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## **Unaudited Third Quarter ("3Q") and Nine Months ("9M") Financial Statements for the Financial Period Ended 30 September 2017**

### **INTRODUCTION**

Resources Prima Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") makes reference to the announcements dated 7 November 2017 and 21 November 2017 in relation to the Group's application for an extension of time to announce its unaudited financial statements for the third quarter ended 30 September 2017. An extension of 1 month, until 15 December 2017, has been granted by the Exchange.

#### **Going Concern**

The Company has prepared a cashflow analysis for the 12 month period to 31 October 2018 which considers the Company's cash position at 31 October 2017, future cash requirements and the recommencement of coal hauling operations by PT Energy Indonesia Resources ("**EIR**") which recommenced in October 2017. As the cashflow analysis indicates the Company will be able to pay all of its debts and obligations during the cashflow analysis period ending 31 October 2018, the 3Q and 9M financial statements for the financial period ended 30 September 2017 have been prepared on a going concern basis. The Group's long-term sustainability and resumption of trading is separately disclosed under item 10.d below.

#### **Consolidated financial statements – Presentation and Preparation**

Financial Reporting Standard 110 – Consolidated financial statements ("**FRS 110**") establishes the principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. Based on FRS 110 and the Indonesian bankruptcy law, the Company has concluded that it lost its control over PT Rinjani Kartanegara ("**Rinjani**"), a subsidiary of the Company held through PT Pilar Mas Utama Perkasa ("**Pilar Mas**"), on 24 August 2017, which was the date:

- the application for suspension of payment was approved by the Commercial Court in Jakarta, and
- two administrators were appointed by the Commercial Court in Jakarta to administer the affairs of Rinjani to protect the interest of Rinjani's creditors.

Since the approval of the suspension of payment on 24 August 2017, the management and board of directors of Rinjani no longer had sole authority to administer or represent Rinjani or exercise any management or ownership decisions over the assets and operations of Rinjani. As such, the Company no longer had control over Rinjani, was no longer entitled to any returns from its investment in Rinjani, and was unable to affect the amount of returns from its investment in Rinjani.

Due to the Company's loss of control over Rinjani and the suspension of operations of RPG Trading Pte. Ltd. ("**RPG Trading**") and EIR during the financial period reported herein resulting from the cessation of coal production from Rinjani, the Company's 3Q and 9M income statements for the financial periods ended 30 September 2017 and 30 September 2016 present the results of Rinjani, RPG Trading and EIR as discontinued operations ("**Discontinued Operations**") in accordance with 'FRS 105 – Non Current Assets Held for Sale and Discontinued Operations'. However, the Company wishes to highlight that, following the recommencement of EIR's operations in October 2017 after entering into a coal hauling service agreement with PT Coalindo Adhi Nusantara, EIR's results shall be presented under continuing operations ("**Continuing Operations**") for the fourth quarter ending 31 December 2017 and all other financial periods going forward.

The results of the Company, Energy Prima Pte Ltd ("**Energy Prima**") and Pilar Mas are presented for the financial periods ended 30 September 2017 and 30 September 2016 as Continuing Operations.

Due to the Company's loss of control of Rinjani on 24 August 2017, the entire assets and liabilities of Rinjani at 31 December 2016 are deconsolidated and presented in the income statement for the 3Q and 9M financial periods ended 30 September 2017 under "**Other income**" in accordance with FRS105.

#### **Results Announcement – Abbreviations**

For ease of reference, the following abbreviations are used in this announcement:

- "**9MFY2017**": The 9-month period ended 30 September 2017 of the financial year ending 31 December 2017;
- "**9MFY2016**": The 9-month period ended 30 September 2016 of the financial year ended 31 December 2016 (re-presented);
- "**3QFY2017**": The 3 months (third quarter) of the financial year ending 31 December 2017; and
- "**3QFY2016**": The 3 months (third quarter) of the financial year ended 31 December 2016 (re-presented).

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**PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a)(i) Income statement and statement of comprehensive income, or a statement of comprehensive income for the group together with a comparative statement for the – corresponding period of immediately preceding year**

**INCOME STATEMENT**

	<b>Group</b>						<b>Ref</b>
	<b>3 months ended 30.09.17</b>	<b>3 months ended 30.09.16</b>	<b>Inc/ (Dec)</b>	<b>9 months ended 30.09.17</b>	<b>9 months ended 30.09.16</b>	<b>Inc/ (Dec)</b>	
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	
	<b>(Re-presented)</b>			<b>(Re-presented)</b>			
<b>Continuing Operations</b>							
<b>Revenue</b>	-	-	-	-	-	-	8.1.1
Cost of goods sold	-	-	-	-	-	-	8.1.2
<b>Gross profit</b>	-	-	-	-	-	-	8.1.3
Other income	19,247	432	>100.0	20,382	1,863	>100.0	8.1.4
Selling and distribution expenses	-	-	-	-	-	-	8.1.5
Administrative expenses	(202)	(279)	(27.6)	(779)	(895)	(13.0)	8.1.6
Finance costs	-	(15)	N.M.	-	(47)	N.M.	8.1.7
Other expenses	(27,970)	-	N.M.	(27,970)	-	N.M.	8.1.8
<b>(Loss)/profit before tax</b>	<b>(8,925)</b>	<b>138</b>	<b>N.M.</b>	<b>(8,367)</b>	<b>921</b>	<b>N.M.</b>	
Tax credit/(expense)	-	-	-	-	-	-	8.1.9
<b>(Loss)/profit from continuing operations, net of tax</b>	<b>(8,925)</b>	<b>138</b>	<b>N.M.</b>	<b>(8,367)</b>	<b>921</b>	<b>N.M.</b>	
<b>Discontinued Operations</b>							
Loss from discontinued operations	(2,245)	(201)	>100.0	(2,606)	(1,277)	>100.0	8.1.10
<b>Loss for the financial period</b>	<b>(11,170)</b>	<b>(63)</b>	<b>&gt;100.0</b>	<b>(10,973)</b>	<b>(356)</b>	<b>&gt;100.0</b>	
<b>Other comprehensive income</b>							
<u>Items that may be reclassified subsequently to profit or loss</u>							
Currency translation differences arising on consolidation	169	(149)	N.M.	709	436	62.6	
<b>Total comprehensive (loss)/ income for the period</b>	<b>(11,001)</b>	<b>(212)</b>	<b>&gt;100.0</b>	<b>(10,264)</b>	<b>80</b>	<b>N.M.</b>	
<b>(Loss)/income attributable to:</b>							
- Equity holders of the Company	(11,010)	6	N.M.	(10,798)	23	N.M.	
- Non-controlling interests	(160)	(69)	>100.0	(175)	(379)	(53.8)	
	<b>(11,170)</b>	<b>(63)</b>	<b>&gt;100.0</b>	<b>(10,973)</b>	<b>(356)</b>	<b>&gt;100.0</b>	
<b>Total comprehensive (loss)/ income attributable to:</b>							
- Equity holders of the Company	(10,841)	(143)	>100.0	(10,089)	459	N.M.	
- Non-controlling interests	(160)	(69)	>100.0	(175)	(379)	(53.8)	
	<b>(11,001)</b>	<b>(212)</b>	<b>&gt;100.0</b>	<b>(10,264)</b>	<b>80</b>	<b>N.M.</b>	

N.M. – Not Meaningful

**1(a)(ii) Income/(loss) before tax is stated after charging/(crediting) the following:-**

	<b>Group</b>					
	<b>3 months</b>	<b>3 months</b>		<b>9 months</b>	<b>9 months</b>	
	<b>ended</b>	<b>ended</b>	<b>Inc/</b>	<b>ended</b>	<b>ended</b>	<b>Inc/</b>
	<b>30.09.17</b>	<b>30.09.16</b>	<b>(Dec)</b>	<b>30.09.17</b>	<b>30.09.16</b>	<b>(Dec)</b>
<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	
Unrealised foreign currency exchange (gain)/loss	(288)	507	N.M.	(309)	478	N.M.
Depreciation of property, plant and equipment	132	755	82.5	1,562	2,163	(27.8)
Amortisation of mining properties	-	496	N.M.	1,070	1,933	(44.6)
Amortisation of intangible assets	7	10	(30.0)	27	30	(10.0)
Post-employment benefits	-	62	N.M.	214	181	18.2
Provision for mine reclamation and rehabilitation	25	101	(75.2)	119	207	(42.5)
Operating lease expenses	-	332	N.M.	392	1,099	(64.3)
Interest income	(856)	(6)	>100.0	(881)	(20)	>100.0
Interest expense	133	405	(67.2)	723	1,138	(36.5)
Impairment of investment in subsidiary	9,149	-	N.M.	9,149	-	N.M.
Allowance for doubtful account receivables	19,641	-	N.M.	19,641	-	N.M.
Loss on disposal of property, plant and equipment	368	-	N.M.	368	-	N.M.
Gain on deconsolidation of subsidiary	(18,988)	-	N.M.	(18,988)	-	N.M.

N.M. – Not Meaningful

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**(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Ref	Company	
	As at 30.09.17 US\$'000 (Unaudited)	As at 31.12.16 US\$'000 (Audited)		As at 30.09.17 US\$'000 (Unaudited)	As at 31.12.16 US\$'000 (Audited)
<b>Non-current assets</b>					
Property, plant and equipment	796	21,836	8.2.1	-	-
Investment in subsidiaries	-	-	8.2.2	1,999	32,311
Intangible assets	-	170	8.2.3	-	-
Mining properties	-	6,765	8.2.4	-	-
Trade and other receivables	-	8,162	8.2.5	-	-
Deferred tax assets	-	1,900	8.2.6	-	-
	<u>796</u>	<u>38,833</u>		<u>1,999</u>	<u>32,311</u>
<b>Current assets</b>					
Available-for-sale investment	-*	-*		-*	-*
Inventories	61	235	8.2.7	-	-
Trade and other receivables	4,727	5,934	8.2.5	3,683	11,180
Cash and cash equivalents	554	2,299	8.2.8	268	100
	<u>5,342</u>	<u>8,468</u>		<u>3,951</u>	<u>11,280</u>
<b>Total assets</b>	<u><b>6,138</b></u>	<u><b>47,301</b></u>		<u><b>5,950</b></u>	<u><b>43,591</b></u>
<b>Equity</b>					
Share capital	100,480	100,480		236,508	236,508
Currency translation reserve	(674)	(1,383)	8.2.9	(15,085)	(18,075)
Accumulated losses	(94,935)	(84,139)		(216,103)	(175,139)
<b>Equity attributable to equity holders of the Company</b>	<u>4,871</u>	<u>14,958</u>		<u>5,320</u>	<u>43,294</u>
Non-controlling interests	(186)	(4,537)	8.2.10	-	-
<b>Total equity</b>	<u><b>4,685</b></u>	<u><b>10,421</b></u>		<u><b>5,320</b></u>	<u><b>43,294</b></u>
<b>Non-current liabilities</b>					
Trade and other payables	-	12,512	8.2.11	-	-
Post-employment benefits	-	1,171	8.2.12	-	-
Finance lease liabilities	-	258	8.2.13	-	-
Provisions	-	1,498	8.2.14	-	-
	<u>-</u>	<u>15,439</u>		<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables	769	20,375	8.2.11	630	297
Finance lease liabilities	147	536	8.2.13	-	-
Tax payable	537	530		-	-
	<u>1,453</u>	<u>21,441</u>		<u>630</u>	<u>297</u>
<b>Total liabilities</b>	<u><b>1,453</b></u>	<u><b>36,880</b></u>		<u><b>630</b></u>	<u><b>297</b></u>
<b>Net assets</b>	<u><b>4,685</b></u>	<u><b>10,421</b></u>		<u><b>5,320</b></u>	<u><b>43,294</b></u>
<b>Total equity and liabilities</b>	<u><b>6,138</b></u>	<u><b>47,301</b></u>		<u><b>5,950</b></u>	<u><b>43,591</b></u>

\* Below US\$1,000.

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**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**(a) Amount repayable in one year or less, or on demand**

As at 30.09.17		As at 31.12.16	
US\$'000	US\$'000	US\$'000	US\$'000
Secured	Unsecured	Secured	Unsecured
147	152	536	143

**(b) Amount repayable after one year**

As at 30.09.17		As at 31.12.16	
US\$'000	US\$'000	US\$'000	US\$'000
Secured	Unsecured	Secured	Unsecured
-	-	258	-

**(c) Details of any collateral**

Certain vehicles (such as coal hauling trucks) with an aggregate carrying amount of US\$0.5 million as at 30 September 2017 (31 December 2016: US\$2.0 million) are pledged under existing finance lease arrangements.

At 31 December 2016, fiduciary security over coal inventory of Rinjani and corporate guarantee by Pilar Mas were provided to secure the debt of Rinjani to a main supplier, included in the trade payables of the Group as at 31 December 2016.

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**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>			
	<b>3 months</b>	<b>3 months</b>	<b>9 months</b>	<b>9 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>30.09.17</b>	<b>30.09.16</b>	<b>30.09.17</b>	<b>30.09.16</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flows from operating activities</b>				
<b>(Loss)/profit before tax</b>	<b>(11,413)</b>	<b>92</b>	<b>(10,604)</b>	<b>57</b>
<b>Adjustments for:-</b>				
Depreciation of property, plant and equipment	132	755	1,562	2,163
Amortisation of mining properties	-	496	1,070	1,933
Amortisation of intangible assets	7	10	27	30
Post-employment benefits	-	62	214	181
Provision for mine reclamation and rehabilitation	25	101	119	207
Impairment of investment in subsidiary	9,149	-	9,149	-
Allowance for doubtful account receivables	19,641	-	19,641	-
Loss on disposal of property, plant and equipment	368	-	368	-
Gain on deconsolidation of subsidiary	(18,988)	-	(18,988)	-
Finance costs (interest expense)	133	405	723	1,138
Interest income	(856)	(6)	(881)	(20)
Unrealised foreign currency exchange (gain)/loss	(288)	507	(309)	478
<b>Operating (loss)/profit before working capital changes</b>	<b>(2,090)</b>	<b>2,422</b>	<b>2,091</b>	<b>6,167</b>
Inventories	(54)	(1,073)	(671)	576
Trade and other receivables	(23,474)	(1,737)	(21,038)	(500)
Trade and other payables	23,450	176	17,621	(5,522)
Currency translation adjustments	169	(149)	709	436
<b>Cash (used in)/generated from operations</b>	<b>(1,999)</b>	<b>(361)</b>	<b>(1,288)</b>	<b>1,157</b>
Interest received	856	6	881	20
<b>Net cash (used in)/generated from operating activities</b>	<b>(1,143)</b>	<b>(355)</b>	<b>(407)</b>	<b>1,177</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property, plant and equipment	437	-	437	-
Net cash outflow from deconsolidation of subsidiary	(1,140)	-	(1,140)	-
Additions to mining properties	-	(413)	(148)	(1,366)
Purchase of property, plant and equipment	(5)	(464)	(38)	(774)
<b>Net cash used in investing activities</b>	<b>(708)</b>	<b>(877)</b>	<b>(889)</b>	<b>(2,140)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of ordinary shares at subsidiary	-	-	23	-
Interest paid	(10)	(43)	(60)	(150)
Repayment of finance lease	(141)	(391)	(412)	(805)
Repayment of loan from related party	-	-	-	(42)
Repayment of loan from third party	-	-	-	(1,256)
<b>Net cash used in financing activities</b>	<b>(151)</b>	<b>(434)</b>	<b>(449)</b>	<b>(2,253)</b>
Net decrease in cash and cash equivalents	(2,002)	(1,666)	(1,745)	(3,216)
Cash and cash equivalents at beginning of period	2,556	3,164	2,299	4,714
<b>Cash and cash equivalents at end of period</b>	<b>554</b>	<b>1,498</b>	<b>554</b>	<b>1,498</b>

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1(d)(i) A statement (for the issuer and group) showing either (I) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of Changes in Equity**

<b>Group</b>	<b>Share capital US\$'000</b>	<b>Currency translation reserve US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Equity attributable to equity holders of the Company US\$'000</b>	<b>Non-controlling interests US\$'000</b>	<b>Total equity US\$'000</b>
<b>At 1 January 2016</b>	<b>100,480</b>	<b>(1,155)</b>	<b>(82,156)</b>	<b>17,169</b>	<b>(3,821)</b>	<b>13,348</b>
Profit/(loss) for the 3 months ended 31 March 2016	-	-	671	671	(29)	642
<i>Other comprehensive income:</i>						
- Currency translation differences	-	567	-	567	-	567
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2016	-	567	671	1,238	(29)	1,209
<b>At 31 March 2016</b>	<b>100,480</b>	<b>(588)</b>	<b>(81,485)</b>	<b>18,407</b>	<b>(3,850)</b>	<b>14,557</b>
Loss for the 3 months ended 30 June 2016	-	-	(654)	(654)	(281)	(935)
<i>Other comprehensive income:</i>						
- Currency translation differences	-	18	-	18	-	18
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 30 June 2016	-	18	(654)	(636)	(281)	(917)
<b>At 30 June 2016</b>	<b>100,480</b>	<b>(570)</b>	<b>(82,139)</b>	<b>17,771</b>	<b>(4,131)</b>	<b>13,640</b>
Profit/(loss) for the 3 months ended 30 September 2016	-	-	6	6	(69)	(63)
<i>Other comprehensive income:</i>						
- Currency translation differences	-	(149)	-	(149)	-	(149)
(Loss)/profit and total comprehensive (loss)/income for the 3 months ended 30 September 2016	-	(149)	6	(143)	(69)	(212)
<b>At 30 September 2016</b>	<b>100,480</b>	<b>(719)</b>	<b>(82,133)</b>	<b>17,628</b>	<b>(4,200)</b>	<b>13,428</b>



**Statement of Changes in Equity (continued)**

<b>Group</b>	<b>Share capital US\$'000</b>	<b>Currency translation reserve US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Equity attributable to equity holders of the Company US\$'000</b>	<b>Non- controlling interests US\$'000</b>	<b>Total equity US\$'000</b>
<b>At 1 January 2017</b>	<b>100,480</b>	<b>(1,383)</b>	<b>(84,139)</b>	<b>14,958</b>	<b>(4,537)</b>	<b>10,421</b>
Profit for the 3 months ended 31 March 2017	-	-	1,113	1,113	221	1,334
<i>Other comprehensive income:</i>						
- Currency translation differences	-	378	-	378	-	378
Profit and total comprehensive income for the 3 months ended 31 March 2017	-	378	1,113	1,491	221	1,712
<b>At 31 March 2017</b>	<b>100,480</b>	<b>(1,005)</b>	<b>(83,026)</b>	<b>16,449</b>	<b>(4,316)</b>	<b>12,133</b>
Issuance of ordinary shares at subsidiary	-	-	-	-	23	23
Loss for the 3 months ended 30 June 2017	-	-	(899)	(899)	(237)	(1,136)
<i>Other comprehensive income:</i>						
- Currency translation differences	-	162	-	162	-	162
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 30 June 2017	-	162	(899)	(737)	(214)	(951)
<b>At 30 June 2017</b>	<b>100,480</b>	<b>(843)</b>	<b>(83,925)</b>	<b>15,712</b>	<b>(4,530)</b>	<b>11,182</b>
Loss for the 3 months ended 30 September 2017	-	-	(11,010)	(11,010)	(160)	(11,170)
<i>Other comprehensive income:</i>						
- Currency translation differences	-	169	-	169	-	169
Profit/(loss) and total comprehensive income for the 3 months ended 30 September 2017	-	169	(11,010)	(10,841)	(160)	(11,001)
Deconsolidation of subsidiary	-	-	-	-	4,504	4,504
<b>At 30 September 2017</b>	<b>100,480</b>	<b>(674)</b>	<b>(94,935)</b>	<b>4,871</b>	<b>(186)</b>	<b>4,685</b>

**Statement of Changes in Equity (continued)**

<b>Company</b>	<b>Share capital US\$'000</b>	<b>Currency translation reserve US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Total equity US\$'000</b>
<b>At 1 January 2016</b>	<b>236,508</b>	<b>(16,759)</b>	<b>(156,686)</b>	<b>63,063</b>
Loss for the 3 months ended 31 March 2016	-	-	(285)	(285)
<i>Other comprehensive income:</i>				
- Currency translation differences	-	2,920	-	2,920
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2016	-	2,920	(285)	2,635
<b>At 31 March 2016</b>	<b>236,508</b>	<b>(13,839)</b>	<b>(156,971)</b>	<b>65,698</b>
Loss for the 3 months ended 30 June 2016	-	-	(296)	(296)
<i>Other comprehensive income:</i>				
- Currency translation differences	-	100	-	100
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 30 June 2016	-	100	(296)	(196)
<b>At 30 June 2016</b>	<b>236,508</b>	<b>(13,739)</b>	<b>(157,267)</b>	<b>65,502</b>
Loss for the 3 months ended 30 September 2016	-	-	(267)	(267)
<i>Other comprehensive income:</i>				
- Currency translation differences	-	(794)	-	(794)
Loss and total comprehensive loss for the 3 months ended 30 September 2016	-	(794)	(267)	(1,061)
<b>At 30 September 2016</b>	<b>236,508</b>	<b>(14,533)</b>	<b>(157,534)</b>	<b>64,441</b>

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**Statement of Changes in Equity (continued)**

<b>Company (continued)</b>	<b>Share capital US\$'000</b>	<b>Currency translation reserve US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Total equity US\$'000</b>
<b>At 1 January 2017</b>	<b>236,508</b>	<b>(18,075)</b>	<b>(175,139)</b>	<b>43,294</b>
Loss for the 3 months ended 31 March 2017	-	-	(264)	(264)
<i>Other comprehensive income:</i>				
- Currency translation differences	-	1,498	-	1,498
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2017	-	1,498	(264)	1,234
<b>At 31 March 2017</b>	<b>236,508</b>	<b>(16,577)</b>	<b>(175,403)</b>	<b>44,528</b>
Loss for the 3 months ended 30 June 2017	-	-	(280)	(280)
<i>Other comprehensive income:</i>				
- Currency translation differences	-	660	-	660
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 30 June 2017	-	660	(280)	380
<b>At 30 June 2017</b>	<b>236,508</b>	<b>(15,917)</b>	<b>(175,683)</b>	<b>44,908</b>
Loss for the 3 months ended 30 September 2017	-	-	(40,420)	(40,420)
<i>Other comprehensive income:</i>				
- Currency translation differences	-	832	-	832
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 30 September 2017	-	832	(40,420)	(39,588)
<b>At 30 September 2017</b>	<b>236,508</b>	<b>(15,085)</b>	<b>(216,103)</b>	<b>5,320</b>

[This section is intentionally left blank]

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<b>No. of Ordinary Shares</b>	<b>Issued Share Capital (S\$)</b>
<b>At 30 September 2017 and 30 June 2017</b>	<b>1,832,999,998</b>	<b>307,306,455</b>

There were no changes in the Company's share capital since 30 June 2017 and up till 30 September 2017. As at 30 September 2017 and 30 September 2016, the Company had no outstanding share options, other convertibles, treasury shares and subsidiary holdings.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>As at 30.09.17</b>	<b>As at 31.12.16</b>
<b>Total number of issued shares (excluding treasury shares)</b>	<b>1,832,999,998</b>	<b>1,832,999,998</b>

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company does not have any treasury shares at the beginning and end of the financial period.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company does not have any subsidiary holdings at the beginning and end of the financial period.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard.**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in the Introduction (Consolidated financial statements – Presentation and Preparation) and item 5 below, the Group and the Company have applied the same accounting policies and methods of computation for the current reporting period as compared with the audited financial statements of the Group and the Company for the preceding financial year.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Except as noted in the Introduction (Consolidated financial statements – Presentation and Preparation), there have been no changes in the accounting policies and methods of computation. The Group and the Company have adopted all the new and revised standards and interpretations of the Singapore Financial Reporting Standards that are effective for annual periods beginning on or after 1 January 2017. The adoption of these standards and interpretations had no significant effect on the financial performance or position of the Group and the Company for the 3QFY2017 and 9MFY2017.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	<b>Group</b>			
	<b>3 months ended 30.09.17</b>	<b>3 months ended 30.09.16 (Re-presented)</b>	<b>9 months ended 30.09.17</b>	<b>9 months ended 30.09.16 (Re-presented)</b>
<b>Continuing Operations<sup>1</sup></b>				
<b>(Loss)/earnings per ordinary share:-</b>				
Basic (US\$ cents)	(0.48)	0.00	(0.45)	0.03
Diluted (US\$ cents)	(0.48)	0.00	(0.45)	0.03
<b>Discontinued Operations</b>				
<b>Loss per ordinary share:-</b>				
Basic (US\$ cents)	(0.12)	(0.01)	(0.13)	(0.07)
Diluted (US\$ cents)	(0.12)	(0.01)	(0.13)	(0.07)
Weighted average number of ordinary shares for basic earnings per share	1,832,999,998	1,832,999,998	1,832,999,998	1,832,999,998

Diluted earnings per share is the same as basic earnings per share for both the financial periods ended 30 September 2017 and 2016 as there were no outstanding convertible instruments.

<sup>1</sup>Loss/Earnings per share for Continuing Operations excludes non-controlling interest.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	<b>Group</b>	
	<b>As at 30.09.17</b>	<b>As at 31.12.16</b>
Net asset value per ordinary share (US\$ cents)	0.26	0.82
Number of ordinary shares in issue (excluding treasury shares)	1,832,999,998	1,832,999,998

	<b>Company</b>	
	<b>As at 30.09.17</b>	<b>As at 31.12.16</b>
Net asset value per ordinary share (US\$ cents)	0.29	2.36
Number of ordinary shares in issue (excluding treasury shares)	1,832,999,998	1,832,999,998

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## INTRODUCTION

The main factors affecting the Group's financial performance are:

### (a) Re-presentation of the Group's Income Statement

Due to the Company's loss of control over Rinjani and the resultant suspension of operations of RPG Trading and EIR, the Company's 3Q and 9M income statements for the financial period ended 30 September 2016 have been re-presented in accordance with FRS. The re-presentation and previously announced presentation are noted below for information purposes only.

	<b>Group</b>			
	<b>Re-presented 3 months ended 30.09.16</b>	<b>Announced* 3 months ended 30.09.16</b>	<b>Re-presented 9 months ended 30.09.16</b>	<b>Announced* 9 months ended 30.09.16</b>
<b>Revenue</b>	-	<b>12,863</b>	-	<b>43,586</b>
Cost of goods sold	-	(10,690)	-	(35,832)
<b>Gross profit</b>	-	<b>2,173</b>	-	<b>7,754</b>
Other income	432	19	1,863	67
Selling and distribution expenses	-	(916)	-	(3,097)
Administrative expenses	(279)	(829)	(895)	(2,778)
Finance costs	(15)	(405)	(47)	(1,138)
Other expenses	-	50	-	(751)
<b>Profit before tax</b>	<b>138</b>	<b>92</b>	<b>921</b>	<b>57</b>
Tax expense	-	(155)	-	(413)
<b>Profit/(loss) after tax</b>	<b>138</b>	<b>(63)</b>	<b>921</b>	<b>(356)</b>
<b>Discontinued Operations</b>				
Loss from discontinued operations	(201)	-	(1,277)	-
<b>Loss from continuing operations</b>	<b>(63)</b>	<b>(63)</b>	<b>(356)</b>	<b>(356)</b>
<b>Other comprehensive income</b>				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Currency translation differences arising on consolidation	(149)	(149)	436	436
<b>Total comprehensive (loss)/income for the period</b>	<b>(212)</b>	<b>(212)</b>	<b>80</b>	<b>80</b>

	<b>Group</b>			
	<b>Re-presented</b>	<b>Announced*</b>	<b>Re-presented</b>	<b>Announced*</b>
	<b>3 months</b>	<b>3 months</b>	<b>9 months</b>	<b>9 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>30.09.16</b>	<b>30.09.16</b>	<b>30.09.16</b>	<b>30.09.16</b>
<b>Profit/(loss) attributable to:</b>				
- Equity holders of the Company	6	6	23	23
- Non-controlling interests	(69)	(69)	(379)	(379)
	<b>(63)</b>	<b>(63)</b>	<b>(356)</b>	<b>(356)</b>
<b>Total comprehensive</b>				
<b>(loss)/income attributable to:</b>				
- Equity holders of the Company	(143)	(143)	459	459
- Non-controlling interests	(69)	(69)	(379)	(379)
	<b>(212)</b>	<b>(212)</b>	<b>80</b>	<b>80</b>

\*Announced via SGXNet on 11 November 2016

**(b) Loss of control - Deconsolidation**

As a result of the Company's loss of control of Rinjani on 24 August 2017, the entire deconsolidated assets and liabilities related to Rinjani are as follows:

	<b>31.08.17</b>
	<b>US\$'000</b>
Assets associated with Rinjani are:	
Property, plant and equipment	18,699
Mining properties	5,790
Trade and other receivables	10,825
Deferred tax assets	1,638
Inventory	845
Cash and cash equivalents	1,139
<b>Total</b>	<b>38,936</b>
Liabilities associated with Rinjani are:	
Trade and other payable	51,769
Finance lease liabilities	235
Provisions	1,625
Tax payable	152
<b>Total</b>	<b>53,781</b>

**(c) Loss of control – Discontinued Operations**

Further to the Company's loss of control of Rinjani and the suspension of operations of RPG Trading and EIR (see Introduction), the entire results from Rinjani, RPG Trading and EIR are presented separately in the statement of comprehensive income as Discontinued Operations for 3QFY2017 and 9MFY2017 with comparative balances for 3QFY2016 and 9MFY2016.

The results of the Discontinued Operations are as follows:

	<b>9 months ended 30.09.17 US\$'000</b>	<b>9 months ended 30.09.16 US\$'000</b>
<b>Revenue</b>	<b>20,169</b>	<b>34,933</b>
Cost of goods sold	(17,001)	(28,512)
<b>Gross profit</b>	<b>3,168</b>	<b>6,421</b>
Expenses	(5,405)	(7,333)
<b>Loss before tax</b>	<b>(2,237)</b>	<b>(912)</b>
Tax expense	(369)	(365)
<b>Loss after tax</b>	<b>(2,606)</b>	<b>(1,277)</b>

## 8.1 INCOME STATEMENT

### 8.1.1 Revenue

Following the deconsolidation of Rinjani and discontinued operations of EIR & RPG Trading and the representation of the comparative figures, there is no revenue from continuing operations during 3QFY2017, 9MFY2017, 3QFY2016 and 9MFY2016.

### 8.1.2 Cost of Goods Sold

Following the deconsolidation of Rinjani and discontinued operations of EIR & RPG Trading and the representation of the comparative figures, there is no cost of goods sold from continuing operations during 3QFY2017, 9MFY2017, 3QFY2016 and 9MFY2016.

Depreciation of property, plant and equipment (“PP&E”), amortization of mining properties and amortization of intangible assets are disclosed under Discontinued Operations for the reasons noted in 8.c above. Depreciation of PP&E decreased from US\$0.8 million in 3QFY2016 to US\$0.1 million in 3QFY2017 and from US\$2.2 million in 9MFY2016 to US\$1.6 million in 9MFY2017 due to the cessation of mining operations of Rinjani in June 2017 and hence less depreciation charged to cost of goods sold.

Amortisation of mining properties was nil in 3QFY2017 as compared to US\$0.5 million in 3QFY2016. For 9MFY2017 as compared to 9MFY2016, amortization of mining properties decreased from US\$1.9 million to US\$1.0 million. As mining operations ceased in June 2017, there was less amortization charged to cost of goods sold during 9MFY2017 and no amortization was charged for 3QFY2017.

Amortisation of intangible assets decreased during 3QFY2017 and 9MFY2017 as compared to 3QFY2016 and 9MFY2016 due to the deconsolidation of Rinjani.

### 8.1.3 Gross profit

Following the deconsolidation of Rinjani and discontinued operations of EIR & RPG Trading and the representation of the comparative figures, there is no gross profit from continuing operations during 3QFY2017, 9MFY2017, 3QFY2016 and 9MFY2016.

### 8.1.4 Other income

In 9MFY2017, other income increased by more than 100% (US\$18.5 million) to US\$20.4 million from US\$1.9 million in 9MFY2016 and by more than 100% (US\$18.8 million) from US\$0.4 million in 3QFY2016 to US\$19.2 million in 3QFY2017 mainly due to the gain from the loss of control of Rinjani amounting to US\$19.0 million which resulted from the deconsolidation of Rinjani’s net liability position as at 31 December 2016.



#### **8.1.5 Selling and distribution expenses**

Following the deconsolidation of Rinjani and discontinued operations of EIR & RPG Trading and the representation of the comparative figures, there are no selling and distribution expenses from continuing operations during 3QFY2017, 9MFY2017, 3QFY2016 and 9MFY2016.

#### **8.1.6 Administrative expenses**

Administrative expenses comprise mainly staff costs, professional fees, travelling and transportation, office rental, listing fees, sponsorship fees and investor relation costs.

The decreases in administrative expenses by 13.0% (US\$0.1 million) to US\$0.8 million in 9MFY2017 from US\$0.9 million in 9MFY2016 and by 27.6% (US\$0.1 million) to US\$0.2 million in 3QFY2017 from US\$0.3 million in 3QFY2016 resulted from the disclosure of the administrative expenses of Rinjani, EIR and RPG Trading under discontinued operations.

#### **8.1.7 Finance costs**

In 3QFY2017 and 9MFY2017, finance costs were nil as compared to US\$15,000 in 3QFY2016 and US\$47,000 in 9MFY2016 due to the deconsolidation of Rinjani and discontinued operations of EIR and RPG Trading.

#### **8.1.8 Other expenses**

Other expenses from Continuing Operations in 3QFY2017 and 9MFY2017 amounted to US\$28.0 million compared to nil in 3QFY2016 and 9MFY2016. This was mainly due to the allowance of doubtful account receivables in respect of the account receivables owed by Rinjani to the Company, Energy Prima and Pilar Mas of US\$18.8 million (as noted in item 8.2.5 below) and impairment of the Group's investment in Rinjani of US\$9.1 million following the decision of the Commercial Court Jakarta on 9 October 2017, that Rinjani enter bankruptcy with immediate effect (see item 10.a below)..

The allowance of doubtful account receivables in respect of the account receivables owed by Rinjani to EIR of US\$0.8 million and the loss incurred on disposal of PP&E amounting to US\$0.4 million relating to the sale of coal hauling trucks by EIR during 3QFY2017 and 9MFY2017 are disclosed under "Loss from discontinued operations" (refer item 8.1.10 below)

#### **8.1.9 Tax credit/(expense)**

The tax expense is calculated based on the current statutory income tax rates in Singapore and Indonesia. Following the deconsolidation of Rinjani and discontinued operations of EIR & RPG Trading, there is no tax expense for continuing operations in 9MFY2017, 3QFY2017, 9MFY2016 and 3QFY2016.

#### **8.1.10 Loss from discontinued operations**

The loss from discontinued operations (see item 8(c) above) represents the loss from operations of Rinjani, RPG Trading and EIR during the financial periods 3QFY2017, 9MFY2017, 3QFY2016 and 9MFY2016 net of tax.

### **8.2 ASSETS, LIABILITES AND EQUITY**

#### **8.2.1 Property, plant and equipment**

Property, plant and equipment ("**PP&E**") decreased by US\$21.0 million to US\$0.8 million as at 30 September 2017 from US\$21.8 million as at 31 December 2016. The decrease was mainly due to the deconsolidation of Rinjani's PP&E for the reasons noted in item 8.b above, sale of coal hauling trucks by EIR and current period depreciation of EIR's PP&E.

### **8.2.2 Investment in subsidiaries (Company Only)**

Investment in subsidiaries decreased by US\$30.3 million to US\$2.0 million as at 30 September 2017 from US\$32.3 million as at 31 December 2016 mainly due to the impairment of the Company's investment in a subsidiary (Rinjani) amounting to US\$32.6 million with the balance resulting from the strengthening of the United States Dollar ("USD") against the Singapore Dollar ("SGD") as the investment was converted to the reporting currency (USD) as at 30 September 2017. The impairment results from the loss of control and therefore the deconsolidation of Rinjani as noted in item 8.b above. The impairment amount reflects the value previously attributed to the Company's investment in Rinjani.

### **8.2.3 Intangible assets**

Intangible assets arising from the Company's interest in Rinjani through Pilar Mas decreased from US\$170,000 as at 31 December 2016 to nil as at 30 September 2017 due to the deconsolidation of Rinjani for the reasons noted in item 8.b above.

### **8.2.4 Mining properties**

Mining properties include costs transferred from deferred exploration and evaluation following the completion of technical feasibility and commercial viability of the Group's IPPKH1 as well as mine development costs and certain costs related to IPPKH2. As at 30 September 2017, the balance decreased to nil from US\$6.8 million at 31 December 2016 due to the deconsolidation of Rinjani's mining properties for the reasons noted in item 8.b above.

### **8.2.5 Trade and other receivables (current and non-current)**

Following the deconsolidation of Rinjani for the reasons noted in item 8.b, Rinjani's previously eliminated intercompany receivables have been recognized in the balance sheet of the Group at 30 September 2017. Following the decision of the Commercial Court Jakarta on 9 October 2017, that Rinjani enter bankruptcy with immediate effect (see item 10.a below) an allowance for doubtful account receivables of US\$19.6 million (being US\$18.8 million for the account receivables of the Company, Energy Prima and Pilar Mas and US\$0.8 million for the account receivables of EIR) has been made. This allowance will be reviewed at 31 December 2017 and may be revised based on the Company's assessment of the collectability of the account receivables at that time.

Trade and other receivables (current and non current) decreased by US\$9.4 million to US\$4.7 million as at 30 September 2017 from US\$14.1 million as at 31 December 2016 due to the net effect of (i) the allowance for doubtful account receivables from Rinjani of US\$19.6 million, (ii) the deconsolidation of Rinjani's receivables from third parties which were previously recorded in the Group's balance sheet, partially offset by (iii) the recognition of the previously eliminated intercompany receivables from Rinjani.

### **8.2.6 Deferred tax assets**

A deferred tax asset is an item that may be used to reduce future tax payable. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. The decrease in the deferred tax assets balance to nil as at 30 September 2017 from US\$1.9 million as at 31 December 2016 was due to the deconsolidation of Rinjani's deferred tax asset for the reasons noted in item 8.b above and the uncertainty that EIR will generate sufficient future taxable profit to utilize its deferred tax asset.

### **8.2.7 Inventories**

Inventories include coal on hand, fuel and spare parts and are stated at the lower of cost and net realisable value. Inventories decreased by US\$0.1 million to US\$0.1 million as at 30 September 2017 from US\$0.2 million as at 31 December 2016, due to the deconsolidation of Rinjani's inventories for the reasons noted in item 8.b above.

## 8.2.8 Cash and cash equivalents

	Group	
	3 months ended	9 months ended
	30 Sept 17	30 Sept 17
	US\$'000	US\$'000
Cash and cash equivalents at beginning of period	2,556	2,299
Cash flows used in operating activities	(1,143)	(407)
Cash flows used in investing activities	(708)	(889)
Cash flows used in financing activities	(151)	(449)
Net decrease in cash and cash equivalents	(2,002)	(1,745)
Cash and cash equivalents at 30 September 2017	<b>554</b>	<b>554</b>

### Cash flows from operating activities

Cash flows generated from operating activities before working capital changes amounted to US\$2.1 million for 9MFY2017 and used in operating activities before working capital changes amounted to US\$2.1 million for 3QFY2017. For 3QFY2017, cash flows before working capital changes resulted from a loss before tax of US\$11.4 million, gain on deconsolidation of US\$19.0 million and interest income of US\$0.9 million, offset by impairment of investment in subsidiary amounting to US\$9.1 million, allowance for doubtful account receivables of US\$19.6 million and loss on disposal of PP&E of US\$0.4 million. After working capital changes, cash flows improved marginally by US\$0.1 million.

For 9MFY2017, cash flows before changes in working capital resulted from a loss before tax of US\$10.6 million, gain on deconsolidation of US\$19.0 million and interest income of US\$0.9 million, offset by, impairment of investment in subsidiary amounting to US\$9.1 million, allowance for doubtful account receivables of US\$19.6 million, depreciation of PP&E of US\$1.6 million, amortisation of mining properties of US\$1.1 million, loss on disposal of PP&E of US\$0.4 million and interest expense of US\$0.7 million. After working capital changes, cash flows decreased by US\$3.4 million.

### Cash flows from investing activities

Net cash flows used in investing activities of US\$0.9 million and US\$0.7 million for 9MFY2017 and 3QFY2017 respectively were from the deconsolidation of Rinjani for the reasons noted in item 8.b above, offset with proceeds from sale of EIR's coal hauling trucks during the financial period.

### Cash flows from financing activities

Net cash flows used in financing activities of US\$0.4 million and US\$0.2 million for 9MFY2017 and 3QFY2017 respectively were from the repayment of finance leases.

## 8.2.9 Currency translation reserve

The currency translation reserve represents the balance of translation from the Company's functional currency (in SGD) to the Group's presentation currency (in USD) as at 30 September 2017.

## 8.2.10 Non-controlling interests

The negative balance for non-controlling interests decreased due to the deconsolidation of Rinjani for the reasons noted in item 8.b above and the adjustment of the related non-controlling interests.

## 8.2.11 Trade and other payables (current and non-current)

Trade and other payables comprise, amounts due to vendors, related parties, directors and shareholder as well as accruals.

Trade and other payables (current and non current) decreased by US\$32.1 million to US\$0.8 million as at 30 September 2017 from US\$32.9 million as at 31 December 2016 mainly due to the deconsolidation of Rinjani's trade and other payables for the reasons noted in item 8.b above.

#### **8.2.12 Post-employment benefits**

Post-employment benefits decreased from US\$1.2 million as at 31 December 2016 to nil as at 30 September 2017 due to the deconsolidation of Rinjani's post-employment benefits for the reasons noted in item 8.b above and full settlement of EIR's post-employment benefits during 9MFY2017.

#### **8.2.13 Finance lease liabilities (current and non-current)**

Finance lease liabilities represent the outstanding obligation for the lease of light vehicles and motor vehicles of Rinjani and hire purchase of coal hauling trucks by EIR. Finance lease liabilities (both current and non-current) decreased by US\$0.7 million to US\$0.1 million as at 30 September 2017 from US\$0.8 million as at 31 December 2016 due to deconsolidation of Rinjani's finance lease liabilities for the reasons noted in item 8.b and lease payments during 9MFY2017 of EIR.

#### **8.2.14 Provisions**

The Group had previously provided for mine reclamation as well as rehabilitation and asset retirement obligations (mine closure costs). The decrease in provisions from US\$1.5 million as at 31 December 2016 to nil as at 30 September 2017 was due to the deconsolidation of Rinjani's provisions for the reasons noted in item 8.b.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed to shareholders.

#### **10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Factors and events that are relevant to the Group in the next 12 months include:

##### **a. Rinjani bankruptcy proceedings**

Following the decision of the Commercial Court Jakarta on 9 October 2017, a formal announcement of the bankruptcy decision was made by the curators in two Indonesian newspapers. The announcement included details of the relevant forthcoming events under the bankruptcy process, including:

- 9 November 2017: Deadline for filing creditors' invoices at Commercial Court Jakarta
- 23 November 2017: Creditor verification meeting at Commercial Court Jakarta

In accordance with the bankruptcy process, the Group has lodged all required paperwork in compliance with a creditor re-verification process and the lodgment deadline of 9 November 2017.

##### **b. Court and Arbitration Proceedings – Singapore**

Further to the decision of the Commercial Court Jakarta which ruled that Rinjani will enter bankruptcy with effect from 9 October 2017, the Company and its Board has no authority to administer or represent Rinjani. As such, in respect of the ongoing court proceedings against Rinjani for (i) payment of approximately S\$16.1 million and (ii) the application to join Rinjani as a party (in addition to Mr Agus Sugiono) to the arbitration proceedings to claim for payment of approximately S\$8.5, with effect from 9 October 2017, all court and arbitration matters and decisions will be handled by the curators appointed by the Commercial Court Jakarta.

- c. Group's future direction  
As previously announced, EIR recommenced coal hauling operations in October 2017, prior to the contracted start date of 1 November 2017, under a coal hauling service agreement with PT Coalindo Adhi Nusantara. The Group is looking to grow EIR's operations to a profitable and sustainable level and continues to assess opportunities in this area. The results of EIR's recommenced coal hauling operations will be disclosed as continuing operations in the next results announcement.

Other areas that are currently under consideration by the Company include:

- Potential fund-raising activities;
- Potential acquisition(s) of assets, including coal mining operations;
- Further cost reduction measures in areas of office rental, service agreements and manpower to ensure costs are aligned with the immediate requirements of the Group

- d. Long-term sustainability and resumption of trading  
Notwithstanding the preparation of the Company's financial statements on a going concern basis for accounting purposes (as explained on page 1 of this announcement), the long-term sustainability of the Group and the ability of the Company's shares to resume trading remain dependent on the development and implementation of a sustainable business model, pursuant to Rule 1304 of the Catalyst Rules.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period/year reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

No.

Any dividend declared for the corresponding period/year of the immediately preceding financial year?

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared or recommended for 9MFY2017.

**13. Interested Person Transactions**

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalyst of the SGX-ST (the "Catalist Rules").

There were no interested person transactions of S\$100,000 or more entered into by the Group during 9MFY2017.

**14. Use of Funds**

In accordance with the use of proceeds as stated in the Company's offer document dated 30 September 2014 ("Offer Document"), the net proceeds ("Net Proceeds") have been utilised as follows:

<b>Purpose</b>	<b>Allocation of proceeds to each purpose as announced on 24 November 2014 (S\$'000)</b>	<b>Proceeds utilised at the date of this announcement (S\$'000)</b>	<b>Balance (S\$'000)</b>
Carrying Out Civil Works	500	500	-
Upgrading Coal Mining Facilities	900	862	38
Partial repayment of existing debt to CK	10,000	10,000	-
General Working Capital	1,961	1,961	-
Outstanding Expense <sup>(1)</sup>	2,658	2,658	-
Underwriting and placement commission <sup>(1)</sup>	581	581	-
<b>Total</b>	<b>16,600</b>	<b>16,562</b>	<b>38</b>

Note:

(1) Excluding applicable goods and service tax

(2) General Working Capital consists mainly of operating expenses of the Group

The utilisation of the Net Proceeds is consistent with the intended uses as stated in the Offer Document.

### Additional Information Required for Mineral, Oil and Gas Companies

#### 15. Rule 705(6)(a) of the Catalist Rules

##### 1) Use of funds/cash for the quarter ended 30 September 2017:

The forecast use of funds for exploration, evaluation and development activities for the quarter ended 30 September 2017 was nil as noted in the results announcement for the second quarter and half year ended 30 June 2017 which was announced on 14 August 2017. The actual use of funds for the quarter ended 30 September 2017 was also nil.

##### 2) Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:

Nil, due to the loss of control over Rinjani as noted in the Introduction.

#### 16. Rule 705(6)(b) of the Catalist Rules

Refer to item 20 below.

#### 17. Rule 705(7)(a) of the Catalist Rules

**Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.**

Not applicable due to the loss of control with effect from 24 August 2017 and deconsolidation of Rinjani, which holds all mining rights of the Group.

#### 18. Rule 705(7)(b) of the Catalist Rules

**An update on its reserves and resources, where applicable, in accordance with the requirements as set out in Practice Note 4C including a summary of reserves and resources as set out in Appendix 7D.**

Not applicable due to the loss of control with effect from 24 August 2017 and deconsolidation of Rinjani, which holds all mining rights of the Group.

**19. Confirmation by the Company pursuant to Rule 720(1) of the Catalyst Rules**

The Company confirms that it has procured all the required undertakings (in the format set out in Appendix 7H of the Catalyst Rules) from all its Directors and Executive Officers pursuant to Rule 720(1) of the Catalyst Rules.

**20. Confirmation by the Board of Directors pursuant to Rule 705(5) and Rule 705(6)(b) of the Catalyst Rules**

We, Agus Sugiono and Gabriel Giovanni Sugiono, being Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company (the "**Board**"), that, to the best of our knowledge, nothing has come to the attention of the Board which may render:

- the interim financial statements, and
- the additional information provided for mineral, oil and gas companies
- to be false or misleading in any material aspect.

On behalf of the Board

Agus Sugiono  
Executive Chairman and Chief Executive Officer

Gabriel Giovanni Sugiono  
Director

15 December 2017