RESOURCES PRIMA GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198602949M)

UPDATE PURSUANT TO RULE 704(22) OF THE CATALIST RULES

*Unless otherwise defined herein, capitalised terms have the same meanings as defined in the Company's announcements dated, inter alia, 13 September 2018, 31 October 2018, 12 November 2018, 14 November 2018, 30 November 2018, 31 December 2018, 7 February 2019, 1 March 2019, 18 April 2019, 16 May 2019, 28 June 2019, 13 August 2019, 21 October 2019, 14 November 2019, 23 December 2019, 20 January 2020, 28 February 2020, 27 March 2020, 20 April 2020,15 May 2020, 25 June 2020, 31 July 2020, 14 August 2020, 30 September 2020, 30 October 2020, 20 November 2020, 31 December 2020, 30 January 2021, 1 March 2021, 2 April 2021, 3 May 2021, 14 May 2021, 28 June 2021, 31 July 2021, 13 August 2021 and 30 September 2021 (collectively, the "**Previous Announcements**").*

The board of directors (the "**Board**" or "**Directors**") of Resources Prima Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), refers to the Previous Announcements and wishes to provide the following update pursuant to Catalist Rule 704(22).

A. Group's future direction and other material developments that may have a significant impact on the Group's financial situation

1. Termination of Operations: PT Energy Indonesia Resources ("**EIR**")

The Company had on 15 May 2019, announced that it received a letter of termination ("**Termination Letter**") from PT Coalindo Adhi Nusantara ("**CAN**") terminating the coal hauling service agreement.

i. Follow up on dispute on coal hauling service agreement between EIR and CAN

The outstanding receivables due from CAN for work done prior to termination of the Contract (as defined below) was US$85,000 as at the date of this announcement, unchanged from the Company's announcement dated 14 August 2020.

Under the coal hauling contract with CAN ("**Contract**"), the monthly shortfalls of coal hauled arising from CAN's failure to provide a minimum of 100,000 tonnes per month to EIR ("**Shortfall**") for the period from November 2017 to May 2019 is estimated at some US$2.7 million. In addition, claim for damages due to breach of Contract by CAN for early termination of the Contract, as set out in the Company announcement dated 15 May 2019, is estimated at US$460,000. In total, EIR can claim about US$3.16 million from CAN.

ii. Advice from Indonesian legal counsel

As advised by its Indonesian legal counsel, EIR has taken various actions to protect and enforce its rights under the Contract, including, *inter alia*, sending sets of notification letters in accordance to Indonesian Laws prior to any legal proceedings

and is contemplating the issuance of letter of demand and as well as commencing legal action against CAN.

The Company will continue to update shareholders via SGXNet in respect of the above and other matters concerning the Group through its monthly update pursuant to Catalist Rule 704(22).

2. Ongoing Operations: RPG Logistics Pte Ltd's ("**RPG Logistics**") Joint Operation Agreement ("**JOA**") with PT Prima Dharma Karsa ("**PT Prima**")

There have been no material developments in respect of the PT Prima JOA since the Company's announcement dated 21 February 2020 relating to the supplemental agreement entered into between the 2 parties.

The Company will continue to update shareholders via SGXNet in respect of the above matters on any material development in the Company's monthly update pursuant to Catalist Rule 704(22).

3. Cashflow analysis and resumption of trading

i. As a result of the Rinjani situation (including without limitation the loss of control of Rinjani), the Group has been operating under severe cashflow constraints as there was no operating cashflow for the period from July to October 2017. The severe underperformance of the coal hauling agreement with CAN as set out above added more uncertainty to the cashflows that can be generated by the Group. The Company also announced on 28 June 2017 that the Board was of the view that the Company was unable to demonstrate its ability to continue as a going concern or reasonably assess its financial position. As such the Board recommended that in the best interests of the Company, the trading halt of the Company's shares be converted to a trading suspension of the shares with immediate effect. Since 29 June 2017, the Board and Management have been concurrently working towards submitting a trading resumption proposal to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on or before 28 June 2018.

Subsequently, the SGX-ST has granted the Company the following extensions of time to submit its resumption proposal:

- On 5 July 2018, the Company announced that the SGX-ST has granted the Company a 3-month extension till 28 September 2018;
- On 12 November 2018, the Company announced that the SGX-ST has granted a further 6-month extension to 28 March 2019;
- On 29 April 2019, the Company announced that SGX-ST has granted the Company a further 6-month extension till 28 September 2019;
- On 18 October 2019, the Company announced that SGX-ST has granted the Company a further 6-month extension till 28 March 2020;
- On 17 April 2020, the Company announced that SGX-ST has granted the Company a further 6-month extension till 28 September 2020; and
- On 31 December 2020, the Company announced that SGX-ST has granted the Company a further extension till 16 August 2021.

The Company on 13 August 2021, through its Sponsor, submitted a further 7.5-month extension of time to the SGX-ST to submit its resumption of trading proposal by 31 March 2022. Please refer to the Company's announcement dated 13 August 2021 for more details.

ii. Having regard of the deadline imposed by the SGX-ST, the Company announced on 6 August 2018, the entry of an investment agreement with Mr Ang Liang Kim ("**Mr**

Ang") ("**Ang Investment Agreement**"), a substantial shareholder of the Company. Mr Ang has, pursuant to the Ang Investment Agreement, committed not less than S$4 million of investment in the Company by way of a convertible loan (of up to S$2 million) and a rights issue. These funds are for the purpose of general working capital and where necessary, capital expenditures (including but not limited to potential business opportunities).

The first drawdown of funds notice under the convertible loan of S$250,000 was issued on 10 December 2018 with funds amounting to S$246,496 being subsequently received by the Company in January 2019 for working capital purposes in compliance with the terms of the Ang Investment Agreement.

The second drawdown of funds notice was issued on 23 May 2019 and subsequently funds amounting to S$248,464, S$200,000, S$34,600, S$98,017 and S$74,998 were received in May 2019, July 2019, August 2019, October 2019 and November 2019 respectively for working capital purposes. In view that the two independent directors have not received any fees since their appointment in December 2017, Mr Ang has agreed to the drawdown of S$200,000 (included in the second drawdown of funds notice) for the payment of the independent directors' fees until 31 December 2018 amounting to S$199,689.

The third drawdown of funds notice was issued on 10 January 2020 for funds amounting to S$97,426 for working capital purposes. The full amount of funds in the third drawdown notice was subsequently received by the Company on 12 February 2020.

In summary, as at the date of this announcement, a total of approximately S$1 million has been drawn down under the Ang Investment Agreement.

The Company will be holding a general meeting to seek shareholders' approval for the issuance of shares pertaining to the convertible loan and the rights issue, as the case may be, in due course.

Please refer to the Company's announcement dated 6 August 2018 for details on the Ang Investment Agreement.

iii. On 31 March 2019, the Company announced that it has entered into an investment agreement with Mr Perman Yadi ("**Mr Yadi**") ("**Yadi Investment Agreement**"). Pursuant to the Yadi Investment Agreement, Mr Yadi will grant the Company a convertible loan with a principal of US$2 million. The purposes of the convertible loan are extended to the Company for, *inter alia*, business operations and projects undertaken by the Company with Mr Yadi's express approval.

The PT Prima JOA is the first project approved by Mr Yadi. As at the date of this announcement, approximately US$1.26 million has been drawn down under the Yadi Investment Agreement. The amount drawn down has been mainly used for, including but not limited to the rental of barge for transportation of nickel to a loading port, rental of mining equipment such as excavators/dozers and labour for the mining operations in respect of the services provided under the PT Prima JOA. This amount is fully recoverable from PT Prima.

The Company will be holding a general meeting to seek shareholders' approval for the issuance of shares pertaining to the convertible loan, as the case may be, in due course.

Please refer to the Company's announcement dated 31 March 2019 for details on the Yadi Investment Agreement.

iv. Following the ongoing efforts in seeking the injection of a sustainable business, the Company had, on 27 September 2019, announced the entry into a sales and purchase agreement to acquire 100% of Kitty Hawk Natural Resources Pte Ltd ("**Target**") (a holding company incorporated in Singapore) ("**Proposed Acquisition**") which operates a coal mine in Indonesia through the Target's 95%-owned subsidiary, PT Rizky Barito Timur ("**Target Subsidiary**"), from Trilax Multi Investments Ltd and Anant Finance Corporation (collectively, the "**Vendors**").

While the Company had, in its earlier announcement dated 2 April 2021 mentioned that the Target was initially advised that the updated and extended IUP License was expected to be reflected on the central system by 9 April 2021 and the Divestment Letter by first week of April 2021, the Company was informed by the Target on 9 April 2021 that the Corruption Eradication Commission of the Republic of Indonesia (Komisi Pemberantasan Korupsi Republik Indonesia or "**KPK**") launched an anti-corruption practices investigation within the ESDM subsequent to the Audit Board of Republic of Indonesia's (Badan Pemeriksa Keuangan Republik Indonesia or "**BPK**") submission of an audit report on mining permit issuance practices by ESDM. In view of the investigation, the Company was informed that the public release of all IUP permit approvals had to be put on hold temporarily until investigations are completed, including the Target Subsidiary's updated and extended IUP License. The Divestment Letter will be issued subsequent to the public release of the IUP License.

Based on the update received from the Target on 24 June 2021, the Target informed that public releases of IUP Licenses to local concession owners in the central system of the Central Government Ministries in Jakarta commenced on 14 June 2021. IUP Licenses to concession owners which are substantially foreign-owned, which the Target Subsidiary's IUP License falls under, has not been released to date. On 8 July 2021, the Target informed the Company that due to the worsening Covid-19 health crisis in the country, the Indonesian government had issued a blanket stoppage of works at all public and private sectors, including government ministries since 3 July 2021. Under these circumstances, the Target has been advised that the official release of its updated and extended IUP License can only take place once the current lockdown period ends and when the state of medical emergency in Indonesia subsides.

While the Covid-19 restriction measures in Indonesia has since been lifted and the government agencies activities have resumed in October 2021, the Target has yet to obtain the IUP License update and extension largely due to administrative delays on the part of the government agency in charge. The Target informed the Company that the release of their IUP is imminent and the receipt of the IUP license for the Target Subsidiary will be the first in 18 months since the IUP authorization was centralized to Jakarta from the local provincial government. Barring any unforeseen circumstances, the Target expects the IUP License to be released in November 2021.

The Target has reiterated to the Company that it had fulfilled all requirements of the KPK's verification process of all of ESDM's IUP licenses including but not limited to other related governmental approvals, submission of relevant project documents and reports, responses to queries and meetings by the various ministries and government agencies. The Target has assured that it will continue to work tirelessly with local authorities to ensure the imminent official release of its renewed and extended IUP License despite the delay resulting from slow coordination between the relevant ministries which is further hampered by the worsening Covid-19 situation in Indonesia.

The Company has been advised by the Target that they have been continuously engaging the reporting accountants (Baker Tilly) on the financial due diligence ("**FDD**") process. The Target is in the midst of consolidating information requested by the reporting accountants which pre-dates 2014 and has recently appointed PT Cekindo Business International, a consulting company in Indonesia as additional resources to assist with the consolidation of information and resolving the outstanding matters raised by the reporting accountants. Save as disclosed, the status of the FDD remains unchanged from the Company's announcement dated 30 September 2021.

The Target has also advised that they commenced the internal audit process with the outsourced internal auditors on the week of 5 April 2021. The Target is in the midst of providing management comments to findings by the internal auditors (BDO Advisory). The Target's management provided preliminary comments in mid-July 2021 and are currently working on remediation plans to address the findings raised by the internal auditors.

As a result of the above, the commercial and financial due diligence in respect of the Proposed Acquisition which was slated to be completed by end June 2021 is still underway. Barring any unforeseen circumstances, the Company expects the commercial, financial, technical, legal due diligence and audit of the Target Group to be completed by February 2022.

The Covid-19 situation, which was simply unexpected, and its development over the past one year, has significantly delayed the workflow and processes of the various professionals as well as the resolution of these issues. The various measures taken by the governments from the various countries including but not limited to the Singapore government as well as the government agencies in Indonesia such as travel restrictions and work from home measures have greatly hindered the progress of the Proposed Acquisition since early March 2020. Despite the vaccination programme implemented by various countries, the Covid-19 pandemic continues to evolves with the discovery of new variants to the virus. As countries including Singapore and Indonesia continue to battle to control and manage the pandemic, new measures may be implemented for such purposes. Accordingly, the Covid-19 pandemic is expected to continue to significantly affect the progress of the Proposed Acquisition.

The Company will continue to update shareholders via SGXNet when there is any major development on the Proposed Acquisition. Please refer to the Company's announcement dated 27 September 2019 for details on the Proposed Acquisition.

v. On 27 September 2019, the Company announced that it has entered into an investment agreement with Mr Chaw Chong Foo ("**Mr Chaw**") ("**Chaw Investment Agreement**"). Pursuant to the Chaw Investment Agreement, Mr Chaw will grant the Company a convertible loan with a principal amount of S$1.35 million, the amount of which may be increased by mutual agreement between Mr Chaw and the Company. The convertible loan is extended to the Company for, *inter alia*, costs and expenses in relation to the Proposed Acquisition with the Target. Mr Chaw may also extend an additional loan amount in excess of S$1.35 million to accommodate any working capital requirements set out in the Catalist Rules.

As at the date of this announcement, approximately S$872,000 have been received pursuant to the Chaw Investment Agreement and paid mainly to the various professionals. The Company received S$230,000 on 9 December 2019 for the payment of professional fees pursuant to a first drawdown notice. As set out in the announcement dated 1 March 2021, the Company was in the midst of reconciling the amounts received against the drawdown notices. Pursuant to this exercise, approximately S$256,000 has been approved and disbursed by Mr Chaw pursuant to

the second drawdown notice issued on 13 March 2020 for an amount of S$655,000. Further a third drawdown notice was issued to Mr Chaw on 4 March 2021 for the remaining amounts received of approximately S$386,000.

Please refer to the Company's announcement dated 27 September 2019 for details on the Chaw Investment Agreement.

B. Bankruptcy proceedings – PT Rinjani Kartanegara ("Rinjani")

There have been no further updates since the Company's announcement dated 13 August 2019 except that the Company has continued to write directly and/or through its counsel to the curators in respect of the development and sought information on, *inter alia*, the selection criteria for coal contractors, terms with the selected coal contractor, repayment arrangement between Rinjani and the coal contractor, the progress of mining operations, the expected/forecast profitability by the appointed mine contractor and the repayment and distribution arrangement to the creditors of Rinjani, to protect its rights as a creditor of Rinjani in accordance to Indonesian Bankruptcy Law.

The Company will continue to update shareholders via SGXNet in respect of the above matters on any material development in the Company's monthly update pursuant to Catalist Rule 704(22).

C. State of negotiations between the Company and its principal bankers or trustee

The Company currently has no credit lines or facilities with its bankers or trustee.

D. Litigation

The Company refers to its announcement dated 9 February 2018 and advises that the Group's subsidiary, PT Pilar Mas Utama Perkasa ("**Pilar Mas**"), received a notice dated 24 January 2018 from the State Court of West Jakarta, Indonesia (the "**Notice**") in relation to a statement of claim filed by a former shareholder of PT Rinjani Kartanegara ("**Rinjani**"), being Ruznie Oms., S.H. M.Hum ("**Ruznie**"). The statement of claim is filed against, Pilar Mas, Agus Sugiono, the Group's Executive Chairman and Chief Executive Officer ("**Defendant II**"), Rinjani ("**Defendant III**"), Nordiansyah Nasrie, the Group's Chief Operating Officer ("**Defendant IV**") and other third parties (collectively, the "**Defendants**").

The statement of claim against the Defendants, claims, *inter alia*, losses arising from events and transactions pertaining to the sale and purchase of Rinjani's shares from its original shareholders prior to the reverse takeover back in 2014, one of which being Ruznie. The amount being claimed of Rp665 billion (approximately US$50 million), represents, amongst others, Ruznie's loss of rights from the sale of Rinjani's shares and loss of opportunity to profit from the sale of Rinjani coal.

Following a decision of the West Jakarta District Court to exclude Rinjani from the mediation process due to its bankruptcy and unwillingness to participate, the mediation process recommenced with the first mediation hearing on 3 July 2018. The mediation hearing was before a panel of 3 judges and included Ruznie, Pilar Mas, and Defendants II and IV amongst others.

At the 3 July 2018 mediation hearing, no agreement was reached between the parties and as such an initial hearing was set for 10 July 2018 during which Pilar Mas and Defendants II and IV submitted their response to Ruznie's statement of claim. Following a number of hearings, the latest of which was held on 11 December 2018 the panel of judges decided in favour of Pilar Mas and Defendants II and IV. The formal decision of the Court has been received and Ruznie has appealed against the decision to the higher court. No further

actions are required by Pilar Mas, and Defendants II and IV while the higher court considers Ruznie's appeal. The Company will continue to defend its position and does not expect to incur any costs arising from the appeal process.

Other than as set out above, the Company has not been or is not a party in any other legal proceedings.

As previously announced, with effect from 9 October 2017, all litigation matters and decisions with respect to the legal proceedings against Rinjani will be handled by the curators appointed by the Commercial Court Jakarta.

E. Letter of demand

The Company had on 27 May 2020 received a letter of demand ("**Letter**") from Deloitte & Touche Enterprise Risk Services Pte Ltd ("**Deloitte**") through their solicitors, Tito Isaac & Co LLP ("**Tito**") requesting for a sum of S$31,800 ("**Outstanding Amount**") relating to an invoice that was raised on 15 May 2018 for internal audit professional services rendered by Deloitte for the financial year ended 31 December 2016.

The Letter stated that if the above Outstanding Amount is not paid by 3 June 2020, 4.00 p.m., Tito has been instructed by Deloitte to commence formal proceedings against the Company to recover all amounts due to them, in which event the Company may be liable for further interest and legal costs.

The Company has on 2 June 2020 reached out to Deloitte, through Tito to confirm the facts surrounding the claim. On 7 September 2020, the Management received an email from Deloitte attaching relevant documents supporting their claim. The Management is in ongoing discussion with Deloitte regarding the claim.

The Company will continue to update shareholders via SGXNet when there are material developments on this matter.

F. Board and board committee changes

Further to the changes and appointments to the Company's Board and Board Committees noted in the Company's announcement dated 11 May 2018, the Company will still be unable to meet the minimum number of members under Catalist Rule 704(7) in respect of the Audit and Risk Management Committee ("**ARMC**").

Although the Company endeavoured to fill the vacant position within the 3 months from 13 February 2018, the Company makes reference to the announcement dated 6 April 2018, wherein it advised that due to the Group's financial position, the independent directors, the executive chairman cum chief executive officer, the executive director, the chief operating officer and the former chief financial officer have all agreed not to take any fees or remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation then. Hence, it would be challenging for the Group to attract suitable candidates and an appointment of an additional independent director could potentially stretch the Group's financial resources.

Having regard to the above the Company refers to its announcements dated:

- 1 June 2018 wherein it was announced that SGX-ST had no objection to granting a 3-month extension till 10 August 2018 to appoint the additional (third) committee member of the ARMC;
- 27 August 2018 wherein it was announced that based on the information provided by the Company, the SGX-ST has no objection to granting the Company a further 1.5-month extension, till 28 September 2018, to fill the vacancy in the ARMC;

- 12 November 2018 wherein it was announced that the SGX-ST has no objection to granting a 6-month extension till 28 March 2019 to fill the vacancy in the ARMC;
- 29 April 2019 wherein it was announced that the SGX-ST has no objection to granting a further 6-month extension to till 28 September 2019 to fill the vacancy in the ARMC;
- 18 October 2019 wherein it was announced that SGX-ST has no objection to granting a further 6-month extension till 28 March 2020 for the Company to fill the vacancy in its ARMC;
- 17 April 2020 wherein it was announced that SGX-ST has no objection to granting a further 6-month extension till 28 September 2020 for the Company to fill the vacancy in its ARMC; and
- 31 December 2020 wherein it was announced that SGX-ST has no objection to granting a further extension till 16 August 2021 for the Company to fill the vacancy in its ARMC.

The Company had, on 13 August 2021, through its Sponsor, submitted a further 7.5-month extension of time to SGX-ST to 31 March 2022 to fill the vacancy in the ARMC. Please refer to the Company's announcement dated 13 August 2021 for more details.

The Company will continue to update shareholders via SGXNet when there are material developments in respect of any matters concerning the Group pursuant to Catalist Rule 704(7).

G. Trading resumption

Please refer to item (A) above for details.

The Company will continue to update shareholders via SGXNet when there are material developments in respect of any matters concerning the Group pursuant to Catalist Rule 704(22).

The Board is of the opinion that all material disclosures have been provided by the Company.

BY ORDER OF THE BOARD

Agus Sugiono
Executive Chairman cum CEO
29 October 2021

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST 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.*

The contact person for the Sponsor is Ms Lee Khai Yinn, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.
