golden energy and resources

GOLDEN ENERGY AND RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 199508589E

UTILISATION AND RE-ALLOCATION OF PLACEMENT PROCEEDS

The Board of Directors ("**Board**") of Golden Energy and Resources Limited ("**GEAR**" or the "**Company**") refers to the placement of 181,000,000 new ordinary shares at S$0.67 each in the issued and paid-up share capital of the Company ("**Placement**"), as announced on 28 November 2016, 7 December 2016 and 28 December 2016 (collectively, the "Announcement"), pursuant to which gross proceeds of S$121,270,000 (or net proceeds of S$120,093,000) was raised. Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to the in the Announcement.

The Board wishes to update on the utilisation of net proceeds from the Placement.

Following the announcement of 28 December 2016 and as of today, the Company has reallocated approximately S$7,465,000 of the net proceeds from the Placement, which was initially allocated for the repayment of loans and borrowings, to general working capital purposes ("Reallocation") as a result of early settlement of loans owing to creditors as previously estimated and impact of the exchange forecasted. The following table summarises the Utilisation and Reallocation:

Intended use of net proceeds (S$'000)	**Amount allocated in the announcement dated 7 December 2016**	**Amount utilised as at the date hereof**	**Amount allocated after the Reallocation**	**Balance after the Reallocation**
Repayment of loans owing to creditors	100,000	92,535	92,535	-
Working Capital (including, *inter alia*, manpower expenses, office running expenses, payment to tax authorities, professional fees for compliance placement and various corporate exercises, internal and external audit fees, fees for tax agents; share registrar; and corporate secretarial service providers)	16,493	11,821	23,958	12,137
Repayment of RTO expenses (including, inter alia, professional fees paid to external auditors; financial advisers and legal counsels)	3,600	2,149	3,600	1,451
Total allocated / utilised / reallocated / balance after reallocation	120,093	106,505	120,093	13,588

The Company will continue to make periodic announcements on the further utilisation of the remaining net proceeds as and when it is materially disbursed, and will provide a status report on the use of the Placement in its annual reports as may be required under the SGX-ST Listing Rules.

By Order of the Board
GOLDEN ENERGY AND RESOURCES LIMITED
Pauline Lee
Company Secretary
25 July 2017

RHB Securities Singapore Pte. Ltd. (formerly known as DMG & Partners Securities Pte Ltd) (the "Financial Adviser") was the financial adviser to the Company (as defined below) for the acquisition of 66.9998% of the issued and paid-up share capital of PT Golden Energy Mines Tbk ("GEMS"). The Financial Adviser has not reviewed this announcement and assumes no responsibility for the contents of this announcement.