

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME** || For the year ended 30 June 2017

| | NOTE | CONSOLIDATED | |
|--|------|--------------|-------------|
| | | 2017 \$ | 2016 \$ |
| Sales revenue | | - | 90,641 |
| Cost of sales | | - | (103,997) |
| Gross profit/(loss) | | - | (13,356) |
| Interest (expense)/income | | (84,447) | 29,570 |
| Foreign exchange (loss)/gains | | (85,764) | 20,311 |
| Other income | 4 | 8,128 | 22,370 |
| Total (loss)/income | | (162,083) | 58,895 |
| Directors' fees | | (169,273) | (169,136) |
| Employee benefit expenses | | (532,127) | (582,360) |
| Professional and consulting fees | | (432,655) | (526,671) |
| Auditor's remuneration | 20 | (45,000) | (41,500) |
| Depreciation and amortisation | | (25,276) | (18,498) |
| Lease of office (net) | | (64,894) | (108,445) |
| Repair and maintenance | | - | (38,951) |
| Share registry fees | | (31,134) | (35,466) |
| General insurance expenses | | (24,690) | (56,399) |
| Corporate services | | (39,907) | (27,438) |
| Donations | | (63,605) | - |
| Travel expenses | | (64,650) | (95,997) |
| Share based payment expenses | | (21,616) | (4,251) |
| Exploration and evaluation expenses | | (182,311) | - |
| Impairment loss on Erath gas assets | 3 | - | (13,518) |
| Other operating expenses | | (197,295) | (158,983) |
| Total expenses | | (1,894,433) | (1,877,613) |
| Loss before income tax | | (2,056,516) | (1,818,718) |
| Income tax expense | 6 | - | - |
| Loss after tax attributable to members of Petrel Energy Limited | | (2,056,516) | (1,818,718) |
| Other comprehensive income | | | |
| - Items that may be reclassified subsequently to profit or loss | | | |
| Foreign currency translation | | (634,790) | 2,478,890 |
| Other comprehensive (loss)/ income for the year, net of tax | | (634,790) | 2,478,890 |
| Total comprehensive (loss)/income for the year, net of tax | | (2,691,306) | 660,172 |
| Loss for the year is attributable to: | | | |
| Non-controlling interests | | - | - |
| Owners of Petrel Energy Limited | | (2,056,516) | (1,818,718) |
| | | (2,056,516) | (1,818,718) |
| Total comprehensive (loss)/income for the year is attributable to: | | | |
| Non-controlling interests | | (311,047) | 1,214,656 |
| Owners of Petrel Energy Limited | | (2,380,259) | (554,484) |
| | | (2,691,306) | 660,172 |
| Loss per share from continuing operations attributable to the ordinary equity holders of the Company: | | | |
| Basic loss per share (cents per share) | 22 | (0.22) | (0.36) |
| Diluted loss per share (cents per share) | 22 | (0.22) | (0.36) |

The above Consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.