

CHASWOOD RESOURCES HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Co. Reg. No. 200401894D)

RECEIPT OF STATUTORY DEMAND OF PAYMENT

The Board of Directors (“**Board**”) of Chaswood Resources Holdings Ltd. (“**Company**”) together with its subsidiaries (“**Group**”) wishes to announce that on 16 January 2018, the Company received a statutory demand of payment under section 254(2)(a) of the Companies Act (Cap 50) dated 15 January 2019 from the solicitors representing the interim judicial managers of TAP Venture Fund I Pte Ltd (“**TVF**”), seeking a payment of S\$3,000,000 (“**Demand Payment**”) within 21 days from the date of receipt of the statutory demand of payment. Upon the expiry of the said 21 days period, TVF is entitled to file in Court, a petition to wind up the Company. The Company is currently seeking the advice of its solicitors on this matter.

The Demand Payment is in relation to the corporate guarantee provided by the Company for the subscription by TVF of the redeemable exchangeable bonds (“**REB**”) issued by Chaswood Capital Pte Ltd, a wholly owned subsidiary of the Company, over 3 tranches on 25 April 2014, 5 December 2014 and 27 January 2015. The maturity date of the REB was due on 23 April 2018 and no redemption had been made. The Group had been in negotiations with TVF to seek an amicable solution to the overdue redemption and negotiations remain on-going.

The Company had various discussions with TVF on a proposed settlement but no conclusion has been reached. Notwithstanding the receipt of the statutory demand of payment, the Company will continue to engage with the interim judicial managers of TVF in order to reach a satisfactory resolution to all stakeholders.

No payment has been made in respect of this to-date. In the event that the payments are to be made, it will have a material adverse impact on the financial position of the Group.

The Board is unable to formulate any views at the moment and will require appropriate legal advice from its solicitors on the implication of the statutory demand on the proposed disposal of Chaswood Resources Sdn Bhd (“**CRSB**”), a wholly owned subsidiary of the Company, announced on 15 September 2018 and the restructuring scheme approved by the scheme creditors during the court convened meeting held on 9 November 2018 by CRSB. Based on the Board’s preliminary views, unless the statutory demand of payment can be resolved satisfactorily, the Demand Payment will have an adverse impact on the Company.

Further announcements will be made by the Company and the Board via SGXNET as and when there are material developments on the aforesaid matter in compliance with the Catalist Rules of the SGX-ST.

The Board confirms that to their best knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

BY ORDER OF THE BOARD

ANDREW ROACH REDDY
Managing Director
17 January 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange 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.

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