



RESOURCES PRIMA GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198602949M)

NEWS RELEASE

UPDATE

- **Expects growth in production volume**
- **Expects to enjoy cost advantage through usage of own coal mining facilities which may also be provided to third party mine owners for additional source of income**
- **Submitted application for second “borrow-use” permit which could potentially increase the Group’s coal resources and reserves**

SINGAPORE – 19 January 2015 - Resources Prima Group Limited (the “Company” and together with its subsidiaries, the “Group”) (stock code : 5MM), a coal mining company with integrated operations including coal mining facilities in Indonesia, notes the heavy trading volume of the Company’s shares and the significant change in its share price in recent days. The Company had, on 16 January 2015, announced that the Group’s business operations and activities are proceeding as usual. In the same announcement, the Company had clarified its position with regards to the information set out in The Straits Times online article titled “Resources Prima shares crashed, drawing a query from Singapore Exchange” published on 15 January 2015 and The Straits Times article titled “Indonesia mine owner’s shares plunged 44.8%” published on 16 January 2015 which reported, *inter alia*, that the Company and its sponsor, Canaccord Genuity Singapore Pte. Ltd. (the “Sponsor”) could not be contacted. Shareholders should refer to the said announcement for further details.

Executive Chairman and Chief Executive Officer Mr. Agus Sugiono says, “Despite the competitive environment and cautious sentiment with respect to the coal industry in Indonesia, our senior management remains confident about the long term growth prospects of our Company due to our fundamentally strong integrated business model. Operationally, we continue to move in the right direction as reflected by the growth in our production volume as well as the strengthening of our business model which includes a diversification of our income stream.”

Growth in production volume

Since commencing mining operations in June 2012, the Company’s production volume of coal has risen from approximately 0.4 million tonnes in the financial year ended 31 March 2013 (“FY2013”) to approximately 1.2 million tonnes in the financial year ended 31 March 2014 (“FY2014”). Over the same period, its sales volume also increased from approximately 0.3 million tonnes in FY2013 to approximately 1.1 million tonnes in FY2014. Mining operations have continued as normal during the nine months ended 31 December 2014, with

an expected increase in coal production volume as compared to the corresponding period in the previous financial year.

Cost advantage and additional source of income through provision of own coal mining facilities to third party mine owners

Management expects to enjoy a cost advantage through the usage of its own fully integrated coal mining facilities such as the coal stockpile, coal crushers, coal conveyor system and jetty facilities compared to its peers operating without their own facilities. Additionally, management plans to grow its recurring income through the provision of such coal mining facilities to third party mine owners.

Submitted application for the second “borrow-use” permit which could lead to an increase in coal reserves and resources

As disclosed in the circular to Shareholders dated 30 September 2014 by the Company (formerly known as Sky One Holdings Limited) in relation to, *inter alia*, the proposed acquisition of Energy Prima Pte. Ltd., although the Company’s Indonesia-incorporated subsidiary has been granted the Production Operation IUP (a production operations mining business license) to carry out coal mining operations in the mining concession area covering 1,933 ha, currently only an area covering 308.54 ha of the total mining concession area has secured a “borrow-use” permit or IPPKH from the Indonesian Minister of Forestry. The “borrow-use” permit is required in order for the Group to clear forested land to commence mining operations at the mine site in East Kalimantan, Indonesia. Currently, the Group has submitted an application to secure a “borrow-use” permit for the remaining 1,624.46 ha of the total mining concession area. Once the second “borrow-use” permit is approved, the Company shall make the necessary announcement and commence further exploration which could lead to an increase in coal reserves and resources from the remaining 1,624.46ha.

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About Resources Prima Group Limited

Resources Prima Group Limited (“Resources Prima” and, together with its subsidiaries, the “Group”) is a mine owner and primarily engages in the business of coal exploration and coal mining, currently, in East Kalimantan, Indonesia.

The Group, through its Indonesia-incorporated subsidiary PT Rinjani Kartanegara (“PT Rinjani”), has been granted a Production Operation IUP which is valid for an initial term of 12 years until 24 November 2021 (extendable for up to two (2) additional ten (10)-year tenures) to carry out coal mining operations in the mining concession area (with an area of 1,933 ha). The Group has been issued with a “borrow-use” permit by the Indonesian Minister of Forestry in respect of an area covering 308.54 ha of the mining concession area. The Group, through PT Rinjani, commenced mining operations in June 2012 with first sales in November 2012. Currently, the Group has submitted an application for a “borrow-use” permit for the remaining 1,624.46 ha of the mining concession area.

The Group also derives additional income through the provision of coal mining facilities (such as coal stockpile, coal crushers, coal conveyor system and jetty facilities) to third party mine owners as the Group may from time to time have excess capacity in respect of such coal mining facilities.

The Group's competitive strengths, including the location of the mine, supply chain advantages, supportive vendors, strong relationships with local government and a committed management team, will allow it to fulfil its economic potential. This potential is expected to be achieved through both organic growth via an expansion to the existing mining area and future M&A transactions.

Note :

This release may contain predictions, estimates or other information that may be considered forward-looking statements. Actual results may differ materially from those currently expected because of a number of factors. These factors include (without limitation) changes in general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, changes in operating expenses, including employee wages and raw material prices, governmental and public policy changes, social and political turmoil and major health concerns. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

For enquiries :

Mr. Agus Sugiono
Executive Chairman & CEO
Tel : +62-21-29347912
Email : info@resourcesprima.com.sg

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Alex Tan, Chief Executive Officer, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.