零年三月三十一日止年度

(以加元列示)

	二零一一年 加元	二零一零年 加元
經營活動中所得現金流量		
本年度虧損	(1,388,974)	(1,448,046)
非涉及現金項目 股份形式報酬	20,899	4,088
非現金營運資金之變動 預付費用及按金 應付帳項及應計負債	(243,540) 189,527	(60,361) 79,700
	(54,013)	19,339
	(1,422,088)	(1,424,619)
投資活動所得現金流量		
石油勘探費用	(26,919,353)	(2,839,036)
融資活動所得現金流量		
配股發行所得	8,733,411	23,510,311
償還發行配股按金	(1,049,180)	-
配股發行成本	(447,061)	-
(運用)收取關連公司之召集現金	(8,173,118)	2,383,991
	(935,948)	25,894,302
現金及現金等值之(減少)增加	(29,277,389)	21,630,647
年初現金及現金等值	30,328,566	8,697,919
年終現金及現金等值	1,051,177	30,328,566
現金流量表之補充資料		
非現金投資活動		
投資活動引起的撥充負債的變化	(2,269,345)	2,060,036
撥充資本化至延遲石油勘探費用的股份形式報酬及其相關之未來入息稅項	-	1,734

綜合財務報表附註

二零一一年及二零一零年三月三十一日

(以加元列示)

1. 營運性質及持續經營

超準能源開發機構(「超準」)於一九九五年三月三十一日根據開曼群島之公司法註冊成立，從事勘探及開發離岸石油及天然氣資產之業務。至今，超準從其石油及天然氣資產中還未變現任何收益及被視為仍在勘探期之公司。

超準的一間全資附屬公司 超準能源(中國)有限公司(「超準中國」)，擁有一項石油產品分配合同(「石油合同」)之75%權益，而該合同授權超準中國可參與勘探、開發及生產位於中國東海25/34區塊之石油及天然氣，參與權之詳情見附註3，而另一全資附屬公司 超準能源服務國際有限公司(「超準國際」)則擁有該合同之作業權。

超準中國現正根據該石油合同在中華人民共和國東海25/34區塊勘探石油及天然氣，及與中國海洋石油總公司(「中海油」)合作麗水36-1汽田的發展計劃。

財務報表乃按會計原則之基礎以持續經營作編製，即假定本公司在可見之未來仍可持續運作及於正常業務過程中將其資產變現及清償其債務。

一些不利條件成了這假設為有效力的重大疑問。與其他處於勘探階段的公司一樣，本公司從成立以來便出現營運虧損，亦無收入來源，不可能獨自融資經營，及需要大量現金來應付其開支及繼續其勘探活動。

公司能否持續經營取決於管理層獲取額外融資的能力。雖然管理層在過去已經成功獲得了外部融資，包括關聯機構的融資(查閱附註12C)，但這並不能確保將來也能獲得所需資金。

如持續經營的假設對此等財務報表已不適用，則需對其資產及負債之賬面值、已報銷之費出及資產負債所用之分類作出調整，此等調整將為重大調整。

2. 會計政策概要

綜合帳目原則

此等綜合財務報表乃根據加拿大公認會計原則編製，包括超準及其於開曼群島註冊成立之全資附屬公司超準中國及超準國際(統稱「本公司」)之帳目。所有內部交易及結存已於編製綜合帳目時撇除。

現金及現金等值項目

現金及現金等值項目包括現金及變現性高之短期付息證券。此等證券於購入時其到期時限不超過三個月。

石油勘探費用

本公司之石油及天然氣開支乃採用全部成本會計法計算，即全部關於勘探石油及天然氣資產之費用均撥充資本化，並如下所述沖抵收入。撥充資本化之費用包括收購費用、地質及地球物理調查、鑽探勘探和開發井、收集和生產設施以及其它開發費用。用以提高產能或延長資產壽命的更新或改良費用均撥充資本化。維修和保養費用則於產生時列為支出。

資本化成本，包括評估資產報廢成本，評估未來用以開發探明儲量的資本成本，淨估算殘值，用以評估被獨立儲量評估機構確認的探明石油天然氣儲量。天然氣儲量按六千立方英尺天然氣折合為一桶原油的比例換算成桶油當量。

探明儲量被證實之前，獲取和評估未證明的資源和重大開發項目之成本沒有被計算在耗損和折舊當中。未探明資源和重大開發項目之成本，根據儲量分配到每一個項目的百分比而被計入耗損成本當中。未探明資源至少以年度為基礎被計入減值項下。如果未探明資源被認為減值，則該減值數額列入耗損成本內。迄今為止，公司沒有任何探明資源。

只有當計入收益的資本化成本引起耗損率超過20%的變化時，石油天然氣銷售之利潤或虧損以及生產階段的收益才被認可。

石油天然氣收益之淨值要依據成本回收測試(“天花板測試”)而定。天花板測試以年度為單位分兩個階段進行。第一階段為回收測試，依據從探明儲量之石油天然氣在資產負債表生效日之價格(預測價格)加上未探明資源之成本減去所有減值而產生的未貼現的評估未來現金流，與石油天然氣收益之帳面淨值加以對比以確定是否資產已被減值。如果石油天然氣資源之帳面淨值超出未貼現的評估未來現金流，即為減值虧損。第二階段確定減值虧損金額并登記入帳。石油天然氣資源之帳面淨值超出從探明和可採儲量在預測價格產生的無風險貼現率未來評估現金流即為減值。任何減值均以額外耗損計。

綜合財務報表附註

二零一一年及二零一零年三月三十一日

(以加元列示)

外幣換算

為了達到整合的目的，公司的國外子公司已考慮業務的整合且利用時態法將外幣換算成加元。在此方法下，本公司以期末匯率換算了以外幣計價的貨幣性資產和負債。非貨幣性資產及負債以歷史匯率換算。除去以歷史匯率換算的折舊和攤銷，收入和支出均以平均匯率換算。由此產生的收益或虧損反映了換算期間的經營業績。

在實體層面，以外幣計價的貨幣性資產和負債以資產負債表生效日的匯率被換算成計量貨幣，而非貨幣性資產及負債則以收購和發行時的匯率換算。收入和支出則以交易時的近似匯率換算。所有匯率損益包括在經營報告中。

估計、風險及未明朗因素之採用

本財務報表符合加拿大公認會計原則而編製，而此等原則對某些項目要求管理層作出估計及假設，因而影響財務報表期內之資產和負債之金額、或然資產和負債之披露，及於期內報告的收益和支出金額。儘管管理層相信此等估計及假設合理，亦可能會跟實際結果有重大差別。

需要管理層作出估計的其中一項重要範圍，乃石油勘探費用之收回能力。本公司就釐定變現資產值時存在某些風險和不明朗因素，包括儲量估計、將來天然氣及石油之價格、將來生產之成本、政府立法和規則之變化和其他種種營運等因素。

利息資本化

本公司將其利息資本化並撥入石油勘探費用中，直至其商業性的生產開始為止。

所得稅項

本公司計算所得稅項乃採用負債法。計算將來所得稅項負債或資產所採用之暫時性差異乃來自於計算應課稅之資產或負債及於資產負債表內其負債或資產之帳面價值之間的差異。將來所得稅項負債或資產按預期當時之法定稅率或實質上法定稅率計算並預期其暫時性差異會被回撥。當預期將來所得稅項資產將不會變現時，估價準備將按其程度而撥備。

股份形式報酬

公司有股票認購權證計畫，細節詳見附註 5。公司應用公平價值法對其員工及非員工之股份形式報酬登帳。公平價值法要求在給予員工及非員工股票認購權證時，按其給予日及相等於其公平價值之金額作為支出確認。認購權證之公平價值按其給予日採用布萊黨 — 蘇庫爾茲期權價格模型及報酬支出計算。對於員工，其股票認購權證的公平價值是在給予當日計算記入營運及 / 或礦物資產內，並按其頒授期撥到實繳盈餘內。對於非員工，其股票認購權證的公平價值是以對方覆行完成日、或覆行的承諾已經達到該日，或授予權益工具的日期（如它們是完全既得利益者和不可沒收），以較早的日期計量。在行使股票認購權，股本記入以前撥入繳入盈餘的公平價值內的已收代價。

資產退廢責任

對於購買、建設、開發及一般營運之資產所產生之責任，當其有關之樓宇、廠房及設備退廢時，資產退廢責任便作為其法定、約定或法律責任。其責任之計算法乃按其初始之公平價格（以現值法），及後按其成本資產化列入有關之資產帳面值內。於結帳後之時期，負債按其附加折扣及將來之現金流量金額或時間之變動作調整。

而相關資產則在現金流量或時間有變動時，始作調整。資本化資產退廢成本之折舊與有關之資產之折舊基準相等。管理層根據現時之勘探工作情況，認為目前就本公司之氣油資產沒有任何法律責任要求矯正。

每股盈利（虧損）

每股盈利（虧損）— 基本按該期間內已發行普通股之加權平均數計算。本公司採用庫存股票法計算因認購權證、認股證及相似之工具所帶來攤薄之影響。在此方法下，每股盈利之攤薄影響的確認，是假設於年度內在行使認購權證、認股證及相似之工具時，用其所得的收入以當年市場平均價購買普通股。

金融工具

當公司成為金融工具的合同條款的一方是，金融資產和金融負債將得到確認。公司將金融工具分為持有至到期，可供銷售，持有交易，貸款和應收款項或其它金融負債。除持有交易，金融資產之持有至到期，貸款和應收款項或其它金融負債按攤銷成本計量。可供銷售工具按在其他全面收益中確認的未變現收益和損失的公平價值計量。工具將持有交易分類為按在經營狀況表中確認的未變現收益和損失的公平價值計量。交易成本列為當期費用。

現金及現金等值項目被作為貸款和應收款項，并按攤銷成本計量。從關聯公司獲得的應付款項和預提負債，支付現金調用和預付款被列為其它負債，并按攤銷成本計量。

3. 現金及現金等值項目

現金及現金等值項目包括：

	二零一一年 加元	二零一零年 加元
現金	956,776	620,939
計息存款	94,401	29,707,627
	<u>1,051,177</u>	<u>30,328,566</u>

4. 石油勘探費用

	二零一一年 加元	二零一零年 加元
有關鑽探之服務		
鑽勘服務	27,652,491	5,634,766
鑽勘技術監管及評估	582,117	337,001
勘探地質及地球物理之勘測工程		
採集及處理地質及地球物理之勘測	9,787,442	9,787,442
技術評估及管理	5,705,724	4,887,397
開發前研究	4,910,475	4,902,689
遞延石油勘探費用之資金利息	3,547,169	3,548,686
購入之遞延費用	1,394,307	1,394,307
項目行政費用	3,522,007	2,969,484
薪金及福利	4,894,394	4,158,177
差旅住宿費	2,247,985	1,974,154
合同簽署費	539,917	539,917
其它	(821,087)	(821,087)
	<u>63,962,941</u>	<u>39,312,933</u>

綜合財務報表附註

二零一一年及二零一零年三月三十一日

(以加元列示)

本公司與一間同一主要股東之公司超準石油公司為一項石油合同之合同者(統稱「合同者」),此石油合同乃與中國海洋石油總公司(「中海油」)於二零零五年三月二十四日訂立,可於中國東海之麗水及椒江盆地名為25/34 區塊之地方(「合同區」)進行勘探、開發及生產石油及天然氣。該合同區主要包括於一九九四年十二月十二日至二零零五年二月二十八日期間生效,由合同者及中海油較早前所簽訂之另一份石油合同內之32/32 區塊。本公司及超準石油公司分別佔此合同 75% 及 25% 之權益。

此合同於二零零五年五月一日生效並分為三期:勘探、開發及生產,合約期最長為三十年。勘探期一般為七年,而生產期則一般為十五年。勘探期再分為三個勘探階段,包括第一階段為三年合約期(第一至三年合約期);第二階段為二年合約期(第四至五年合約期);及第三階段為二年合約期(第六至七年合約期)。

在最初的下,合同者承諾於每個勘探階段內各鑽探一口勘探井(另額外於第一階段之200平方公里之三維地震)及使用最少6,000,000美元完成此等勘探作業和5,000,000美元於第二及第三階段。於第一及第二個勘探階段結束時,合同者必須決定是否進行下一個勘探階段及放棄餘下合同面積之25%或終止該石油合同。於第三個勘探階段結束時,除任何發現、開發及生產的地區外,合同區須予放棄。

石油合同規定合同者將支付勘探期內所產生之所有費用,及中海油可享有在將來參與合同區內之任何石油與天然氣田之開發和生產權最高達51%,但必須支付按各自比例承擔之開發及生產費用。

合同者可繼續作為開發及生產期之經營者至少到其成本完全收回為止。

於二零零八年二月十八日,中海油、本公司及超準石油公司簽訂一份修改合同,彼此同意將石油合同內的勘探期由開始日履行該日起為期八年並分為三個階段。第一個勘探階段由二零零五年五月一日起為期四年,而第二及第三勘探階段將分別為兩年。本公司除取得中海油同意下將承諾鑽一口勘探井轉到第二期外,已順從所有第一階段內的勘探要求。第二階段的最低鑽井要求為須於二零一一年四月三十日前鑽兩個井口,其中一口已於本財政年度內完成(查閱附註12)。

二零一一年七月十五日,公司與中海油簽署了協議備忘錄,修改了現有石油合同并重新簽訂新的石油合同,因此在原有合同範圍內不會再進行任何新的勘探工作。公司和超準石油公司將會放棄原有合同規定的目前5,221平方公里的海域,保存麗水36-1氣田大約84.7平方公里海域。原有合同依然對麗水36-1氣田的開發和生產運營擁有效力。

協議備忘錄亦提供了新石油合同(「新合同」)將基於以下情況而得到批准:

- 面積:新合同的面積將涵蓋原有合同面積,但增加了東部鄰近海域。總面積達5,877平方公里。新區域已被命名為33/07 區塊。
- 條款:新合同包括七年勘探期,分三個階段:三年、兩年、兩年。每個階段均有最低工作量承諾:第一階段需鑽探兩口義務井外加六百平方公里三維地震測量;第二和第三階段需各鑽探一口義務井。
- 未來在新合同區域的發現(以及任何中海油周邊的自營發現,如果有剩餘能力並且依比例支付作業成本)可以無償使用麗水36-1氣田的生產設施。
- 所有其他條款與原有合同相同。新合同中超準能源和超準石油所占比例與原有合同一致:75%和25%。

本公司、超準石油公司及中海油於完成總體開發方案後,已就開發本公司發現的麗水36-1氣田簽署了附加開發合同及其他有關的合同。於此等合同下,中海油成為開發及生產操作的作業者及繼續進行開發的準備工作同時亦準備提交開發方案予政府作全面批准。超準國際會繼續成為33/07 區塊的作業者。

5. 股本及實繳盈餘

a) 法定股本

	股本數目	
	二零一一年	二零一零年
每股面值0.001美元之普通股	500,000,000	500,000,000

b) 已發行股份

	普通股數目	股本 加元	實繳盈餘 加元
於二零零九年三月三十一日之結餘	47,020,623	64,309	51,567,679
認購權證之公平價值	-	-	5,388
於二零一零年三月三十一日之結餘	47,020,623	64,309	51,573,067
發行供股	47,020,623	64,310	22,998,940
認購權證之公平價值	-	-	20,899
於二零一一年三月三十一日之結餘	94,041,246	128,619	74,592,906
		二零一一年	二零一零年
已發行股份之加權平均數目		89,403,596	47,020,623

c) 配股

於二零一零年三月二十五日，本公司就有關發行供股提交了一份初步的簡短招股說明書給不列顛哥倫比亞省，艾伯塔省，安大略省和魁北克省，籌集了總所得 23,510,311 加元。

根據此發行供股，本公司普通股的每位持有人每持有一股可收取一供股權，每一供股權賦予持有人以每股 0.50 加元（「認購價」）認購一股股票。

本公司最大之股東 - 超準國際控股股份有限公司（「超準控股」）同意提供待機承諾（「待機保證」），超準控股將以認購價買下於此發行供股未被認購的任何股本（「待機股本」）。因此，超準控股於二零一零年三月二十六日存入 23,510,311 加元作為待機保證的訂金。

於二零一零年四月十五日供股已派發予普通股持有人並已於二零一零年五月六日到期。於此發行供股下，股東申請及購買 39,640,833 股普通股。於公司之待機保證協議下，超準控股認購此發行供股餘下之 7,379,790 股普通股。

本公司從外部股東申請及購買配股中收取累計所得額為 8,733,411 加元。公司退還待機保證的訂金 1,049,180 加元予超準控股，其余的 7,684,231 加元作為超準石油公司預付的應付召集資金（查閱附註 7(c),(d)）。

d) 股票認購權證

根據本公司之股票認購權證計劃（「計劃」），公司董事被授權可授予最多為 7,053,000 股普通股之認購權證。此等認購權證賦予董事、行政人員、顧問及員工購買公司之普通股。股票認購權證之行使價則按照多倫多證券交易所之政策，並由董事會釐定。按董事局及於授予日裁定，於計劃內所授予之認購權證可為期最多五年，及於十八個月內每季平均授予。

二零一零年十一月二十六日，公司制定了股票認購權證計劃（「計劃」）。依據該計劃，公司允許董事隨時出售其認購權證以購買相當於 10% 的發行和流通的普通股。此等認購權證賦予董事、行政人員、顧問及員工購買公司之普通股。股票認購權證之行使價則按照多倫多證券交易所之政策，並由董事會釐定。於計劃內所授予之認購權證為期最多十年。頒授計劃表（如有），將由董事會在授予日決定。

於二零一一年及二零一零年三月三十一日，已發行及可行使之股票認購權證資料概述如下：

	二零一一年		二零一零年	
	已發行之 認購權證	加權平均 行使價 加元	已發行之 認購權證	加權平均 行使價 加元
年初 - 已發行	5,725,000	1.59	5,725,000	1.59
註銷	(50,000)	1.59	-	-
授予	350,000	0.50	-	-
年終 - 已發行	6,025,000	1.52	5,725,000	1.59
年終 - 可行使之 認購權證	5,975,000	1.53	5,725,000	1.59

於二零零六年四月四日，本公司以每股行使價為 1.50 加元授予本公司董事、行政人員、顧問及員工共 4,500,000 份認購權證 其中 4,300,000 份仍然生效並已於二零一一年四月四日到期。

綜合財務報表附註

二零一一年及二零一零年三月三十一日

(以加元列示)

於二零零六年十二月一日，本公司給予其非執行董事、管理人員及顧問購買 1,200,000 股本公司股份之認購權證，其行使價為每份 1.60 加元。當中 217,000 份於認股權證持有人同意下已被取消。而 433,000 份已於二零零八年五月三十一日到期，而餘下之 550,000 份則將於二零一一年十一月三十日到期。

於二零零七年十一月一日，本公司授予以行使價每股 2.00 加元購買共 875,000 股普通股股票之認購權證。當中 250,000 份認股權證授予 CHF Investor Relations (本公司的投資關係代理)，而其餘 625,000 份則授予本公司之執行董事、管理人員及顧問。所有認股權證將於二零一二年十月三十一日到期。

二零一零年六月一日，公司一位在二零零六年十二月一日獲得 25,000 股認購權證的員工，於二零零七年十一月一日離開公司。其認購權證也相應於二零一零年九月一日到期。

二零一零年十一月二十九日，350,000 認購權證授給一公司顧問，其中 300,000 該認購權證於二零一一年三月三十一日已獲行使權。

以布萊黨 — 蘇庫爾茲權價格模型計算於二零一一年度內重估授予非職員認購權之假設如下：

二零一一年

無風險利率	1.64-1.72%
預期年期	5 年
預期易變度	90%
預期股息	無

於截至二零一一年三月三十一日止年度內，本公司確認關於授予其董事、行政人員、顧問及員工之股份形式報酬為 20,899 加元 (二零一零年三月三十一日 - 4,088 加元)，及於本年度內股份形式報酬撥充資本化至石油勘探費用為零加元 (二零一零年三月三十一日 - 1,300 加元)。

於二零一一年三月三十一日之已發行及可行使之股票認股權證如下：

	於二零一一年 三月三十一日 已發行之 認購權證	加權平均 餘下之 合約年期	於二零一一年 三月三十一日 可行使之 認購權證
行使價			
1.5	4,300,000	0.01 年	4,300,000
1.6	525,000	0.7 年	525,000
2.0	850,000	1.6 年	850,000
0.5	350,000	0.2 年	300,000
	6,025,000	0.35 年	5,975,000

6. 承擔

a) 依據石油合同，本公司承諾於第一及第二勘探階段內，二零一一年四月三十日前鑽探二個井口。二零一一年四月二十七日，中海油同意將石油合同第二階段的到期時間延後三個月至二零一一年七月三十一日。如果公司選擇進入合同規定的第三階段，則其起始時間為二零一一年五月一日。公司最終沒有選擇進入合同規定的第三階段。二零一一年七月十五日，公司與中海油簽署了協議備忘錄，修改了現有石油合同 35/24 并重新簽訂新的石油合同。

公司與中海油將會簽署新合同包括七年勘探期，分三個階段：三年、兩年、兩年。每個階段均有最低工作量承諾：第一階段需鑽探兩口義務井外加六百平方公里三維地震測量；第二和第三階段需各鑽探一口義務井。按現時市場情況，鑽探一口井的成本為 30,000,000 美元包括測試成本約為 10,000,000 美元，公司 75% 的支付為 22,500,000 美元。

b) 憑本公司於中國上海辦公室之租賃簽訂兩份租賃合同。此租賃從二零一零九月一日至二零一二年八月三十一日止為期二年，每月租金約為 7,936 加元 (53,510 人民幣)。

7. 關連人士之交易

於截至二零一一年三月三十一日止年度內，本公司支付或收取關連人士如下：

- a) 倫敦辦公室租金 60,470 加元 (二零一零年 - 66,335 加元) 於一間共同控制公司，該公司之股東為本公司最終控股公司 - 超準國際控股股份有限公司 (於英屬處女群島成立之私人公司) 之同一股東，其所有已發行之股份均為本公司之總裁及董事及黃偉華先生持有。
- b) 給由 Peter Kelty 先生 (為本公司之董事) 所控制的公司之費用及支出共 18,472 加元 (二零一零年 - 26,062 加元)，以提供投資者關係、證券交易及其他行政服務。此協議已於二零一零年十二月三十一日到期。
- c) 替一間共同控制公司運用了招集現金 8,173,118 加元 (二零一零年 - 招集 2,383,991 加元)，該公司之股東亦為本公司最終控股公司 - 超準國際控股股份有限公司。截止二零一一年三月三十一日，現金剩額 222,583 加元。
- d) 來自一家共同控制的公司的預付款 1,700,000 加元 (二零一零年 - 為零)。黃先生也是這家公司的主要股東。
- e) 支付四位非執行董事截止於二零一一年三月三十一日的聘用費 25,000 加元 (二零一零年：為零)。

此等關連人士之交易以交換價量度，即其代價乃經本公司及關連人士同意下及按正常經營條款而釐定。

8. 所得稅項

本公司定址於一個稅務豁免管轄區並於中華人民共和國 (「中國」) 進行石油勘探活動，此等活動之所得須按中國之稅率 25% 計算。根據中國稅務條例，由外資石油及天然氣企業所支付之勘探費用均可遞延及於開始生產石油或天然氣時攤銷。今年所有在中國的勘探活動資金均已落實 (二零一零年：為零)。

本公司之未來入息稅負債之主要構成如下：

	二零一一年 加元	二零一零年 加元
資源資產	425,551	425,551
未來入息稅負債淨額	425,551	425,551

礦物資產權益內若干添置及其他支出 (大多為股份形式報酬)，本公司將其未來入息稅負債有關之調整記錄於其關連資產之帳面價值內。

9. 金融工具

本公司的金融工具包括現金及現金等值、應收帳項、應付帳項及應計負債及關連公司墊款等。

資產及負債的公平價值接近項目於相關知識人事之間交易之金額。公平價值基於公開市場的資料，或如該資料未能提供，則以適當的信貸風險下之因素，假設有相關金額、未來之現金流及貼現率，以現值技術估計。計算估計公平價值基於在特定時點上的市場情況及相關的地理位置及未可反映未來價值。

現金及現金等值項目被作為貸款和應收款項，並按攤銷成本計量。考慮到交易對方的信譽及所有結餘均為短期到期，對利率及信貸風險並無重大影響，應收款項、應付款項、應計負債及關連公司墊款接近其公平價值。

本公司的金融工具暴露出一定的財務風險，包括貨幣風險、信貸風險、流動資金風險、利率風險及價格風險。

a) 貨幣風險

本公司現金餘額為 2,720,731 港幣、73,066 美元和 315,139 元人民幣 (二零一零年 - 持有期七日的 135,031 美元定期存款，226,603 美元及 1,983,820 元人民幣)。

綜合財務報表附註

二零一一年及二零一零年三月三十一日

(以加元列示)

按上述之披露，於二零一一年三月三十一日假設其他變數維持不變，加元對港幣、美元及人民幣升值或貶值 10%，將分別令公司之淨虧損增加或減少 33,982 加元、7,102 加元和 4,674 加元（二零一零年 - 零、36,706 加元及 29,599 加元）。

b) 信貸風險

信貸風險所承受的風險為如顧客或金融工具的第三者無法履行其契約責任的意外虧損。

本公司的現金及現金等值存放在大型國際金融機構的付息帳戶。少量現金結存存放在中國的金融機構內。本公司並無投資在資產支持的商業票據內。

c) 流動資金風險

所承受的風險為公司無法如期償付到期的財務責任。

本公司透過資本管理處理其流動資金風險並在下述合併財務報表附註 10 中做了進一步闡述。有關石油勘探費用的應付帳項、其他應付帳項及應計負債均於本營運期內到期。更多關於流動資金風險的信息披露在附註 1 中。

d) 利率風險

利率風險所承受的風險為市場利率對金融工具的公平價值或未來現金流量所引起的波動。本公司之投資週期均非常短期（七日至一個月），故短期投資包括理金及現金等值的公平價值下降機會細微。

e) 價格風險

本公司密切監管商品價格從而決定公司採取適當的相關行動。

10. 資本管理

本公司管理資本的目標是為了進行勘探及發展其石油權益，收購更多石油產業權益及在可接受的風險下以有效的資本成本維持資本結構的彈性，從而確保公司可持續經營。於資本管理內，本公司包括現金及現金等值及股東權益中的成分。

本公司就經濟環境改變及有關資產的風險特性管理資本結構及作出修改。於維持或修改資本結構時，本公司可能會試圖發行新股、債務、收購或出售資產，又或調整現金及現金等值與投資的金額。

為了幫助其資本需求的管理，本公司編製週年支出預算及必要時（在各種因素的改變下，包括成功的資本部署及普遍業內環境）更新預算。這些週年及更新預算需由董事局會審批。

就本公司目前的發展階段及為往後發展達至最佳的成果，本公司沒有派發股息。

本公司的投資政策為將其現金投資在信貸評級機構 DBRS 評為 R1- 高，於購買日起九十天或更短到期的高流動性的短期付息投資。

本公司現時並未受對外徵求資本規定所管制。

更多關於資本管理的信息披露在附註 1 中。

11. 分類報告

本公司只有一個經營活動分類為勘探石油及天然氣資產。公司的資產位於加拿大、中國和英國。

下表為截止二零一一年 / 二零一零年三月三十一日公司在不同區域資產概況：

截止 2011 年 3 月 31 日	加拿大	中國	英國	共計
總資產	99,002	65,200,998	45,596	65,345,596
截止 2010 年 3 月 31 日	加拿大	中國	英國	共計
總資產	98,805	69,401,319	229,313	69,729,437

12. 結帳後發生事項

a) 石油合同第二階段延期

二零一一年四月二十七日，中海油同意將石油合同第二階段的到期時間延後三個月至二零一一年七月三十一日。如果公司選擇進入合同規定的第三階段，則其起始時間為二零一一年五月一日。第二階段尚未履行的一口義務勘探井順延至截止日為二零一三年四月三十日的第三階段。因此，公司必須在第三階段鑽探兩口義務井。

b) 與中海油服簽訂鑽探總包合同意向書

二零一一年四月二十七日，為了繼續履行勘探承諾，公司與中海油服就鑽探一口氣井事宜簽署了鑽探總包合同意向書，該意向書亦保留了對第二口井的鑽探選擇權。

依據意向書，中海油服同意與超準簽訂鑽探總包合同為超準在二零一一年第四季度在 25/34 區塊鑽探麗水 30-3-1 井。另外，超準擁有第一口井鑽探完畢後，在其周邊以相同價格當鑽探第二口井的選擇權。

意向書規定了總包價格為 15,800,000 美元，其中包括井場調查和動員費。如勘探成功，其總預算為 25,000,000 美元，當然要依據測試水平最終確定。在超準簽訂意向書前，從其最大的股東，也是超準主席的黃偉華先生那裡得到承諾即黃偉華先生承諾支付所有鑽探合同費用以確保超準能夠獲得鑽探船。

然而隨著協議備忘錄的簽署（見石油合同），鑽探工作需要延期直到新的石油合同簽訂后以及鑽探時間表確定后才開始。

c) 四百萬美元貸款協議

二零一一年五月十七日，公司與本公司主席兼總裁，同時也是公司最大股東的黃偉華先生簽訂了一份協議，即黃偉華先生同意借貸給公司最多四百萬美元。此筆貸款將分筆於二零一一年十一月三十日之前到位，主要用於營運資金。同時此筆借貸為無息貸款，併於二零一一年十一月三十日之後可以書面形式要求償還。

d) 與中海油簽署的協議備忘錄修改了現有 25/34 區塊石油合同并重新簽訂新的石油合同。

二零一一年七月十五日，公司與中海油簽署了協議備忘錄，修改了現有石油合同并重新簽訂新的石油合同，因此在原有合同範圍內不會再進行任何新的勘探工作。公司和超準石油公司將會放棄原有合同規定的目前 5,221 平方公里的海域，保存麗水 36-1 氣田大約 84.7 平方公里海域。原有合同依然對麗水 36-1 氣田的開發和生產營運擁有效力。為了超準繼續可以擁有在相關海域勘探的權利，協議備忘錄提供了一份新的是有合同。該合同將會基於以下情況而得到批准：

面積：新合同的面積將涵蓋原有合同面積，但增加了東部鄰近海域。總面積達 5,877 平方公里。新區域已被命名為 33/07 區塊。

條款：新合同包括七年勘探期，分三個階段：三年、兩年、兩年。每個階段均有最低工作量承諾：第一階段需鑽探兩口義務井外加六百平方公里三維地震測量；第二和第三階段需各鑽探一口義務井。

未來在新合同區域的發現（以及任何中海油周邊的自營發現，如果有剩餘能力並且依比例支付作業成本）可以無償使用麗水 36-1 氣田的生產設施。

所有其他條款與原有合同相同。新合同中超準能源和超準石油所占比例與原有合同一致：75% 和 25%。

公司和中海油將在近期內敲定并簽署新的是有合同，并提交中國商務部批准。

公司資料

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王光明	首席執行官兼董事
陳志輝	財務總監兼董事
Alan Peter Johnson	董事
Peter C Kelty	董事
Graeme Phipps	董事
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