

WILTON

WILTON RESOURCES CORPORATION LIMITED

SUSTAINABILITY REPORT 2018



Contents

Board Statement	02
About Wilton Resources Corporation Limited	03
About this Report	05
Engaging our Stakeholders	06
Focusing on What Matters Most	08
Governance and Ethics	10
Land Management	12
Employee Demographics	13
Occupational Health and Safety	15
Empowering Local Communities	16
GRI Content Index	18

This Sustainability Report has been prepared by Wilton Resources Corporation Limited (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this Sustainability Report.

This Sustainability Report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Sustainability Report, including the correctness of any of the statements or opinions made or reports contained in this Sustainability Report.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

Board Statement

“

The Board recognises that good governance is essential for continued growth and investors' confidence, and that all businesses have to manage their own operations responsibly.

”

On behalf of the Board of Directors (the “Board”) of Wilton Resources Corporation Limited (“Wilton” or the “Company”, and together with its subsidiaries, the “Group”), we are pleased to present our inaugural Sustainability Report for the financial year ended 30 June 2018 (“FY2018”). We recognise that the long-term success of our business is intimately linked to the well-being of the communities we operate in. As such, we seek to carry out our operations in a socially responsible manner and create sustainable value for our stakeholders. This report communicates and reinforces this commitment to all our stakeholders.

Under the guidance from the Board, the management has identified key Environmental, Social and Governance (“ESG”) matters that are of the highest importance to our stakeholders. The Board takes them into account in its strategic formulation and continues to oversee the management and monitoring of these material ESG matters. Going forward, we hope to gain the support from our stakeholders and their involvement as we progress in our sustainability journey.



About Wilton Resources Corporation Limited

Vision

- To be an accomplished gold mining company in Asia

Mission

- We are committed to providing sustainable value to our stakeholders and be socially responsible

Core Values

- **Pledge of Partnership** – We adopt a “partnership” approach to achieve a “win-win” situation in all our relationships
- **Sense of Conviction** – Our passion and sense of conviction in our business inspire us to deliver our goals

Headquartered in Jakarta, Indonesia, and listed on the Catalist Board of the Singapore Exchange, the Company is engaged in the exploration, mining and production of gold in Indonesia – a major gold producing country. The Group has a concession area of 3,078.5 hectares (“Ciemas Gold Project”) in West Java, via two production operation permits (IUP-OP).

The Ciemas Gold Project is rich in gold mineral resources. In the latest Independent Qualified Person’s Report (“IQPR”)¹, which includes the estimation of gold mineral resources and ore reserves (in accordance to JORC 2012) in the Ciemas Gold Project, it was stated that the total mineral resources has 46 tonnes of contained Gold, while the Ore reserves has 25 tonnes of contained Gold with an average grade of 7.7 g/t of Gold. This reaffirmed the high grade of gold mineral resources within the Ciemas Gold Project, as compared to other mines in Asia.

Meanwhile, significant progress has been made in FY2018 towards the startup of the Group’s 500 tonnes per day Flotation and Carbon-In-Leach mineral processing plant. Barring unforeseen circumstances, production at the plant is expected to commence by end of FY2019 (i.e. by June 2019). This will play a key role in unlocking the potential of the Ciemas Gold Project.

The Group is focused on developing the six prospects where the gold mineral resources have been quantified (in accordance to JORC 2012) in the IQPR. Where appropriate, exploration efforts will also extend to other mineralised areas within the concession blocks.

¹ IQPR dated 30 September 2018 was prepared by independent consultant, SRK Consulting (China) Ltd. (“SRK”)

About Wilton Resources Corporation Limited

Figure 1: Location of the Ciemas Gold Project



Figure 2: Land cutting and filling



Figure 4: Processing area



Figure 3: Processing carbon in leach area



Figure 5: Processing flotation area



About this Report

This inaugural Sustainability Report encapsulates our policies, practices and performance for the Environmental, Social and Governance (“ESG”) topics, which are of high importance to us and our stakeholders. The reporting period covered in this report is for FY2018, which is from 1 July 2017 to 30 June 2018, with prior year data included as comparison where applicable. This report has been prepared in accordance to the Global Reporting Initiative (“GRI”) Standards (“Core” option), as it is internationally recognised, widely adopted and universally applicable. In addition, this report includes some disclosures from the GRI Mining and Metals sector supplement, so as to provide a more robust guidance for sustainability reporting specifically for our industry.

Engaging our Stakeholders

Our mission is to provide sustainable value to all our stakeholders and be socially responsible. In line with our core value of “Pledge of Partnership”, we believe that our stakeholders play an important role in helping us to achieve this mission. To this end, we strive to build collaborative relationships with our key stakeholders.

Table 1: Wilton’s approach towards stakeholder engagement

Stakeholder group	Stakeholder’s expectations	Response to stakeholder’s expectations	Engagement platforms	Frequency of engagement
Shareholders	<ul style="list-style-type: none"> Wilton’s financial performance Accountability of ESG performance Reliable and timely information to enable informed investment decisions 	<ul style="list-style-type: none"> Formulation of strategies to enhance Wilton’s financial performance Implementation of sustainable business practices Appointment of dedicated Investor Relations team to provide information and attend to queries from shareholders 	<ul style="list-style-type: none"> Updates and announcements on SGXNet Annual reports and circulars Meetings with shareholders 	<ul style="list-style-type: none"> At least once every quarter Annual At least once a year
Employees and workers	<ul style="list-style-type: none"> Fair employment practices Occupational health and safety Training and development Employee welfare management 	<ul style="list-style-type: none"> Implementation of whistleblowing policy Development of occupational health and safety procedures, including use of personal protective equipment, safety trainings, emergency response plans, etc. Safety guidance on equipment use Provision of personal protection equipment Monitoring of health and safety performance on site Provision of employee benefits such as on-site housing, medical check-ups, etc. 	<ul style="list-style-type: none"> Internal communications through Intranet, e-mails, etc. Training programmes, including safety briefings Performance appraisals Engagement activities (e.g. break fasting with staff) 	<ul style="list-style-type: none"> Regular Periodic Annual Regular

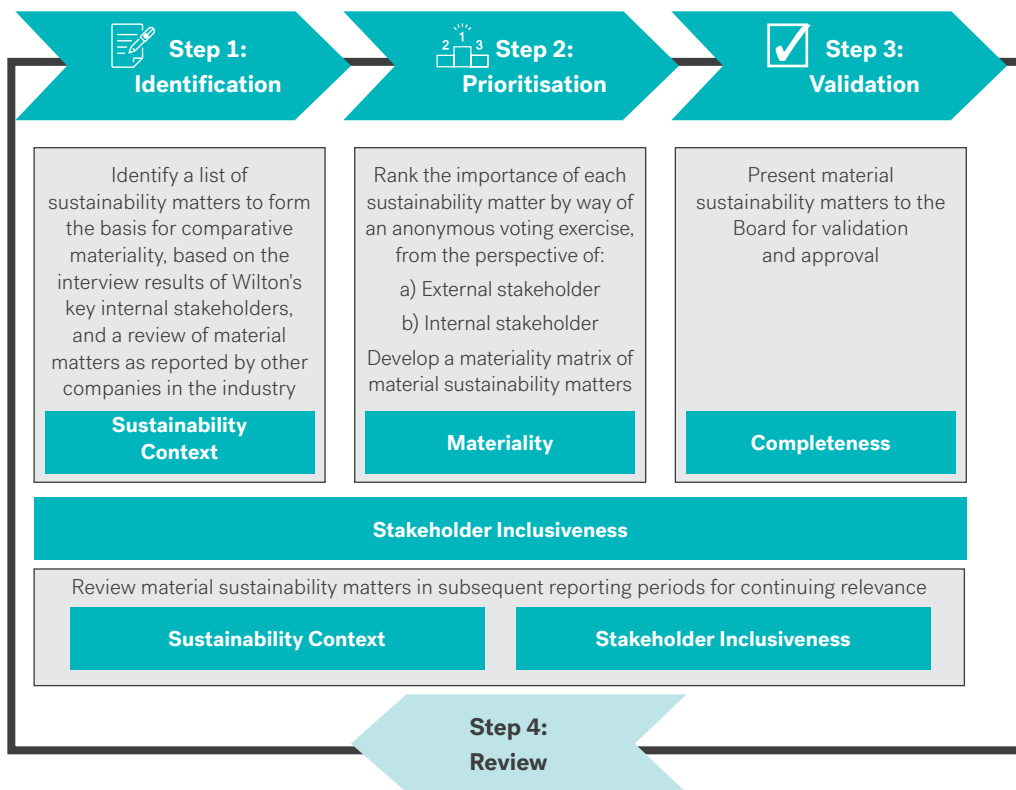
Engaging our Stakeholders

Stakeholder group	Stakeholder's expectations	Response to stakeholder's expectations	Engagement platforms	Frequency of engagement
Local communities	<ul style="list-style-type: none"> Socioeconomic development Responsible management of negative environmental and social impacts 	<ul style="list-style-type: none"> Local employment and technical skills upgrading opportunities Construction of public infrastructures Environmental protection measures to minimise pollution 	<ul style="list-style-type: none"> Meetings with local representatives Local employment Corporate Social Responsibility ("CSR") programmes 	<ul style="list-style-type: none"> Regular Regular Regular
Regulatory authorities	<ul style="list-style-type: none"> Regulatory compliance Community investment 	<ul style="list-style-type: none"> Keeping abreast of regulatory requirements and complying with them Implementation of CSR programmes and local employment opportunities 	<ul style="list-style-type: none"> Statutory reporting On-site inspections 	<ul style="list-style-type: none"> Regular Regular

Focusing on What Matters Most

In order to identify areas in which we should allocate our resources and efforts to create the most stakeholder value, we conducted our first formal materiality assessment in April 2018. Guided by external sustainability consultants, the process enabled us to determine material ESG matters of highest stakeholders’ interest. The process took into account GRI’s Principles for Defining Report Content, as detailed in Figure 5.

Figure 5: Wilton’s materiality assessment process



Through the materiality assessment process, four material ESG factors were identified. Our stakeholders identified land management (pre- and post- mining) as the most important topic, followed by empowering local communities, occupational health and safety, and regulatory compliance. Figure 6 below summaries our material ESG factors.

We plan to reassess our material ESG matters when we commence our commercial production, and we expect to disclose more material ESG matters progressively, including energy and water consumption, waste and wastewater treatment, as well as emissions, amongst others.

Focusing on What Matters Most

Figure 6: Wilton's materiality matrix

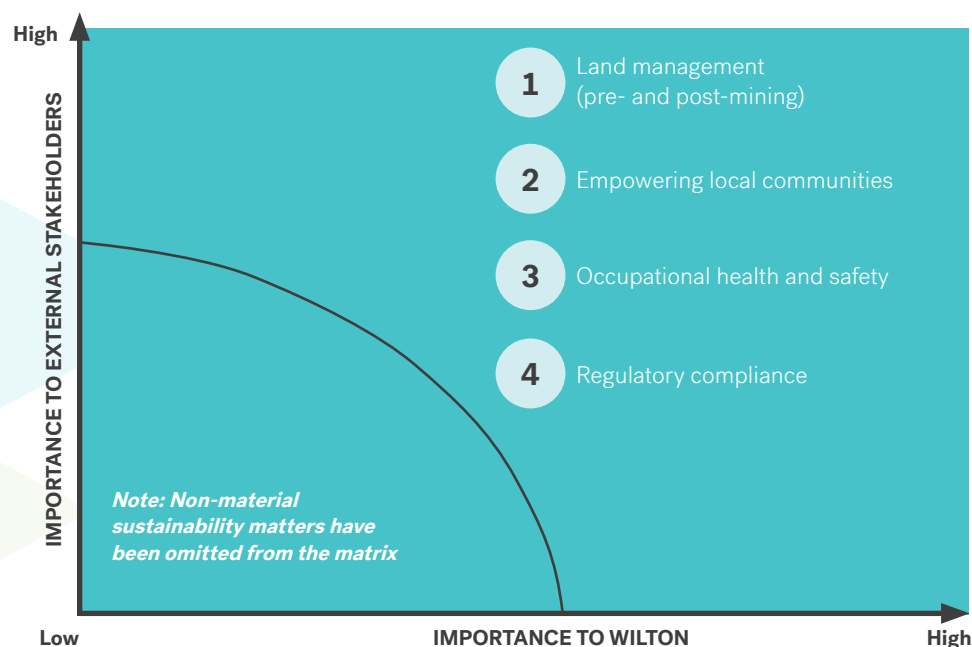


Table 2: Wilton's material ESG matters

No.	Category	Material Matters	Definition
1	Environmental	Land management	Wilton's long-term approach to restoring the mining area to a natural or economically usable state
2	Social	Empowering local communities	Creating positive contributions to communities through infrastructure investments, community programmes and services supported by Wilton, including any significant indirect economic contributions to local communities through job creation and local purchases
3	Social	Occupational health and safety	Ensuring a safe and healthy working environment for Wilton's employees and miners
4	Governance	Regulatory compliance	Wilton's continuous approach in conforming to environmental and socioeconomic laws, regulations, standards and other requirements to maintain its license to operate

The four ESG matters shown in Figure 6 and Table 2 have been identified as the matters most important to both Wilton's internal and external stakeholders through the materiality assessment process that has been detailed in Figure 6. The matters are not numbered in order of priority or importance.

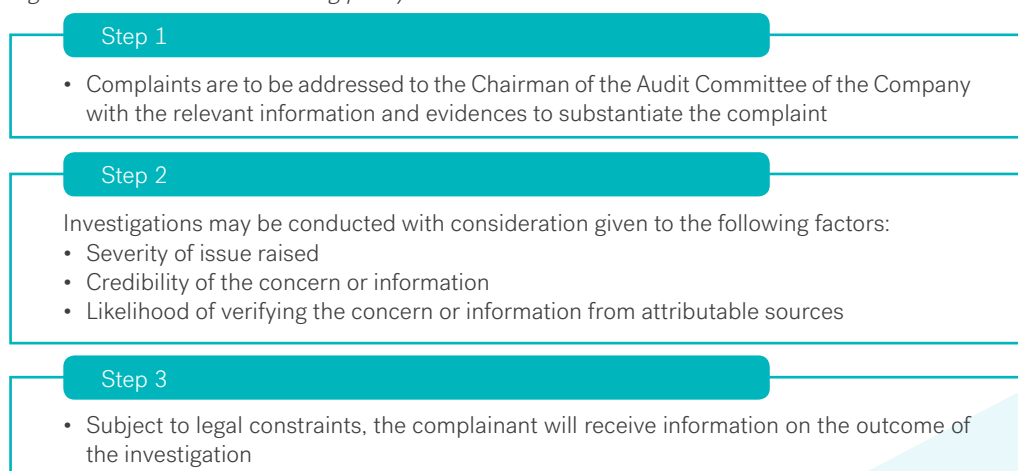
Governance and Ethics

Focus Area	TARGET	FY2018 PERFORMANCE
Regulatory compliance	Zero cases of non-compliance with laws and regulatory requirements	• Achieved

We believe that good corporate governance and ethical business conduct form the foundation of our business success. We strive to remain accountable to our stakeholders in everything that we do, while maintaining compliance to regulatory requirements at all times. The Board and the management regularly review and update our policies relating to corporate governance, including risk management and anti-corruption, to ensure their continued relevance. Please refer to our 2018 Annual Report (pages 22-40) for more details of our corporate governance policies and practices.

All our employees are expected to maintain a professional and ethical conduct in their day-to-day dealings. To that end, Wilton has implemented a whistleblowing policy on 9 May 2014, where employees can raise concerns about any possible improprieties in matters of financial reporting or other matters of which they become aware of, by directly sending their concerns in writing to the Chairman of the Audit Committee of the Company. Further information on this policy is described in figure 7 below.

Figure 7: Wilton's whistleblowing policy



Governance and Ethics

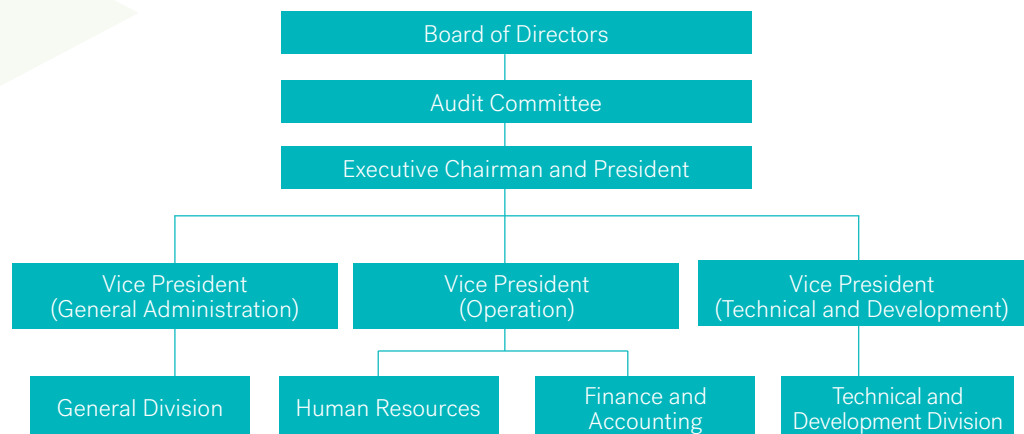
In 2013, through our subsidiaries, PT. Wilton Wahana Indonesia and PT. Liektucha Ciemas, we attained the “Clean and Clear” certification by the Directorate General of Minerals and Coal. This certification is given to companies that have fully complied with the relevant Indonesian environmental and mining laws and regulation in conducting mining operations.

As a testament to our effective corporate governance policies and practices, we were awarded the Most Transparent Company Award under the mining and quarrying category at the Securities Investors Association (Singapore) (“SIAS”) 19th Investors’ Choice Awards held in September 2018.

There were also zero reported cases of non-compliance with all laws and regulations, a record that we aim to maintain in subsequent years.

SUSTAINABILITY GOVERNANCE

Figure 8: Wilton’s sustainability governance structure



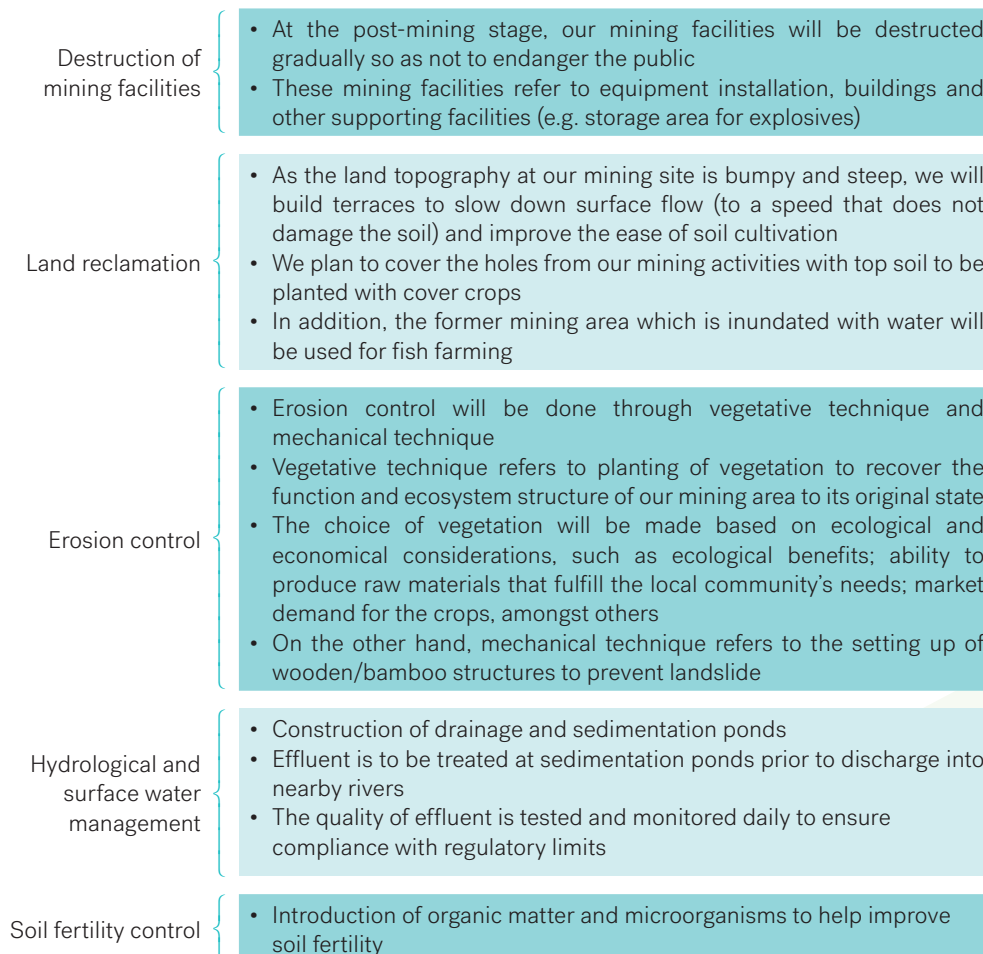
At Wilton, our sustainability approach is driven by the directives and inputs from the Board of Directors and top management. The Executive Chairman and President is involved in all decisions relating to sustainability policies and initiatives. The management and monitoring of sustainability are overseen by the Vice President (General Administration), who is assisted by the Vice President (Operations) and the Vice President (Technical and Development). Collectively, they ensure the implementation of sustainability policies and practices in respective departments. Subsequently, the information about Wilton’s sustainability progress is shared regularly with the Board for review of existing sustainability initiatives.

Land Management

Focus Area	Target	FY2018 Performance
Land reclamation	Reclaim 230 hectares (“ha”) of land area at the post-mining stage, as laid out in Wilton’s Reclamation Plan that was submitted to the Ministry of Energy and Mineral Resources (Mineral and Coal division) of Indonesia	Wilton has not reached the post-mining stage

To minimise any land disturbance that could occur from mining activities, Wilton prefers to carry out underground mining before exploring open pit mining. We aim to restore the function of any disturbed environment to its original and/or intended purposes through reclamation and rehabilitation efforts. We uphold this commitment by providing a monetary deposit for reclamation to the government and by developing a mine closure plan which contains a reclamation plan before commencing our mining activities. This reclamation plan is approved by the Ministry of Energy and Mineral Resources (Mineral and Coal division) of Indonesia and serves as a guide for our rehabilitation efforts during and after our mining activities. Through the reclamation efforts, we aim to mitigate negative impact to the environment at post-mining stage, such as acid mine drainage. Figure 9 summarises our plans for land management at the post-mining stage.

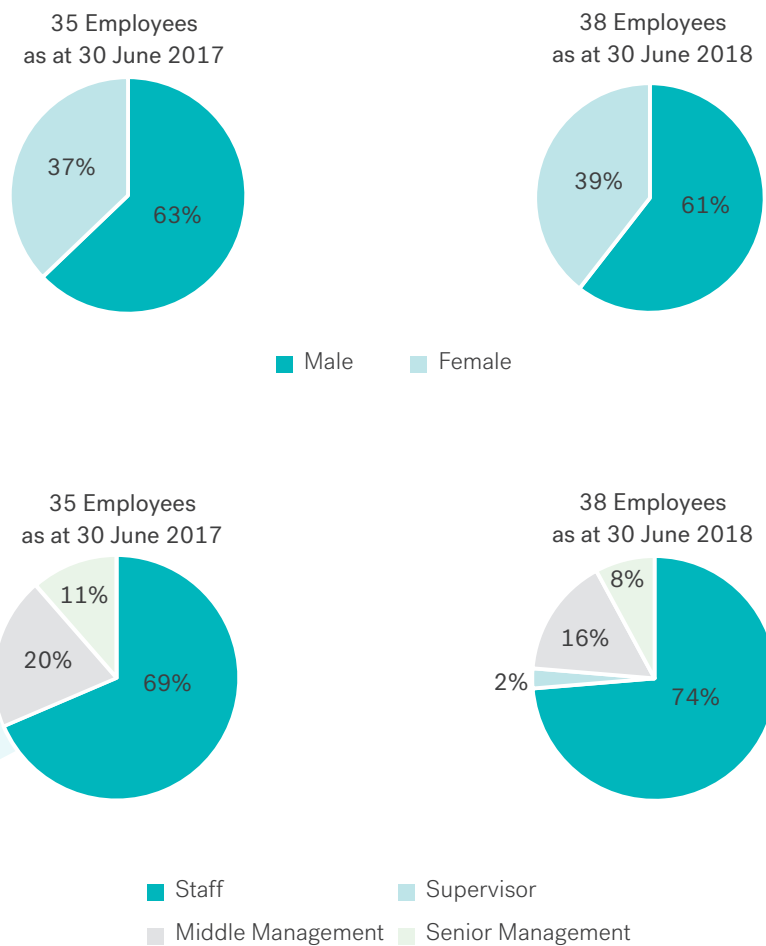
Figure 9: Wilton’s plans for land management at the post-mining stage



Employee Demographics

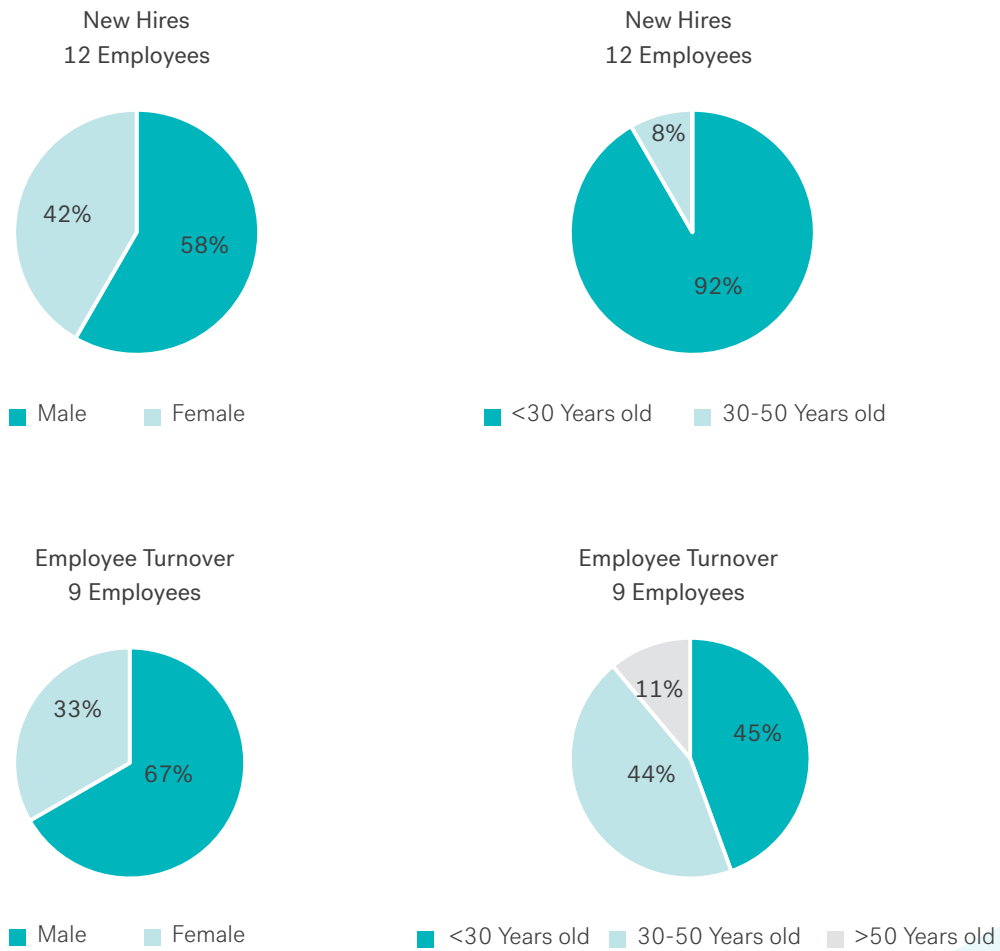
In FY2018, we were supported by 38 full-time employees under permanent contract. In addition to these employees, we were supported by other outsourced workers who provided cleaning and security services at our offices, as well as mining services at our mine. Over 80% of our employees are in Indonesia, where our mine is located in. While our gender breakdown indicates a higher proportion of males, this could be attributed to the fact that the nature of our mining activities traditionally attracts male rather than female employees. In FY2018, nine employees left the company; but this was more than offset by 12 new hires in the same year.

Figure 10: Wilton's employee demographics by gender and employment category



Employee Demographics

Figure 11: Wilton's new hires and employee turnover by gender and employment category in FY2018



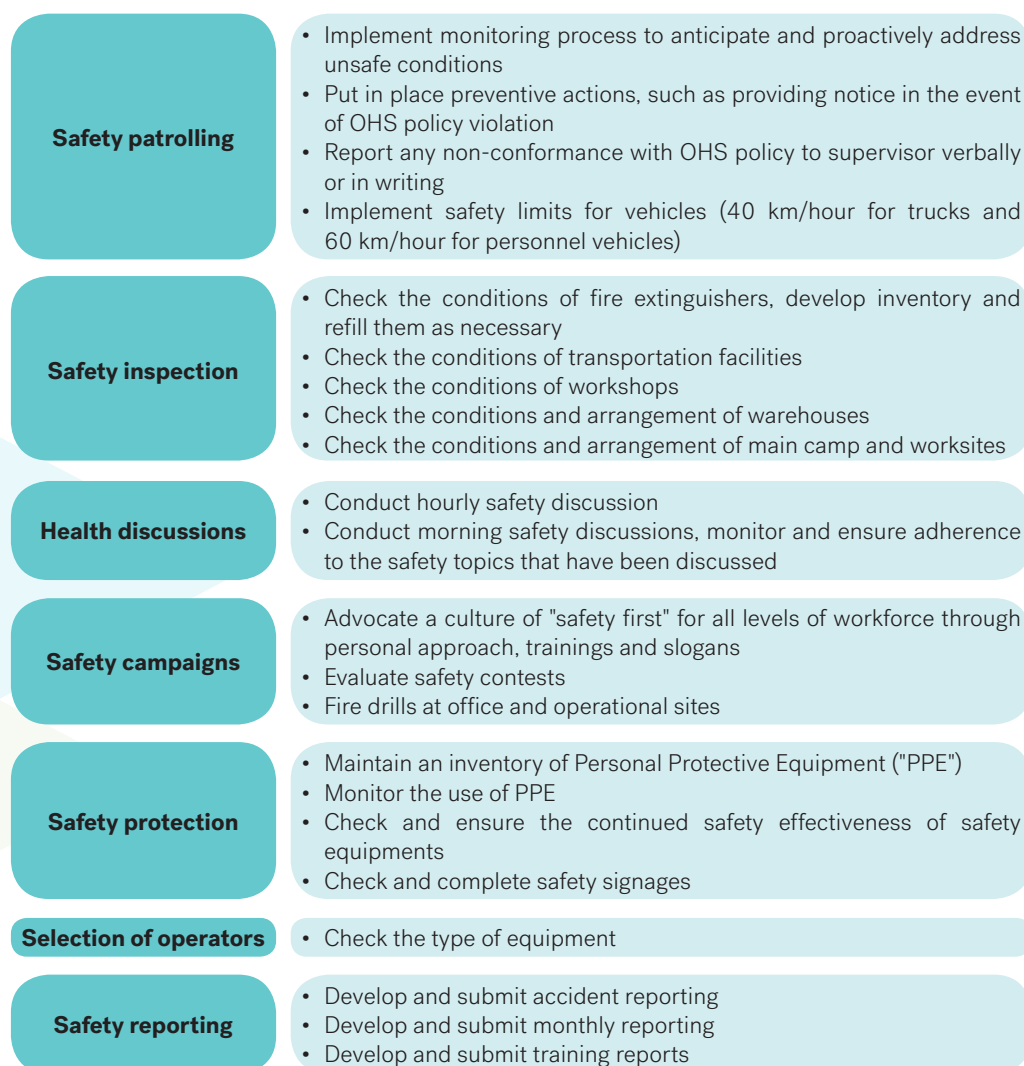
Occupational Health and Safety

Focus Area	Target	FY2018 Performance
Occupational health and safety	Zero cases of work-related accidents	• Achieved

Our employees are the backbone of our business. We are cognizant that they are the drivers who move our business forward, enabling us to achieve our targets and objectives. One of our commitments to our employees is to make their safety our priority. This is especially vital in the mining industry which we operate in, where safety risks are heightened. At Wilton, occupational health and safety (“OHS”) is driven by our “Zero Accident Committee”, which is headed by our Mining Head and Deputy Mining Head and supported by the project management team at the site.

There were zero cases of fatality, work-related accidents and occupational diseases in FY2018. To maintain this record, we strive to continually strengthen our OHS management. We are in the process of formalising our OHS policy and are looking to obtain ISO 45001 (Occupational Health and Safety Management System) certification for our operations, both of which are targeted for completion by 2019.

Figure 12: OHS initiatives at Wilton



Empowering Local Communities

Our operational site is in the midst of the local communities. We view this as an opportunity to improve their lives and help them grow together with us. One of the ways in which we do this is by providing job opportunities for them at our mine. Besides enabling the local communities to earn their livelihood, we hope to equip them with skillsets through on-the-job training.

In addition, we have implemented the “Wilton Care” programme through which we carry out Corporate Social Responsibility (“CSR”) activities and invest in the local communities.

Figure 13: CSR activities under Wilton Care program

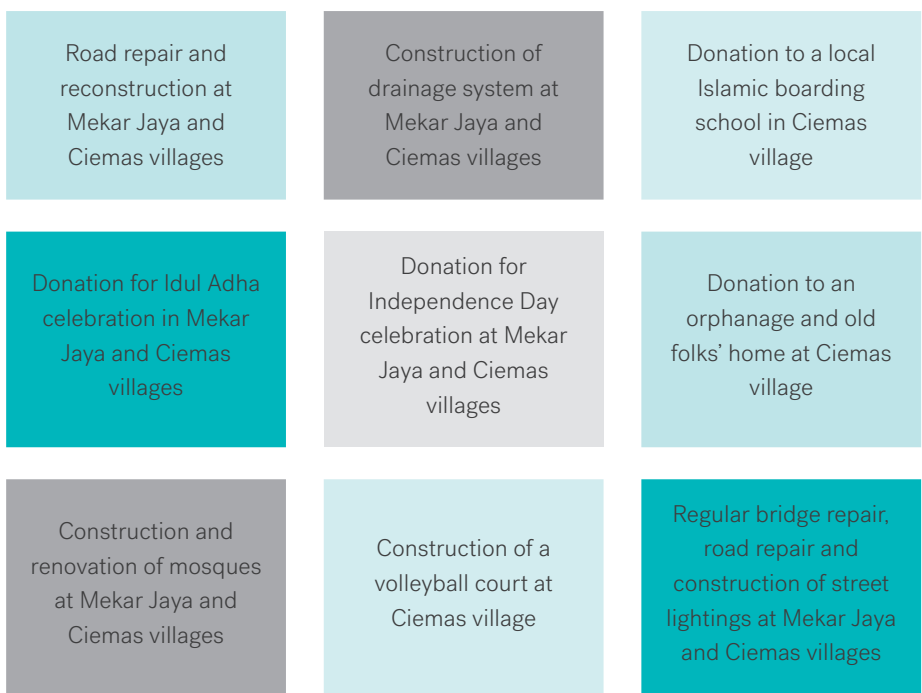


Figure 14: Cash donations to mosques in Mekar Jaya and Ciemas villages



Figure 15: Donation of prayer mats to mosques in Mekar Jaya and Ciemas villages



Empowering Local Communities

Figure 16: Donation of daily necessities (rice, cooking oil, etc.)



Figure 17: Construction of soccer field and volleyball court at Ciemas village



“Street lighting enables the local community to travel at night without fear of being attacked by snakes, etc.”
(Public Figure Mekar Jaya, Mr. Haji Madjmu)

“With Wilton’s support and donation, the local community is able to celebrate and participate in holy festivals together”
(Public Figure Ciemas, Mr. Cutay)

“The construction and renovation of bridges, roads and drainage help to improve mobility and provide a safe and clean environment for the local community”
(Mekar Jaya Village Head, Mr. H. Bambang)

GRI Content Index

Disclosure		Reference(s) or Reasons for Omission
GRI 102: General Disclosures 2016		
Organisational Profile		
102-1	Name of the organisation	About Wilton Resources Corporation Limited (page 03)
102-2	Activities, brands, products, and services	About Wilton Resources Corporation Limited (page 03)
102-3	Location of headquarters	About Wilton Resources Corporation Limited (page 03)
102-4	Location of operations	About Wilton Resources Corporation Limited (page 03)
102-5	Ownership and legal form	About Wilton Resources Corporation Limited (page 03)
102-6	Markets served	About Wilton Resources Corporation Limited (page 03)
102-7	Scale of the organisation	About Wilton Resources Corporation Limited (page 03); Employee Demographics (page 13)
102-8	Information on employee and other workers	Employee Demographics (page 13)
102-9	Supply chain	Employee Demographics (page 13)
102-10	Significant changes to the organisation and its supply chain	There have been no significant changes to our supply chain.
102-11	Precautionary principle and approach	Governance and Ethics (page 10-11)
102-12	External initiatives	NIL
102-13	Membership of associations	NIL
Strategy		
102-14	Statement from senior decision-maker	Board Statement (page 02)
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	About Wilton Resources Corporation Limited (page 03)
102-17	Mechanisms for advice and concerns about ethics	Governance and Ethics (page 10-11)
Governance		
102-18	Governance structure	Governance and Ethics (page 10-11)
Stakeholder Engagement		
102-40	List of stakeholder groups	Engaging our Stakeholders (page 06-07)
102-41	Collective bargaining agreements	NIL
102-42	Identifying and selecting stakeholders	Engaging our Stakeholders (page 06-07)
102-43	Approach to stakeholder engagement	Engaging our Stakeholders (page 06-07)
102-44	Key topics and concerns raised	Engaging our Stakeholders (page 06-07)

GRI Content Index

Disclosure		Reference(s) or Reasons for Omission
GRI 102: General Disclosures 2016		
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Annual Report (page 82)
102-46	Defining report content and topic boundaries	About this Report (page 05); Focusing on What Matters Most (page 08-09)
102-47	List of material topics	Focusing on What Matters Most (page 08-09)
102-48	Restatements of information	Not applicable, as this is Wilton's inaugural Sustainability Report
102-49	Changes in reporting	Not applicable, as this is Wilton's inaugural Sustainability Report
102-50	Reporting period	About this Report (page 05)
102-51	Date of most recent report (if any)	Not applicable, as this is Wilton's inaugural Sustainability Report
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	ben.lee@wilton-groups.com
102-54	Claims of reporting in accordance with the GRI Standards	About this Report (page 05)
102-55	GRI content index	GRI Content Index (page 18-20)
102-56	External assurance	Wilton has not sought external assurance for this inaugural Sustainability Report and will consider it as the reporting matures
Material Topic: Land Management		
GRI 103: Management Approach 2016		
103-1	Explanation of the material topic and its Boundary	Land Management (page 12)
103-2	The management approach and its components	Land Management (page 12)
103-3	Evaluation of the management approach	Land Management (page 12)
GRI G4 Sector Disclosures: Mining and Metals		
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	Land Management (page 12)
MM10	Number and percentage of operations with closure plans	Land Management (page 12)

GRI Content Index

Disclosure		Reference(s) or Reasons for Omission
Material Topic: Empowering Local Communities		
GRI 103: Management Approach 2016		
103-1	Explanation of the material topic and its Boundary	Empowering Local Communities (page 16-17)
103-2	The management approach and its components	Empowering Local Communities (page 16-17)
103-3	Evaluation of the management approach	Empowering Local Communities (page 16-17)
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Empowering Local Communities (page 16-17)
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Empowering Local Communities (page 16-17)
Material Topic: Occupational Health and Safety		
GRI 103: Management Approach 2016		
103-1	Explanation of the material topic and its Boundary	Occupational Health and Safety (page 15)
103-2	The management approach and its components	Occupational Health and Safety (page 15)
103-3	Evaluation of the management approach	Occupational Health and Safety (page 15)
GRI 403: Occupational Health and Safety 2016		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Occupational Health and Safety (page 15)
Material Topic: Regulatory Compliance		
GRI 103: Management Approach 2016		
103-1	Explanation of the material topic and its Boundary	Governance and Ethics (page 10-11)
103-2	The management approach and its components	Governance and Ethics (page 10-11)
103-3	Evaluation of the management approach	Governance and Ethics (page 10-11)
GRI 307: Environmental Compliance 2016		
307-1	Non-compliance with environmental laws and regulations	Governance and Ethics (page 10-11)
GRI 419: Socioeconomic Compliance 2016		
419-1	Non-compliance with laws and regulations in the social and economic area	Governance and Ethics (page 10-11)

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