

United Fiber System Limited and its Subsidiaries

Independent Auditor's Report For the six months ended 30 June 2014

Independent Auditor's Report to the Members of United Fiber System Limited and its subsidiaries

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of United Fiber System Limited (the "Company") and its subsidiaries (collectively the "Group"), which comprise the consolidated balance sheet as at 30 June 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of 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 financial statements based on conducting the audit in accordance with Singapore Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

a) Default interest not provided for

As disclosed in Note 21(b) to the financial statements, the Group breached the debt covenant on the loan from a financial institution for which it is entitled to charge the Group default interest of US\$46,000,000 up to 30 June 2014. On 26 September 2014, the financial institution agreed to waive the default interest on the completion of the Proposed DSS Acquisition. Notwithstanding that the condition has not been met, the Group did not provide for the default interest of US\$46,000,000 and the related charges of US\$5,000,000. This is not in accordance with the requirements of IFRS9 Financial Instruments: Recognition and measurement.

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b) Going concern assumption

As disclosed in Note 1.2, the Group incurred a net loss of US\$9,554,000 for the financial period ended 30 June 2014 and as at that date, the Group is in a net current liability position of US\$121,038,000. Furthermore the Group is in a net liability position of US\$83,245,000. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

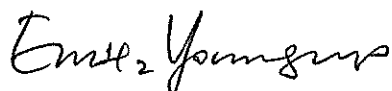
As disclosed in Note 1.2, the directors have prepared these financial statements on the going concern basis premised on, *inter alia*, the success of the Proposed DSS Acquisition as stated in that note. Based on the information available to us, we are unable to perform procedures to obtain support for the assumptions disclosed in that note and consequently, we are unable to conclude as to the appropriateness of the use of going concern assumption in the preparation of these financial statements.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Purpose and restriction on distribution and use

The financial statements for the period ended 30 June 2014 prepared in accordance with International Financial Reporting Standards have been prepared for inclusion in the Circular to Shareholders in connection with the Proposed DSS Acquisition of PT. Golden Energy Mines Tbk. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the shareholders of the Company and should not be used by any other parties.



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1 October 2014