golden energy and resources

NEWS RELEASE

GOLDEN ENERGY AND RESOURCES TAKES UP TO 10% STAKE IN ASX-LISTED GOLD MINING COMPANY, WESTGOLD RESOURCES

- ***Enables GEAR and Westgold to initiate a strategic relationship to grow their mining businesses in Asia-Australia Pacific region***
- ***Westgold ranks among the top ten listed gold producers in Australia with largest JORC gold resource and fifth largest reserve***
- ***Marks GEAR's first extension of its coal mining business to include interest in a gold producing company***

SINGAPORE, 30 November 2017 — Golden Energy and Resources Limited ("**GEAR**"), an international coal mining and trading company, today announced that it has entered into a subscription agreement with Westgold Resources Limited ("**Westgold**") to subscribe for up to 36,000,000 fully paid new ordinary shares in the capital of Westgold (the "**Subscription Shares**"). The Subscription Shares, when fully subscribed, will represent approximately 10% of the post-investment share capital of Westgold, which will place GEAR as the one of the largest shareholders in Westgold alongside reputed institutional investors. GEAR will have the right to nominate a person to be appointed as a director of Westgold.

The parties have agreed to complete the transaction in three tranches in consideration of a combined total of 36,000,000 Subscription Shares amounting to A$67.86 million, with each of the Subscription Shares to be issued to GEAR at an issue price of A$1.885 ("**Issue Price**"). Issuance of the third tranche of Subscription Shares, comprising 8,100,000 fully paid ordinary shares in Westgold, is conditional on GEAR obtaining Foreign Investment Review Board approval. The proposed subscription will be fully funded by GEAR's existing loan facility and internal resources. The first, second and third tranches are expected to be completed on or before 5 December 2017, 12 January 2018 and 31 January 2018, respectively.

Westgold is an Australian-incorporated gold miner that is listed on the Australian Stock Exchange ("**ASX**"). Westgold is principally engaged in gold mining in Australia and holds substantial mining tenure positions and numerous gold production assets in two provinces in Western Australia, namely the Eastern Goldfields (Kalgoorlie Region) and the Murchison Goldfields (Cue – Meekatharra Regions).

GEAR's stake in Westgold will enable it to gain access to the gold mining sector in Australia and provide opportunities to leverage on future potential collaborations and partnerships with Westgold, which is one of Australia's most prominent gold mining companies. The investment marks GEAR's first extension of its mining business to include interest in a gold producing company.

Mr. Fuganto Widjaja, Executive Director and Group CEO of GEAR, said, "GEAR's interest in Westgold is a strategic move to widen our group's coal-focused mining business to include counter cyclical commodities that can potentially bring additional value to our shareholders. We are privileged to partner one of Australia's top gold miners in taking this step and we look forward to support Westgold's continued growth in the gold mining industry as well as opportunities to participate in Westgold's future projects in other precious metals."

The proposed subscription will not have any impact on the share capital and the shareholding structure of GEAR as the proposed subscription does not involve the allotment and issuance of any new shares in GEAR and the consideration is to be satisfied in cash only.

ABOUT GOLDEN ENERGY AND RESOURCES LIMITED

GEAR is a leading coal producer in Indonesia. Since the completion of the Reverse Takeover of SGX Mainboard-listed United Fiber System Limited in 2015, GEAR has principally engaged in the exploration, mining, and marketing of thermal coal sourced from its coal mining concession areas, covering an aggregate of approximately 42,904 hectares in South and Central Kalimantan, Jambi (a province in Sumatra) and South Sumatra Basin, Indonesia.

Backed by the Sinar Mas Group, one of Indonesia's largest conglomerates, GEAR collectively owns the rights to mine more than 2.3 billion tonnes of thermal coal resources, with coal reserves of more than 770 million tonnes, as at 31 December 2016.

GEAR has reserves of primarily thermal coal with an average calorific value range of between 2,900 kcal/kg (arb) to 6,600 kcal/kg (arb).

Aside from coal mining and trading, GEAR is also engaged in the forestry business, owning forestry concession rights of 265,095 hectares in four regents located in South Kalimantan.

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This release contains forward-looking statements, including quotes from management and statements concerning GEAR's future growth, operating and financial results and prospects. Statements using words such as "believe" and "expect" and similar words and expressions are intended to identify forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Forward-looking statements are based only on current beliefs, assumptions and expectations of management regarding the Company's future growth, coal production volume, coal selling price and operating and financial results and potential acquisitions. Because forward-looking statements relate to the future, they are inherently subject to significant known and unknown business, economic and competitive uncertainties, risks and contingencies, many of which are beyond the GEAR's control and difficult to predict, which could cause actual results to differ materially from those suggested by the forward-looking statements. These include fluctuations in demand for coal and coal prices, competition, changes to arrangements with customers, the availability and performance of third-party mining contractors, execution of GEAR's growth strategy, fuel prices, changes in governmental policies and regulations, unauthorized mining operations, public opposition to mining and other risks, uncertainties and factors. Readers of this release are cautioned not to place undue reliance on forward-looking statements herein, which speak only as of the date hereof. GEAR undertakes no obligation to publicly update or release any revisions to these forward-looking statements, except as required by law.