Resources Prima Group Limited

Annual Report For The 9 Months
Ended 31 December 2015

SETTING THE STANDARDS IN **GLOBAL RESOURCING**

OUR VALUES FOR EXCELLENCE

Performance
Quality
Sustainability
Accountability

Contents

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this annual report. This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

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CORPORATE PROFILE

Resources Prima Group Limited ("**Resources Prima**" or the "**Company**", and together with its subsidiaries, the "**Group**") is a mine owner and primarily engages in coal mining and coal exploration operations in East Kalimantan, Indonesia.

Resources Prima, through its Indonesian subsidiary, PT Rinjani Kartanegara ("PT Rinjani"), has been granted a Production Operations (IUP) licence to carry out coal mining operations in an area covering 1,933 ha in Kutai Kartanegara Regency, East Kalimantan, Indonesia (the "Mining Concession Area"). An IPPKH or "borrow-use" permit for an area covering 308.5 ha (the "Rinjani Mine") has been secured ("IPPKH1") on which PT Rinjani commenced mining operations in June 2012. The Group has commenced the process to secure a second "borrow-use" permit for the remainder of the Mining Concession Area and approval in principle for an additional 899.49 ha was received by PT Rinjani on 6 January 2016 ("IPPKH2"). Once IPPKH2 is secured, PT Rinjani shall commence further exploration which is expected to lead to an increase in the Group's coal reserves and resources as well as production from the additional mining area.

The Group also owns and provides coal mining facilities such as a coal hauling road, coal stockpiles, coal crushers, coal conveyor system, jetty and barge loading facilities to third party mine owners.

Resources Prima is listed on SGX-ST Catalist Board (stock code "5MM").

CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of Resources Prima, it is my pleasure to present to you our annual report for the nine-month period ended 31 December 2015 ("9MFYE15"), following the change in our financial year end from 31 March to 31 December.

2015 was a challenging year for the Group and the coal industry generally which experienced weaker demand and lower coal prices. In 2015, Indonesia's benchmark thermal coal reference price ("HBA") adjusted for export, hit multi-year lows, dropping 17.2% year-on-year to USD60.10 per tonne in December 2015. Coal production in Indonesia also fell 17.9% year-on-year to 376 million tonnes ("Mt") as a result of a chronic oversupply while demand from some of the key export destinations for Indonesian coal such as China and India grew weaker[1]. According to media reports, China's coal imports fell approximately 30.0% to 204.1 Mt in 2015[2].

Performance Review

Despite the challenging market conditions, our overall performance in 9MFYE15 was encouraging, as our focus on cost management and operational efficiencies has enabled us to report improvements in our gross profit and gross profit margin as well as a turnaround in our bottom-line through the successful implementation of various cost reduction initiatives.

Revenue for the Group in 9MFYE15 decreased by 25.5% to USD51.0 million from USD68.5 million for the nine-month period to 31 December 2014 ("9MFYE14"), primarily due to weaker coal sales prices and a lower coal sales quantity. Revenue from coal sales in 9MFYE15 decreased by 25.9% to USD49.5 million from USD66.8 million in 9MFYE14.

The Group's gross profit improved significantly to USD10.5 million in 9MFYE15 from USD0.8 million in 9MFYE14 due to a reduction in costs of goods sold resulting in an improved gross profit margin for the Group. In 9MFYE15, the Group's gross profit margin improved significantly to 20.6% from 1.2% in 9MFYE14 due to decreases in key costs such as waste mining, heavy equipments rental, coal hauling as well as depreciation and amortization charges. In 9MFYE15, we secured an agreement with our waste mining contractor to reduce our largest cost component, through lowering the waste mining rate by approximately 12.1% to USD2.25 per bank cubic meter ("bcm") from USD2.56 per bcm. We are pleased to note that despite lower coal sales prices and a higher stripping ratio, the reduction in various costs and charges which we have reported in 9MFYE15 have resulted in a higher gross profit margin for the Group.

In 9MFYE15, we reported a turnaround in our bottom-line with a net profit of USD0.6 million as compared to a loss of USD70.0 million in 9MFYE14. The improvement in the bottom-line for 9MFYE15 was primarily due to a sharp improvement in the gross profit margin for the Group as well as lower administrative expenses, finance costs and other expenses incurred during the period. The loss in 9MFYE14 was largely due to non-recurring charges such as goodwill written off and cost of arranger shares issued in payment for

1 (source: http://www.indonesia-investments.com/business/commodities/coal/item236).
2 (source: http://www.reuters.com/article/china-economy-trade-coal-idUSL3N14X1TC20160113).

consultancy services in relation to the reverse takeover of Sky One Holdings Limited ("RTO" or "Reverse Acquisition") which was completed in November 2014.

Business Update

Key developments during the year

With our strategy to diversify our revenue streams, the Group announced in March 2015, the acquisition of RPG Trading Pte Ltd, which will principally be engaged in the trading and marketing of coal.

In April 2015, the Group announced that it has entered into an agreement with its waste mining contractor, PT Cipta Kridatama ("CK"), which provides for a revision of the waste mining rate. The agreed waste mining rate was reduced from US$2.56 per bcm to US$2.25 per bcm effective since August 2015, following the commencement of blasting activities which replaced the use of certain heavy equipment in the pit area.

In July 2015, the Group announced that it has entered into an extended offtake agreement for coal with PT Anugerah Bara Kemilau ("ABK"), the Group's major customer (the "Extended Offtake Agreement"). The Extended Offtake Agreement is an extension of the existing offtake agreement and will cover shipments from 1 June 2015 to 31 May 2016. Pursuant to the Extended Offtake Agreement, the Company and ABK have agreed that the quantity of coal available for sale shall be mutually agreed on a monthly basis. As such, the Group will be able to pursue its plans to manage the marketing and sale of its coal through RPG Trading Pte Ltd.

In April 2016, the Group announced a further reduction in waste mining rate from US$2.25 per bcm to US$2.00 per bcm, effective from October 2015, as agreed with CK.

Outlook

Although demand from key export markets for Indonesian coal such as China may not recover strongly in the near-term,

CHAIRMAN'S MESSAGE

management is cautiously optimistic that this will be partly mitigated by the growth in domestic demand for coal as a result of the steady economic expansion within Indonesia and the additional investment in coal-fired power plants as part of Indonesia's effort to attain 35,000 megawatts of power by 2019[3].

The Group will continue to focus on cost management initiatives and on improving its operational efficiency to mitigate the impact of the ongoing challenging market conditions and the possible continued weakening of coal prices.

Cost maintenance and reduction programme

The Group is continuously monitoring all costs with the intention of preserving existing cost reductions while focusing on new areas where we believe savings can be made. Management is confident that its existing cost advantage enjoyed through the usage of its own fully integrated coal mining facilities such as the coal stockpile, coal crushers, coal conveyor system and jetty facilities as well as control over its coal hauling road and trucks, will allow the Group to continue to maintain tight control of its operating costs in view of declining market prices to minimise the impact on its profitability. The Group is also in negotiations with its waste mining contractor, CK, for a further reduction in the waste mining rate.

Stripping ratio maintenance

The Group will continuously review and manage its stripping ratio through a dynamic mine plan. The stripping ratio will be closely managed to enable the Group to further reduce its waste mining cost and maintain positive margins.

Diversification and additional source of income

Diversification of income is important to the Group and as such the Group will continue to explore all possibilities to diversify its recurring income through the provision of its coal mining facilities to additional third party mine owners as well as the marketing and trading of coal through RPG Trading Pte Ltd.

Application for the second "borrow-use" permit which could lead to an increase in coal reserves and resources

The Company's subsidiary, PT Rinjani, had secured a "borrow-use" permit, or IPPKH1, in respect of an area covering 308.54 ha of the total Mining Concession Area of 1,933 ha. In January 2016, the Group received approval-in-principle in respect of a second "borrow-use" permit or IPPKH2, for an additional area of 899.49 ha. At the date of this annual report, the Company continues with finalisation

3 (source: http://www.pln.co.id/35000mw/en/)

of all procedures for issuance of IPPKH2. Once IPPKH2 is secured, PT Rinjani shall commence further drilling, exploration and evaluation work, which could lead to an increase in the Group's coal reserves and resources and to potential future production from the additional mining area.

IPPKH2 expected to produce coal with higher calorific value

Based on analysis of outcrop data, IPPKH2 is expected to produce coal with higher calorific value than IPPKH1 and, consequently, lead to an improvement in average unit prices received for the Group's coal, as and when production from IPPKH2 commences.

Note of appreciation

On behalf of the Board, I would like to thank all our stakeholders for their continuous support. From our customers, to our suppliers and contractors, to our shareholders and especially to our hard-working employees, I thank you for your continued trust and support.

Last but not least, I would also like to thank all my fellow Directors for the contributions they have made throughout the year. The commitment shown and knowledge shared with us has been invaluable and our Group is grateful to have you on board. Together, we are committed to improve the Group's operational performance further despite the challenges ahead of us.

Agus Sugiono
Executive Chairman and CEO

BOARD OF DIRECTORS

standing from left to right: **Mr Low Yew Shen, Mr Giovani Sugiono, Mr Russell Joseph Kelly, Mr Giang Sovann**
sitting down: **Mr Agus Sugiono, Mr Rozano Satar**

Agus Sugiono

Executive Chairman of the Board and Chief Executive Officer
Appointed on 12th November 2014

Mr Agus Sugiono is the Executive Chairman of the Board and Chief Executive Officer of the Group. He is responsible for the strategic planning and development of the Group's business, and spearheading the expansion and growth of the Group. From 1994 to 2014, Agus Sugiono served in different positions as either the chief executive officer, chief operating officer, chief financial officer of or advisor to PT Polytama Propindo. He has over 27 years of experience in the oil, gas and petrochemicals industries. Agus Sugiono holds a Bachelor of Science degree in Petroleum Engineering from the University of Texas at Austin and a Master in Business Administration (International Management) from the University of Indonesia. He is also a registered public accountant in Alberta, Canada and a member of the Texas Board of Professional Engineers.

Giovani Sugiono

Executive Director (Investor and Stakeholder Relations)
Appointed on 12th November 2014

Mr Giovani Sugiono is the Executive Director (Investor and Stakeholder Relations) of the Company. He is responsible for creating and presenting a consistently applied investment message to the stakeholders and investment community on behalf of the Company and for monitoring and presenting to management the opinions of the stakeholders and investment community regarding performance of the Company. Giovani Sugiono is also the Director of RPG Trading Pte Ltd (fully-owned subsidiary of the Company) which engages in the trading and marketing of coal. He started his career in 2011 with Kolmar Group AG-Switzerland working as a member of its operations department and progressed to different entities within the Kolmar Group, the last being as a petroleum and petrochemical products trader. He holds a Bachelor of Science degree in Chemistry and a Business Foundation Certificate from the University of Texas at Austin.

Low Yew Shen

Non-Executive Director
Appointed on 12th November 2014

Mr Low Yew Shen is the Non-Executive Director of the Company. Low Yew Shen is currently a partner at Elitaire Law LLP with over 11 years of experience in the legal industry and a Non-Executive Director of Regal International Group Limited. He was previously the company secretary for Seroja Investments Limited from June 2006 to July 2010 and an independent director of China Ouhua Winery Holdings Limited. Low Yew Shen holds a Bachelor of Law (Honours) degree from the National University of Singapore and is a practising Advocate and Solicitor in Singapore.

Giang Sovann

Lead Independent Director
Appointed on 12th November 2014

Mr Giang Sovann is the Lead Independent Director, Chairman of the Audit and Risk Management Committee, Chairman of the Remuneration Committee, and member of the Nominating Committee of the Company. Giang Sovann is a senior director at RSM Risk Advisory, a leading governance, risk and consulting firm in Singapore. He also serves as independent director, chairman of audit committee and member of risk oversight committee of the Cambodia Post Bank PLC. Giang Sovann was the executive director of the Singapore Institute of Directors and has served as executive director, independent director and chief financial officer of a number of listed companies. He started his career as a public accountant with a Big-4 firm in Canada and Singapore. He also has many years of experience in business management, having served as a senior executive at a multinational company and a regional conglomerate, and has managed companies in many industries including aerospace, food and beverage, flexible packaging, mining, oil and gas, real estate, telecommunications as well as trading and distribution. Giang Sovann holds a Bachelor of Administration degree from the University of Regina, Canada and is a Chartered Accountant, Singapore, a Chartered Accountant, Canada, and a member of the Singapore Institute of Directors.

Russell Joseph Kelly

Independent Director
Appointed on 12th November 2014

Mr Russell Joseph Kelly is an Independent Director, Chairman of the Nominating Committee, and member of the Audit and Risk Management and Remuneration Committees of the Company. He has been involved in the restructuring of several petrochemical companies since his arrival in Indonesia in 1997, focusing primarily on legal and financial issues with both domestic and international creditors. From 2002 to 2007, he was the technical operations director of PT Trans-Pacific Petrochemical Indotama in Indonesia. From 2007 to 2013, Russell Joseph Kelly was the technical operations director of PT Tuban Petrochemical Industries, a petrochemical holding company based in Indonesia. He was the managing director of Polytama International Finance B.V. from 2004 until 2015 and is a member of the board of commissioners of PT Tuban LPG Indonesia and was the President Director of PT Sulfindo Adiusaha from March 2015 until March 2016. Russell Joseph Kelly obtained his Bachelor of Science (Honours) degree in Chemical Engineering from the University of Newcastle-Upon-Tyne, United Kingdom in 1980.

Rozano Satar

Independent Director
Appointed on 12th November 2014

Mr Rozano Satar is an Independent Director and member of the Audit and Risk Management, Nominating, and Remuneration Committees of the Company. He was a drilling and blasting superintendent at PT Kaltim Prima Coal from 1987 until his retirement in 2002 as well as a director and shareholder of CV Papa Charlie and Edna Consulting, a company providing consultancy services in engineering, survey, and the procurement of technical equipment. He is currently an independent consultant to various companies. He has over 15 years of experience in the coal mining industry. Rozano Satar holds a Bachelor in Mining Engineering degree from PTPN “Veteran” Yogyakarta and a Master of Business Administration degree from Jakarta Institute of Management Studies.

KEY MANAGEMENT

Nordiansyah Nasrie
Chief Operating Officer

Mr Nordiansyah Nasrie is the Chief Operating Officer of the Group. He is responsible for the overall operations of the Group and ensuring that its operational activities are in accordance with policies, goals and objectives of the Group. He joined the Group as the director of PT Rinjani in 2008. Prior to joining the Group, Nordiansyah Nasrie was appointed as a director in various energy companies including PT Kutai Etam Petroleum and PT Kutai Energy Resources. He is currently a director of PT Energy Indonesia Resources, PT Faisal Sampurna, PT Kembang Janggut Sawit Sejahtera, PT Muara Kaman Sawit Sejahtera and PT Kota Bangun Sawit Sejahtera. He is also the commissioner of PT Pancaran Berkat Adidaya. Nordiansyah Nasrie graduated with a Diploma of Academy Hotel and Tourism from International College Bandung.

John Allan Watson
Chief Financial Officer

Mr John Allan Watson is the Chief Financial Officer of the Group. He is responsible for overseeing the financial and accounting management and reporting of the Group including risk management. From 2005 to 2012, John Allan Watson was the controller of Tuban Petrochemical Industries Group where he was responsible for the accounting and reporting functions. He joined the Group in 2013 and has been a director of PT Pilar Mas Utama Perkasa (a subsidiary of the Company) since June 2014. He has over 35 years of business and financial management experience in professional accounting, oil and gas, petrochemical and plantation industries. He holds a Bachelor of Economics degree majoring in Accountancy from the University of Tasmania and is a member of the Australian Institute of Chartered Accountants.

Bhondan Suryo Bhroto
Vice President (Operations)

Mr Bhondan Suryo Bhroto is currently the Vice President (Operations) of PT Rinjani. He oversees the mining operations of PT Rinjani covering the coal production plan, geological and mine modeling as well as business and risk analysis in the development of the coal mine with oversight over a team of safety officers. Bhondan Suryo Bhroto has worked for various coal companies, including PT Riau Bara Harum from 2004 to 2006 as deputy manager (mine plan), PT Straits Asia Resources, now known as Sakari Resources Limited, from 2006 to 2009 as deputy manager (technical services) and PT Barasentosa Lestari from 2010 to 2012 as business development manager. His responsibilities included the coal production plan, geological and mine modeling as well as business and risk analysis in the coal mining development. He has over 10 years of experience as a technical expert in the coal mining industry. He joined the Group in September 2011 as a technical consultant and as general manager (operations) of PT Rinjani from May 2014. He was subsequently promoted to vice president (operations) of PT Rinjani with effect from November 2014. Bhondan Suryo Bhroto holds a Bachelor in Geology Engineering degree from Universitas Pembangunan Nasional “Veteran” Yogyakarta and is a member of the Indonesia Geologist Association. He also holds a Master of Management – Risk Financial Management from Sekolah Tinggi Manajemen PPM-Jakarta.

FINANCIAL HIGHLIGHTS

INCOME STATEMENT USD'000	9 Months 31.12.15^ Audited	12 Months 31.03.15 Audited	Change %	9 Months 31.12.15^ Audited	9 Months 31.12.14† Unaudited	Change %
Revenue	50,964	86,868	-41.3%	50,964	68,473	-25.6%
Cost of goods sold	(40,473)	(80,244)	-49.6%	(40,473)	(67,656)	-40.2%
Gross profit	10,491	6,624	58.4%	10,491	817	1184.1%
Gross profit margin	20.6%	7.6%	13 ppt*	20.6%	1.2%	19.4 ppt*
Other expenses	(957)	(64,368)	-98.5%	(957)	(61,617)	-98.4%
Profit / (Loss) For the Period/ Year	597	(64,291)	N.M.#	597	(70,013)	N.M.#

BALANCE SHEET USD'000	Audited As at 31.12.15	Audited As at 31.03.15
Current assets	23,141	29,983
Non-current assets	31,412	21,462
Total assets	54,553	51,445
Current liabilities	38,947	19,117
Non-current liabilities	2,258	19,229
Total liabilities	41,205	38,346
Total equity	13,348	13,099
Cash and bank balances	4,714	5,535

* ppt refers to percentage points.

^ The Group changed its financial year end from 31 March to 31 December. The current financial year covers a period of 9 months from 1 April 2015 to 31 December 2015 whereas the previous financial year covered a period of 12 months from 1 April 2014 to 31 March 2015. This difference in reporting period partly accounted for the lower revenue and expenses for the current year and as such the percentage change compared with the previous year is arithmetical only.

† For the purpose of providing a set of financial results over a period which can be compared with 9MFYE15, the unaudited financial results for the 9-month period ended 31 December 2014 are presented.

N.M. refers to not meaningful.

OPERATIONS AND FINANCIAL REVIEW

Resources Prima Group Limited is a mine owner and primarily engages in the business of coal exploration and coal mining.

We are dedicated to create long-term shareholder value through the discovery, acquisition, development and sale of natural coal resources.

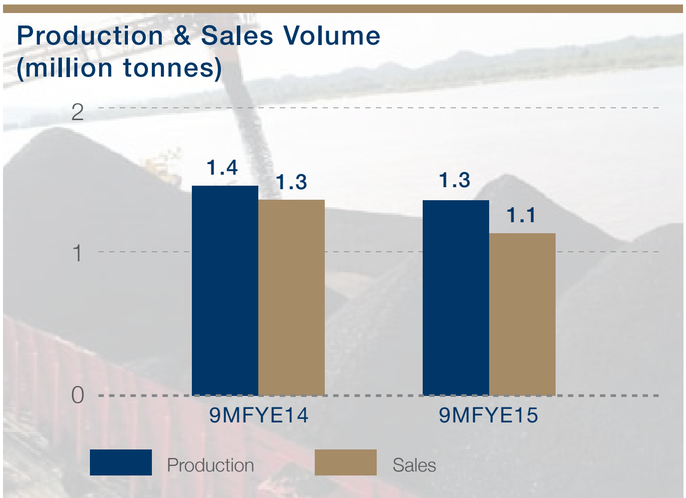
OUR COMPETITIVE STRENGTHS:
A LEADER IN SUSTAINABLE MINING

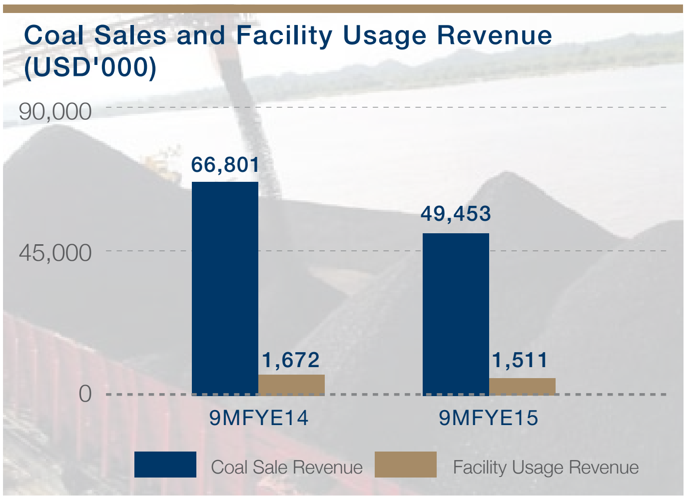
With our mining concession area of 1,933 ha in East Kalimantan, we have a leading presence in the low-cost, major coal producing region, where the Group can benefit most from strengthening markets.

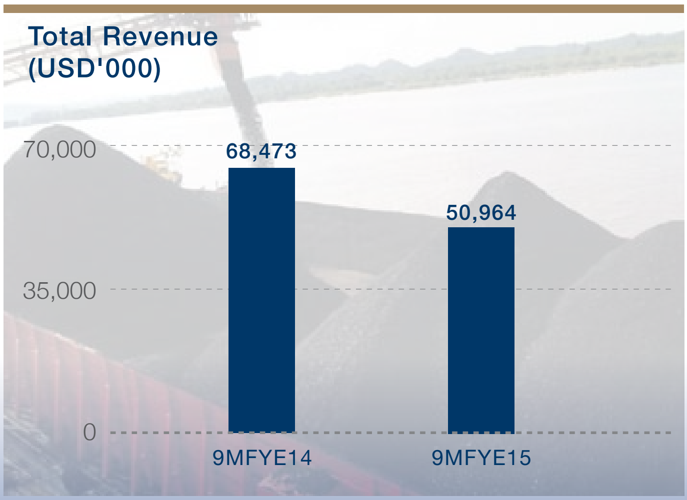
EMPOWERING OUR PEOPLE:
VALUING PEOPLE & COMMUNITY

Valuing people is embedded in the Group's culture, from our safety initiatives to our staff capabilities upgrading. Whether it's our safety record or our tradition of community giving, we strive to protect and uplift our greatest asset—people.

OPERATIONS AND FINANCIAL REVIEW







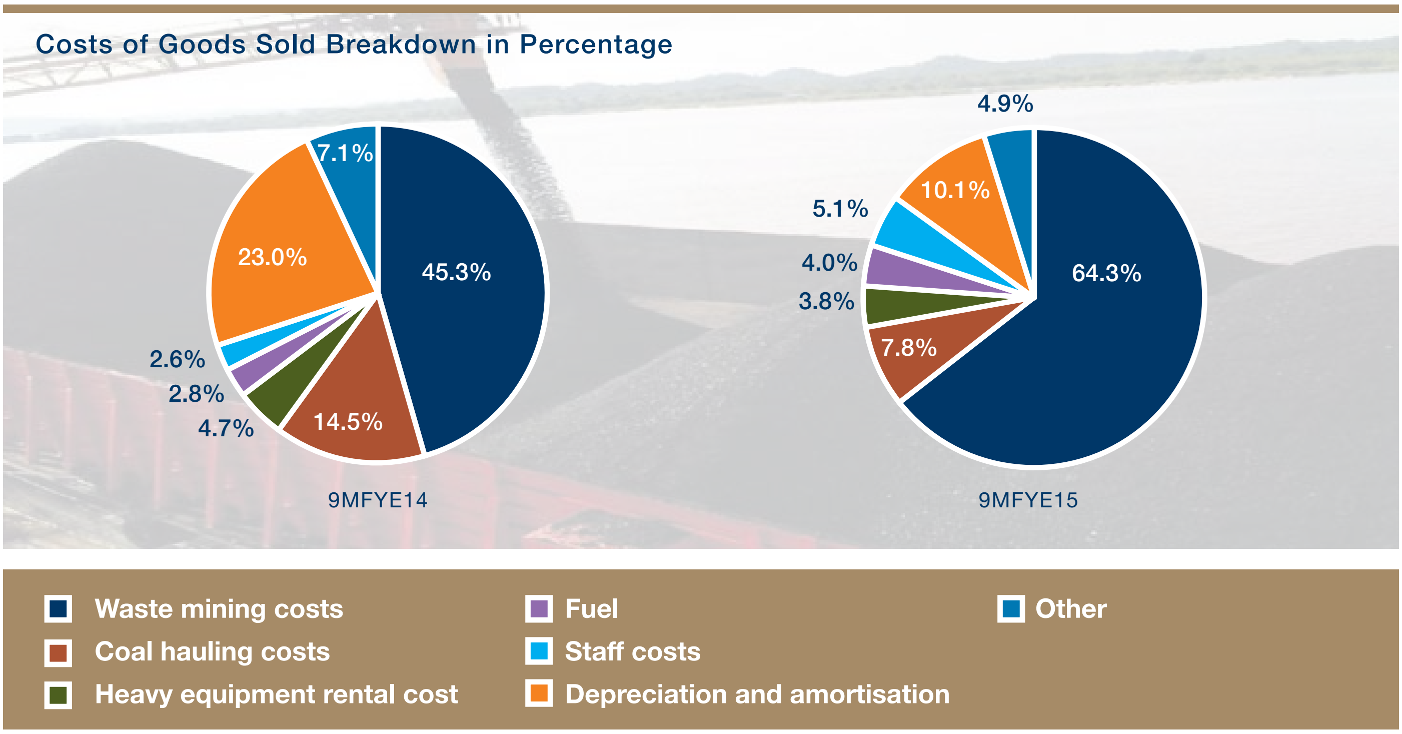
With the change of financial year ended from 31 March to 31 December, the current financial year covers a nine-month period whereas the previous financial year covered a twelve month period. For the purpose of review in this section, and in order to make a meaningful comparison to the previous year's performance of the Group, the review for the nine months ended 31 December 2015 is compared with the nine months ended 31 December 2014.

Revenue for the Group was generated primarily by its Indonesia subsidiary, PT Rinjani, through the sale of coal from its coal mining activities. PT Rinjani currently sells its coal through an offtake agreement with a sole trader and, since November 2015, has sold coal through its subsidiary, RPG Trading Pte. Ltd. The price of such coal sales was based on international prices, free on board ("FOB") barge. Additional revenue was generated from the use of PT Rinjani's facilities such as its coal hauling road, coal stockpile, coal crushers, conveyor system and jetty facilities by a third party mine owner.

In 9MFYE15, revenue for the Group decreased by 25.5% to USD51.0 million from USD68.5 million in 9MFYE14. Over the same period, revenue from coal sales dropped by 25.9% to USD49.5 million from USD66.8 million, primarily due to weaker coal sales prices and lower sales quantity. As a result of the depressed market conditions, the Group's coal production volume decreased by 8.3% to 1,259,119 tonnes in 9MFYE15 from 1,373,547 tonnes in 9MFYE14. In addition, facility usage income decreased by 11.8% to USD1.5 million in 9MFYE15 from USD1.7 million in 9MFYE14 as a result of lower throughput of coal from a third party mine owner.

The Group's cost of goods sold ("COGS") for 9MFYE15 comprised mainly waste mining costs, which accounted for 64.3% of the total COGS. The other main costs included coal hauling costs as well as depreciation and amortisation, which in total accounted for 7.8% and 10.1% of the total COGS, respectively. Waste mining and coal hauling costs were contracted through specific agreements.

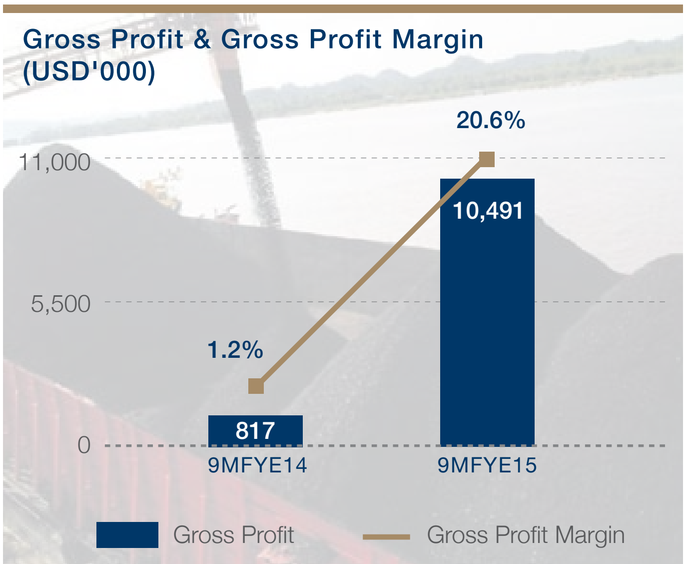
In 9MFYE15, COGS decreased by 40.2% to USD40.5 million from USD67.7 million in 9MFYE14. The drop in COGS was mainly due to lower coal sales quantity as well as decreases in: (i) depreciation and amortisation of USD11.5 million; (ii) coal hauling cost of USD6.6 million; (iii) waste mining cost of USD4.6 million; and (iv) heavy equipment rental cost of USD1.7 million. The decrease in depreciation and amortisation was due to the deferred stripping costs being fully amortised in November 2014. The decrease in waste mining cost arose primarily from the reduction in waste mining rate by USD0.31 per bcm to USD2.25 per bcm from USD2.56 per bcm effective from August 2015. The decrease in coal hauling cost was in line with the decrease in the coal sales quantity while the heavy equipment rental cost decreased due to the purchase of certain heavy equipment in February 2015 which was previously rented as part of the Group's cost savings programme.



The Group's gross profit improved significantly to USD10.5 million in 9MFYE15 from USD0.8 million in 9MFYE14. In spite of the decrease in revenue and a higher average stripping ratio of 8.8 bcm per tonne in 9MFYE15 compared to 8.0 bcm per tonne in 9MFYE14, the impact was more than offset by the significant decrease in COGS. This decrease was mainly due to the deferred stripping cost being fully amortized in November 2014 as well as implementation of management's programme for a cost efficient operation in order to mitigate the adverse impact of the declining market price of coal. As a result, the Group's gross profit margin improved significantly to 20.6% in 9MFYE15 from 1.2% in 9MFYE14.

In 9MFYE15, other income for the Group decreased by 78.1% to US$0.7 million from US$3.2 million in 9MFYE14 as a result of the decrease in foreign exchange gains and the absence of a non-recurring credit in relation to a write-back of standby claim from PT Rinjani's waste mining contractor which had been recorded in 9MFYE14.

Selling and distribution expenses comprise mainly royalties calculated at 5% to 7% of sales revenue. Such royalties are payable to the Indonesian government. Other selling and distribution expenses include freight charges, coal analysis fees as well as port and clearance charges. In 9MFYE15, selling and distribution expenses increased by 7.1% to USD4.5 million from USD4.2 million in 9MFYE14. The increase was due to



OPERATIONS AND **FINANCIAL REVIEW**

additional royalty charges of USD1.3 million following a review from the Indonesian government. These increased charges were partially offset by a decrease in other selling and distribution expenses as a result of a decrease in the coal sales quantity.

The Group's administrative expenses comprise mainly staff costs, professional fees, travelling and transportation, office rental, listing fees, sponsorship fees and investor relations costs. In 9MFYE15, administrative expenses decreased by 34.9% to USD2.8 million from USD4.3 million in 9MFYE14. The decrease was primarily due to the completion of the RTO in November 2014 resulting in a decrease in related professional fees.

Finance costs comprise interest expenses incurred mainly in relation to the debt due to PT Rinjani's waste mining contractor and amortised interest on a loan from a related party, Forrest Point Enterprises Limited. In 9MFYE15, finance costs decreased by 75.0% to USD1.0 million from USD4.0 million in 9MFYE14. The decrease was mainly due to the full conversion of the convertible bonds and partial settlement of the debt due to PT Rinjani's waste mining contractor in 9MFYE14 which resulted in a lower interest expense for 9MFYE15 as compared to 9MFYE14.

In 9MFYE15, other expenses dropped significantly by 98.4% to USD1.0 million from USD61.6 million in 9MFYE14. The decrease resulted from non-recurring charges in November 2014 in respect of the write-off of goodwill resulting from the RTO and the cost of arranger shares issued in payment for consultancy services also in relation to the RTO.

As a result of the improvement in the gross profit margin and lower administrative expenses, finance costs and other expenses incurred during the period, the Group reported a turnaround in its bottom-line with a net profit of USD0.6 million for 9MFYE15 compared to a loss of USD70.0 million for 9MFYE14.

Financial Position Review

As at 31 December 2015, the Group's total equity increased by USD0.2 million to USD13.3 million from USD13.1 million as at 31 March 2015. Current assets of the Group decreased by USD6.9 million to USD23.1 million as at 31 December 2015 from USD30.0 million as at 31 March 2015 mainly due to lower trade and other receivables as well as the disposal of an available-for-sale investment – the Group had an investment in Sky One Network (Holding) Ltd, which was carried at USD2.9 million as at 31 March 2015 and was disposed of during 9MFYE15. The Group's trade and other receivables decreased by USD4.5 million to USD16.1 million as at 31 December 2015 from USD20.6 million as at 31 March 2015. This reduction resulted mainly from the completion of the land acquisition during the period totaling USD3.8 million and the implementation of a Letter of Credit facility by PT Rinjani in November 2015.

Inventories of the Group include coal on hand, fuel and spare parts and are stated at the lower of cost and net realisable value. Inventories increased by USD1.4 million to USD2.4 million as at 31 December 2015 from USD1.0 million as at 31 March 2015, due to an increase in the quantity of coal on hand by 47,302 tonnes to 77,078 tonnes as at 31 December 2015 from 29,776 tonnes as at 31 March 2015 as the production volume exceeded the sales volume during 9MFYE15.

The Group's non-current assets rose by USD9.9 million to USD31.4 million as at 31 December 2015 from USD21.5 million as at 31 March 2015 mainly due to the increase in property, plant and equipment ("PPE"), which rose by USD12.4 million to USD23.7 million as at 31 December 2015 from USD11.3 million as at 31 March 2015.

The increase was mainly due to: (i) land acquisition to increase the capacity of the stockpile facility for future use by the Group and third party mine owners; (ii) additional coal hauling trucks to support increased hauling activities of a subsidiary; (iii) construction of a mine facility workshop; (iv) additional heavy equipment to support the mining operations; and (v) additional motor vehicles.

Mining properties include costs transferred from deferred exploration and evaluation following the completion of technical feasibility and commercial viability of IPPKH1 as well as mine development costs. As at 31 December 2015, the balance of mining properties decreased by USD1.2 million to USD5.9 million from USD7.1 million as at 31 March 2015. This decrease was due to normal amortisation charges offset with additional mining properties for licenses and permits related to IPPKH2 of USD0.8 million.

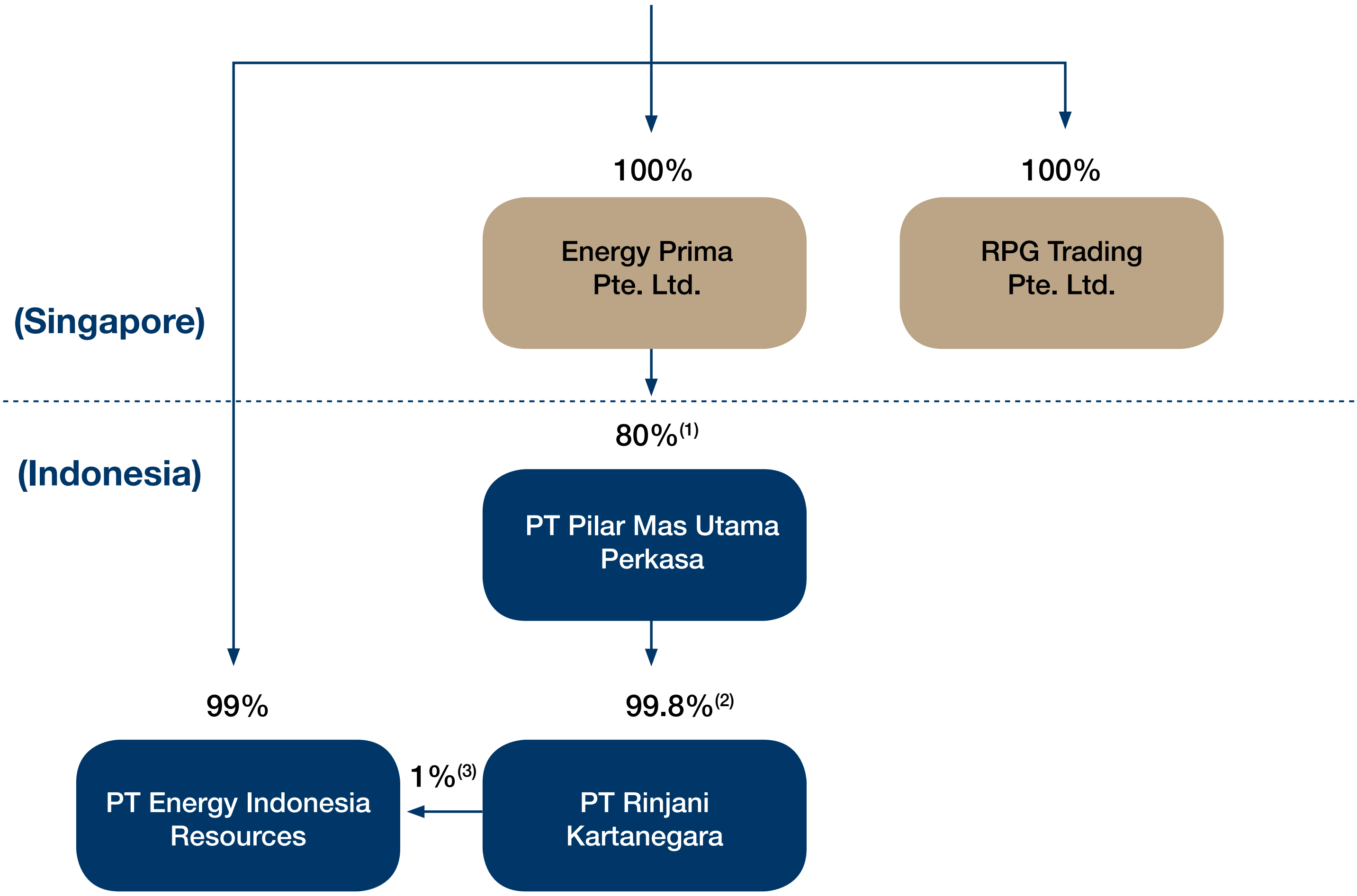
The Group's current liabilities increased by USD19.8 million to USD38.9 million as at 31 December 2015 from USD19.1 million as at 31 March 2015 while non-current liabilities decreased by USD16.9 million to USD2.3 million as at 31 December 2015 from USD19.2 million as at 31 March 2015 mainly due to reclassification of PT Rinjani's trade and other payables. As at 31 December 2015, the debt settlement agreement with PT Rinjani's waste mining contractor required the outstanding balance to be settled by 31 December 2016. As such, as at 31 December 2015, the total outstanding debt owing to PT Rinjani's waste mining contractor is disclosed as current liabilities. The Group recently finalised an amendment to the current agreement with the aforesaid waste mining contractor, which revises the payment terms such that the deadline for full repayment of the outstanding debt has been extended from 31 December 2016 to 31 December 2018. As such a major part of the current debt will become due and payable after 31 December 2016.

Cash Flow Review

In 9MFYE15, the Group generated net cash from operating activities amounting to USD10.8 million. Net cash used in investing activities of USD10.3 million was primarily for the purchase of: (i) land in order to increase the capacity of the stockpile facility for future use by the Group and third party mine owners; (ii) additional coal hauling trucks and (iii) heavy equipment. The cash used was partially offset by proceeds from the disposal of an available-for-sale investment. Net cash used in financing activities of USD1.3 million for 9MFYE15 was mainly in relation to the repayment of finance leases. The Group's cash and cash equivalents as at 31 December 2015 was USD4.7 million as compared to USD5.5 million as at 31 March 2015.

CORPORATE STRUCTURE

Resouces Prima Group Limited



1) The remaining 20% of the issued and paid-up share capital of PT Pilar Mas Utama Perkasa is currently owned by Mr Nordiansyah Nasrie, who is the Chief Operating Officer of the Group.

2) The remaining 0.2% of the issued and paid-up share capital of PT Rinjani Kartanegara is currently owned by Mr Agus Sugiono, who is the Executive Chairman and Chief Executive Officer of the Group.

3) The 1% shareholding previously held by Sky One Network (Holding) Ltd was transferred to PT Rinjani Kartanegara during 9MFYE15 and such transfer was approved by the relevant authorities in Indonesia on 26 February 2016.

MILESTONES

Journey to First Production and Sales

Demonstrated execution capabilities by ramping up from greenfield to production in 6 months

2011

Greenfield-Dec'11

2012

Hauling road-Feb'12

Jetty-Feb'12

Conveyor-May'12

1st production-Jun'12

1st sales-Nov'12

Business and Corporate

Business and Corporate Development exceeds expectation

2009-2012

- Nov '09 Granted Production Operation IUP for 1933 ha
- Dec '11 Granted "borrow use" permit for 308.54 ha ("Rinjani Mine")
- Jun '12 Commenced mining operations at the Rinjani Mine
- Jul '12 Obtained approval to operate jetty facilities
- Oct '12 Coal hauling road ready for transporting coal from pit to port (stockpile)
- Nov '12 First coal shipment of approximately 8,000 tonnes from the Rinjani Mine

2013-2014

- Mar '13 Completed construction of coal mining facilities
- Nov '14 Listed on SGX-ST Catalist Board
- Nov '14 As part of the RTO, acquired PT Energy Indonesia Resources and its coal hauling truck fleet to further integrate the operations

2015-2016

- Mar '15 Acquired RPG Trading Pte Ltd for coal trading and marketing
- Jun '15 Extension of offtake agreement with major customer until 31 May 2016
- Aug '15 Revised waste mining rate from US$2.56 per bcm to US$2.25 per bcm
- Sep '15 Changed financial year end from 31 March to 31 December
- Dec '15 Achieved cumulative shipment of approximately 4.2 Mt of coal from the Rinjani Mine
- Jan '16 Secured in-principle approval for IPPKH2
- Mar '16 Further revision to waste mining rate from US$2.25 per bcm to US$2.00 per bcm

CORPORATE SOCIAL **RESPONSIBILITY**

As a publicly listed company, our management team firmly believes that good corporate governance goes hand-in-hand with a duty of corporate social responsibility ("CSR").

CSR in the coal mining industry in Indonesia is also formally regulated such that each mining permit holder is obligated to develop and carry out appropriate CSR programmes in consultation with the local government. The Group's participation in a government-recognised association ("CSR Berseri") comprising six mining companies, each operating in the same sub-district as the Group, assists in ensuring compliance with this regulation.

Overseeing the CSR effort is our Board, which includes six Directors who possess extensive leadership experience in the energy industry. We recognise the importance of incorporating economic, environmental and social considerations in our overall strategies and daily operations and the Group is committed to operating ethically and contributing to the economic development of the workforce, their families, the local community and society at large while also preserving the environment for future generations. We believe that our business must be both sustainable and responsible and therefore non-financial measurements form an important part in measuring the success of our Group. Social and environmental considerations are always an integrated part of our process in reviewing and assessing our business risks and opportunities.

Our Vice President of Operations continues to work closely with our project managers, supervisors and foremen at the Rinjani Mine to plan, monitor, manage and execute our CSR activities. We are fully committed to achieving and maintaining high safety standards for our workforce. We constantly strive for a safe workplace as our management team believes that work-related accidents and injuries are preventable. Our goal is to operate the region's safest coal mine. We are proud to report that, based on an independent assessment by the regional office of the Environment and Mining Ministry, our safety and environmental performance has been one of the best among coal industry peers in the region. We also recognise there is always more work to do to reach our safety goal of achieving zero injuries and zero environmental violations. Through constant upgrading of skill-sets, training courses and emergency drills, we intend to build upon our safety standards to protect our employees and their immediate families.

At the same time, we continue to work with local communities and governments to achieve and maintain a sustainable environment, which means minimising our impact on the land and rehabilitating it comprehensively where possible.

Environment

We believe that environmental management is one of the critical aspects of good corporate governance which has to be diligently and properly managed to enhance the overall success and performance of the Company and to ensure long-term sustainability and a competitive edge.

The Group has established procedures and plans related to the post-mining reclamation and rehabilitation of the land in the mining areas where the Company has operated, taking into consideration all aspects of the geological characteristics so as to optimise land rehabilitation and future use.

As part of the Company's commitment and contribution to create a better environment, the Company's policy is to reclaim and rehabilitate land after completion of mining activities. The reclamation of land in the areas affected by our mining operation is carried out before, during and after mining operations cease and includes backfilling of mined land, land surface arrangement, soil spreading and revegetation. During 9MFYE15, an area of approximately 90 ha was subject to reclamation and/or rehabilitation activities thereby bringing the total area of land having undergone reclamation and/or rehabilitation activities to approximately 163 ha or 53% of IPPKH1.

Our rehabilitation programme is supported by our own nursery area where seedlings are grown for future planting.

We continue to ensure that proper controls and environmental management systems are in place to monitor or restrict contaminants from polluting the air, ground and/or water. Our key objective is to control pollution of all forms at all levels in all our operating sites and make it our priority to abide by all local and international laws and guidelines relating to the handling and disposal of hazardous substances and waste. We have put in place a series of systems, processes and metrics that create awareness and drive change across our workforce with the objective of successfully building competencies and integrating effective systems and processes that will complement the Company's goals.

In 9MFYE15, PT Rinjani received a "Blue" grading as issued by the regional office of the Environment and Forestry Ministry. A "Blue" grading is issued based on the regional office's assessment of a company's compliance with environment and safety rules and regulations and the implementation of activities and programmes addressing environmental management in accordance with the prevailing rules and regulations. The grading programme aims to encourage companies to adhere to environmental regulations and achieve environmental excellence through, among others, energy efficiency, safety and conservation of resources.

In 9MFYE15, the Company did not encounter any major issues in relation to the environment.

In addition to land reclamation and rehabilitation, the Group is also involved in supporting the local government with regard to forest fires; a persistent problem in the region. During 9MFYE15 the Group has been involved in helping local government in controlling forest fires by making available portable fire extinguishers and water trucks. The Group also provides direct assistance for all the local victims affected by such disasters.

Safety and Health

We are committed to ensuring appropriate measures are in place to provide a healthy and safe workplace. We strive to prevent work related accidents, injuries and illnesses by instilling a strong safety culture at every level of the organisation. Through the implementation of Environmental, Health and Safety ("EHS") measures and policies, our goal is to preserve our employees' physical integrity, which includes educating employees on health and safety issues, reaction to emergency situations, how to deal with hazardous materials as well as personal health care and hygiene. In addition to the provision of safety and protective uniforms, our operations site is also well equipped with fire suppression apparatus and first aid equipment.

Our EHS policies are directed to ensure the Company has a robust process to identify and prevent health and safety risks to complement the Company's safety management rules, regulations, codes of conduct and practice that must be adhered to by all employees and business associates. For 9MFYE15, the Group is pleased to report that no major safety and health issues or incidents were recorded.

For the current financial year, the Company continues to set a goal of achieving a fatality rate of zero and has developed initiatives and plans to achieve this goal including ongoing emphasis on safety awareness, education, training and continuous monitoring. The Company and its management team are committed to the maintenance of a safe working environment for the betterment of all employees.

As an extension of our Group's high standards in health and safety, we assist the local community by providing an ambulance through CSR Berseri.

Community

As part of our commitment to good corporate governance and in fulfilling our corporate social responsibility, we are committed to building positive and long-term relationships within the local communities where we operate through establishing mutual respect, trust, understanding and effective communications.

We will continue to collaborate with various organisations to effect change for the greater good of the local communities. The emphasis will be on programmes that serve the needs of the communities of our employees and business associates. During the financial period under review, CSR Berseri has carried out programmes in the areas of education, community health, agriculture, community development and infrastructure. These programmes have provided tangible assistance to the community and are ongoing to ensure maximum benefit.

Community involvement at our mining site is evidenced by the fact that in 9MFYE15, the majority of our workforce was sourced from the mine's local area and region, thereby making a direct and tangible economic contribution to the local community.

Furthermore, we also invest directly in our employees through skill development and training. Our continuous training and development programmes are designed to enhance and broaden employees' key skills and knowledge. We offer a diverse range of ongoing training including basic training, skill development and upgrading, tactical education, computer skills and technical workshops. Employee development is a key responsibility of the Group providing career advancement opportunities and ultimately yielding higher income, and a better quality of life.

Other tangible contributions to the local community include the prioritisation of local suppliers for goods and services wherever possible. In 9MFYE15 more than half of our goods and services are sourced from local suppliers in East Kalimantan.

Furthermore, part of the Group's CSR mission is to enrich the lives of the local community around our mining area. Our Group is involved in building infrastructure, religious buildings, local government buildings, schools, and many more. The Group is also heavily involved in religious and cultural activities within the local community.

RESERVES AND RESOURCES STATEMENT

Independent Qualified Person's Report

An Independent Qualified Person's Report (the "IQPR12/15") has been prepared by an independent consultant, SMG Consultants ("SMGC"), pursuant to Rule 1204(23) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual, Section B: Rules of Catalist ("Catalist Rules"), and is dated 11 April 2016. The IQPR12/15 has been announced by the Company by SGXNet.

A summary of the Coal Reserves and Coal Resources as at 31 December 2015, as reported in the IQPR12/15, is shown below.

Summary of Coal Reserves and Coal Resources as at 31 December 2015

The following information should be read in conjunction with the IQPR12/15.

Name of Asset/Country: PT Rinjani/Indonesia

		Gross Attributable to Licence[1]		Net Attributable to the Company [4]		
Category	**Mineral Type**	**Tonnes (millions)**	**Grade**	**Tonnes (millions)**	**Grade**	**Change from previous update[2] (%)**
RESERVES[5]						
Proved	Coal	1.4	Sub-bituminous B	1.1	Sub-bituminous B	-57%
Probable	Coal	1.3	Sub-bituminous B	1.0	Sub-bituminous B	15%
Total	**Coal**	**2.7**	**Sub-bituminous B**	**2.2**	**Sub-bituminous B**	**-38%**
RESOURCES[3&5]						
Measured	Coal	11.3	Sub-bituminous B	9.0	Sub-bituminous B	-19%
Indicated	Coal	3.6	Sub-bituminous B	2.9	Sub-bituminous B	–10%
Inferred	Coal	4.7	Sub-bituminous B	3.8	Sub-bituminous B	-1%
Total	**Coal**	**19.6**	**Sub-bituminous B**	**15.6**	**Sub-bituminous B**	**-14%**

Notes:
(1) Licence refers to PT Rinjani's Production Operation IUP.
(2) Previous Coal Reserves and Coal Resources estimates were reported as at 31 March 2015.
(3) Coal Resources are inclusive of Coal Reserves.
(4) The results presented are rounded to reflect the accuracy of the estimates. Minor discrepancies are due to rounding and are not considered material by SMGC.
(5) Resources and Reserves reported in accordance with SMGC's interpretation of the JORC Code 2012 Edition.

Name of Qualified Person: Keith Whitchurch
Date: 31 December 2015
Professional Society Affiliation/Membership: BE(Hons) MengSci MAusIMM CP(min) RPEQ. PERHAPI

RESERVES AND RESOURCES STATEMENT

Details of Exploration (including geophysical surveys), Development and/or Production Activities

Although PT Rinjani has been granted a Production Operation IUP (mining business licence) to carry out coal mining operations in the Mining Concession Area covering 1,933 ha, currently only an area covering 308.54 ha of the total mining concession area, has secured a permit to borrow and use forest area (IPPKH1) from the Indonesian Minister of Forestry. The permit to borrow and use forest area is required to allow the Group to clear forested land to commence mining operations at the mine site in East Kalimantan, Indonesia.

On 8 January 2016, the Group announced that PT Rinjani had, on 6 January 2016, received the in-principle approval for IPPKH2, a second permit to borrow and use forest area covering an additional 899.47 ha of the PT Rinjani concession. Currently, PT Rinjani is working with the Indonesian Minister of Forestry to, amongst others, (i) determine the approved area's boundary coordinates; and (ii) measure and quantify the volume of plants and trees in cubic metres within the boundary's coordinates, which are both pre-requisites for the issuance of the IPPKH2.

Due to a delay in the approval process for IPPKH2, it has been necessary for PT Rinjani to dump overburden waste outside the designated dumping areas specified in the life of mine plan. This waste dumping has resulted in the sterilisation of Coal Reserves amounting to approximately 1.1 Mt during 9MFYE15. This sterilisation, together with depletion due to production during 9MFYE15 and a positive reconciliation adjustment accounts for a 38% reduction in Coal Reserves reported as of 31 December 2015. A reconciliation analysis comparing the geological model coal tonnes against the actual production coal tonnes since the start of mining, warranted a change to the coal recovery parameters that resulted in a positive reconciliation adjustment to the Coal Reserves estimate. The dumping locations for the waste overburden were selected so that the coal sterilised was of a higher strip ratio and therefore a higher extraction cost within the deposit.

Exploration within the PT Rinjani Mining Concession area has been limited by the boundary constraints of the current permit to borrow and use forest area (IPPKH1). Consequently, no additional exploration or development has been undertaken during 9MFYE15 in the Mining Concession area. Once IPPKH2 is obtained, the Group shall commence further exploration in the additional 899.47 ha area permitted under IPPKH2. This exploration may potentially lead to an increase in the Coal Resource and Coal Reserve estimates. Until the execution of this IPPKH2 focused exploration programme, there has been insufficient exploration to estimate a Coal Resource and it is uncertain if further exploration will result in the estimation of a Coal Resource in the IPPKH2 area.

RPG INVESTOR **RELATIONS**

Resources Prima has established an investor relations ("IR") programme with the principal goal of building trust and understanding with the investment community and shareholders through the timely dissemination of balanced information. We strive to maintain active interaction and regular engagement with all capital markets participants including analysts, potential investors, bankers, existing shareholders and the media. We place a great deal of emphasis on engaging in regular and direct dialogue with capital markets participants so that they are well-informed about the Group's existing operations, recent developments and strategic vision.

To ensure that corporate information is being conveyed accurately and in a timely and consistent manner, IR maintains a close working relationship with and enjoys active support from the relevant information sources and departments within the Company, including Finance, Legal, Marketing, Operations and Business Development. As the main liaison between the Company and the capital markets, IR also communicates with all members of the Board of Directors. We believe the development of a strong culture of internal communication is essential for good external disclosure.

Corporate Website

In addition to our direct interaction, IR communicates through electronic mail and phone with the investment community. The Company also has its own corporate website (www.resourcesprima.com.sg) which contains comprehensive information about the Group, including corporate videos, factsheets, corporate presentations, circulars, key policies, announcements and press releases. Our website offers an additional channel for the investment community to source information about the Company in addition to that published on the website of the SGX-ST. Investors and visitors to the website can also sign-up for news updates to be automatically sent to their email addresses.

IR Activities

The Company is committed to maintaining good corporate governance and transparency with our open door policy. We actively encourage business associates, investors, fund managers, financial institution representatives and external professional parties to visit our head office in Jakarta as well as our mining operations in East Kalimantan, Indonesia.

Whenever the Company hosts or participates in investor meetings, roadshows, or site visits by investors, senior management would always be present to provide the guests, investors or shareholders with an in-depth analysis of our operations, past performance, business model and future growth prospects. During 9MFYE15, the Company's senior management including the Chief Financial Officer ("CFO"), Mr John Allan Watson, and Executive Director ("ED"), Mr Giovani Sugiono, were present in Singapore to host quarterly results briefings with analysts and investors. In July 2015, our CFO and ED also attended a luncheon gathering and presented to dealer's representatives at the office of OCBC Securities in Singapore. We believe maintaining regular contact with the investment community serves to enhance their knowledge and therefore confidence in our business model. The Company believes this is especially important during the current difficult market conditions.

Our key objective through regular and comprehensive communications and interaction with the investment community is to seek knowledgeable and committed partners who will join us in our long-term goal of value creation for all stakeholders. This objective will be achieved by being proactive and maintaining close and trusted relationships with potential investors and fund managers such that when new investment opportunities arise, the best-suited investors can quickly deliver optimal funding based on the needs of the Company.

During 9MFYE15, the Company's share price moved within the price range of S$0.065 and S$0.162. The closing price on 31 December 2015, being the last day of 9MFYE15, was S$0.070, down 37.5% compared with the closing share price of S$0.112 on 31 March 2015, implying a market capitalisation for the Company of S$128.3 million based on 1,832,999,998 shares on issue.

CORPORATE INFORMATION

Company Name
Resources Prima Group Limited

Incorporated in
Singapore

Stock Code
5MM

ISIN Code
SG1W50939246

Registered Office
333 North Bridge Road
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Singapore 188721

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+65 6837 2133

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Board of Directors
Agus Sugiono
(Executive Chairman and Chief Executive Officer)

Gabriel Giovani Sugiono
(Executive Director)

Low Yew Shen
(Non-Executive Director)

Giang Sovann
(Lead Independent Director)

Russell Joseph Kelly
(Independent Director)

Rozano Satar
(Independent Director)

Audit and Risk Management Committee
Giang Sovann (Chairman)
Russell Joseph Kelly
Rozano Satar

Nominating Committee
Russell Joseph Kelly (Chairman)
Giang Sovann
Rozano Satar

Remuneration Committee
Giang Sovann (Chairman)
Russell Joseph Kelly
Rozano Satar

Company Secretary
Foo Soon Soo

Share Registrar
Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
Singapore Land Tower #32-01
Singapore 048623

Auditors
Baker Tilly TFW LLP
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778

Audit Partner-in-Charge
Khor Boon Hong
(appointed since the financial year ended 31 March 2015)

Sponsor
Canaccord Genuity Singapore Pte. Ltd.
77 Robinson Road
#21-02
Singapore 068896

FINANCIAL CONTENTS

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "Board" or the "Directors") of Resources Prima Group Limited (the "Company", and together with its subsidiaries, the "Group") recognises the importance of corporate governance and is committed to maintaining high standards to safeguard the interests of the Company's shareholders and to enhance corporate value and accountability by complying with the corporate governance practices, principles and guidelines contained in the Code of Corporate Governance 2012 (the "Code").

On 2 September 2015, the Company announced the change of its financial year end from 31 March to 31 December to align the financial year of the Company with that of its Indonesian subsidiaries. With this change, the financial year of the Company will end on 31 December each year and the first set of full financial statements of the Company and Group after the change will cover a period of 9 months from 1 April 2015 to 31 December 2015.

This report sets out the corporate governance practices that were adopted by the Group during the financial period from 1 April 2015 to 31 December 2015 ("9MFYE15") with specific reference to each of the principles of the Code. The Board confirms that, for 9MFYE15, the corporate governance practices adopted by the Group were in line with the recommendations of the Code. Where there were deviations from the Code, appropriate explanations are provided.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with the Management to achieve this objective and the Management remains accountable to the Board.

The Board has overall responsibility for the corporate governance of the Company including promoting long-term shareholder value and taking decisions in the interests of the Company objectively. Apart from its statutory responsibilities, the Board is responsible for:

(1) reviewing the financial performance and condition of the Group;

(2) approving the Group's strategic plans, key operational initiatives, major investments, divestments and funding decisions;

(3) identifying principal risks of the Group's business and implementing systems to manage the risks; and

(4) setting the tone of management via example and leadership, thereby communicating standards of corporate responsibility and objective decision-making.

Regular meetings are held to consider corporate and strategic policies of the Company including significant acquisitions and disposals, review performance of the business and approve the release of periodic financial results.

In addition to scheduled Board meetings, the Chairman and Chief Executive Officer hold informal meetings with the non-executive and independent directors to brief them on corporate and strategic developments.

Delegation of Authority by the Board

The Board is assisted by the Audit and Risk Management Committee ("ARMC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC") (collectively the "Board Committees") in discharging specific responsibilities. These Board Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis to ensure their continued relevance. The ultimate responsibility and decision on all matters still lies with the Board. The effectiveness of each Board Committee is also constantly monitored. Further information on these Board Committees is set out in this report.

Matters specifically referred to the Board for its approval include, but not limited to, the following:

- approval authority matrix, standard operating procedures, policies and procedures;
- strategic policies of the Group;
- annual budgets and mine plan including major revisions thereto;
- employee grading structure, salary bands and annual increments;
- appointment or resignation of Directors, appointment, re-appointment or resignation of members of the Board Committees as well as payment of Directors' fees;
- appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the Company to a managerial position in the Company or any of its principal subsidiaries;
- appointment of external auditor and Company representative;
- bank accounts: opening, closing and changes to cheque signatories;
- changes in the capital of the Company;
- material acquisitions and disposal of assets;
- capitalisation of loans due from subsidiaries exceeding 10% of Group net assets;
- advances/loans between group of associate companies;
- announcements: for public release, interim and full year results including material adjustments to previously announced results;
- general meetings: notices, call for meetings, circular to shareholders, corporate governance statement and chairman's statement for annual report;
- financial statements and secretarial: directors' statement, audited financial statements, dividend recommendation and payment, affixing common seal, change of registered office, register of members, share register and alteration to the constitution;
- establishment of board committees; and
- review interested person transactions.

CORPORATE GOVERNANCE REPORT

Directors' Attendance at Board and Board Committees Meetings

The Board conducts regular scheduled meetings at least four times a year to review the strategic policies of the Group, significant business transactions, performance of the business and approve the release of the quarterly and full year results. As and when required, ad-hoc Board meetings are also held to address significant transactions or specific issues that may arise. Important matters concerning the Group are also put to the Board for its decision by way of written resolutions. The Company's constitution (formerly known as Memorandum and Articles of Association) ("Constitution") has provision for Board meetings to be held via telephone or video conference.

The attendance of each Director at the Board and the Board Committees meetings, as well as the frequency of such meetings held during 9MFYE15 are disclosed as follows:

Meetings	Board		Board Committees					
			Audit and Risk Management		Nominating		Remuneration	
Meetings held in 9MFYE15	**3**		**3**		**1**		**1**	
Name of Director	No. of meetings to be attended	No. of meetings attended	No. of meetings to be attended	No. of meetings attended	No. of meetings to be attended	No. of meetings attended	No. of meetings to be attended	No. of meetings attended
Agus Sugiono	3	3	–	3*	–	1*	–	1*
Gabriel Giovani Sugiono	3	2	–	2*	–	1*	–	1*
Giang Sovann	3	3	3	3	1	1	1	1
Low Yew Shen	3	3	–	3*	–	–	–	–
Mihir Taparia#	3	3	3	3	1	1	1	1
Rozano Satar	3	3	3	3	1	1	1	1
Russell Joseph Kelly	3	3	3	3	1	1	1	1

Note:

* By Invitation

Mihir Taparia resigned as an Independent Director of the Company on 27 January 2016.

Orientation, Briefings, Updates and Trainings for Directors

Upon the appointment of a new director, the Company will provide a formal letter to the director, setting out his duties and obligations. Such directors are given appropriate briefings when they are first appointed to the Board. Appropriate programmes are conducted for all new directors appointed to the Board to ensure that they are familiar with the Company's business, operations, governance practice and regulatory requirements.

All Directors are encouraged to attend conferences and seminars as well as other training courses relevant to their roles as Directors of the Company. Such conferences and seminars as well as other training courses are arranged and funded by the Company for all Directors.

The Lead Independent Director and certain other Directors have attended a number of courses held by SID including, *inter alia*, 2015 Hay Group's "Survey on Director and Executive Pay Re-evaluating Rewards", and "Improving Board risk oversight effectiveness" as well as "Director's financial reporting essentials". In addition, the Executive Director had participated in the Singapore Exchange's online training sessions for shareholder reports and the SGXNet one key migration programme.

During the financial period under review, the Directors received updates on changes to relevant laws and regulations. In addition, the external auditors have provided updates to the Directors on the new and revised financial reporting standards, which are relevant to the Group. The Directors were also provided with certain industry publications to keep abreast of industry developments.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision-making.

As at the date of this report, the Board has six members comprising two Executive Directors, one Non-Executive and Non-Independent Director as well as three Independent Directors; details being as follows:

Name of Director	Board Membership	Audit & Risk Management Committee	Nominating Committee	Remuneration Committee
Agus Sugiono	Executive Chairman & Chief Executive Officer	–	–	–
Gabriel Giovani Sugiono	Executive Director	–	–	–
Giang Sovann	Lead Independent Director	Chairman	Member	Chairman
Low Yew Shen	Non-Executive Non-Independent Director	–	–	–
Rozano Satar	Independent Director	Member	Member	Member
Russell Joseph Kelly	Independent Director	Member	Chairman	Member

The Board is made up of Directors with a wide range of skills and experience in the fields of legal and corporate affairs, operations management, finance and accounting, as well as relevant industry experience. Each member of the Board (except for Mr Agus Sugiono, the Executive Chairman and Chief Executive Officer ("CEO") of the Company, an equivalent appointment to a Managing Director) holds office pursuant to the provisions of the Company's Constitution and thereafter, shall be eligible for re-election unless disqualified from holding office.

Annual Review of Directors' Independence

The Board is satisfied that there is a strong and independent element on the Board, with the Independent Directors constituting half of the Board. Accordingly, the Code's recommendations that Independent Directors make up at least half of the Board where the Chairman and CEO are the same person is fulfilled. The independence of each Director is reviewed annually by the NC and NC adopts the criteria of independence based on the definition provided by the Code, that is, an Independent Director is one who has no relationship with the Company and its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interest of the Company. Each Director is also required to declare his independence by duly completing and submitting a quarterly declaration form. The Independent Directors have confirmed their independence in accordance with the Code's definition of independence. The Board, after taking into consideration the recommendation of the NC, is of the view that all the Independent Directors are independent. None of the Independent Directors has served on the Board beyond nine years from the date of his first appointment.

CORPORATE GOVERNANCE REPORT

On an annual basis, the NC will review the size and composition of the Board to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board and the NC have considered and are satisfied that the current size and composition of the Board is appropriate for the nature and scope of the Group's operations. The Board has the appropriate requisite mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making.

The Independent Directors provide, amongst other things, strategic guidance to the Company based on their professional knowledge, in particular, assisting to constructively challenge and develop proposals on strategy.

The Independent Directors also help review the performance of management of the Company ("Management") in meeting agreed goals and objectives and monitor the reporting of performance.

The profiles and key information on the individual Directors and their shareholdings in the Company are set out in the "Board of Directors" section and the "Directors' Report" section of this annual report.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

Mr Agus Sugiono is the Executive Chairman and CEO of the Company.

As the Executive Chairman, Mr Agus Sugiono, leads the Board and will bear responsibility for the working of the Board and reviewing the effectiveness of the corporate governance process of the Board. He ensures that the responsibilities as set out in the Code are properly discharged and is responsible for representing the Board to shareholders.

As CEO, Mr Agus Sugiono is responsible for the executive responsibilities for the Group's performance. His responsibilities include charting and reviewing of corporate directions and strategies, which cover areas of marketing and strategic alliances. He is responsible for providing the Company with strong leadership and vision. In assuming his roles and responsibilities, Mr Agus Sugiono consults with the Board and Board Committees on major issues.

To ensure that shareholders' interests are protected, the Company has appointed Mr Giang Sovann as the Lead Independent Director of the Company. As Lead Independent Director, Mr Giang Sovann will be the contact person available to shareholders where they have concerns and for which contact through the normal channels with the Chairman, CEO or the Chief Financial Officer ("CFO") has failed to resolve or where such communication is inappropriate.

The Board believes that there are adequate safeguards in place against having a concentration of power and authority in a single individual. During the financial period under review, the Independent Directors, led by the Lead Independent Director, held various informal meetings and discussions amongst themselves without the presence of the other Directors, and had provided feedback to the Chairman.

Board Membership

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The NC comprises three Directors, all of whom, including the Chairman of the NC, are independent. The NC is chaired by Mr Russell Joseph Kelly, who is not a substantial shareholder of the Company or directly associated with any substantial shareholder of the Company. The other members of the NC are Mr Giang Sovann and Mr Rozano Satar. The NC will meet at least once a year or when necessary.

The NC is guided by its terms of reference. The NC's duties and functions include:

(i) reviewing and making recommendations to the Board on all board appointments and re-nomination having regard to the Director's contribution and performance;
(ii) ensuring that all members of the Board submit themselves for re-nomination and re-election at regular intervals;
(iii) determining annually whether a Director is independent, guided by guidelines in the Code;
(iv) deciding if a Director is able and has adequately carried out his duties as a Director of the Company where he has multiple board representations;
(v) proposing a set of objective performance criteria to the Board for approval and implementation, to evaluate the effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board; and
(vi) reviewing and approving any new employment of related persons and the proposed terms of their employment.

Each member of the NC shall abstain from voting on any resolutions, making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his performance or independence or his re-nomination as a Director.

On 27 January 2016, Mr Mihir Taparia resigned from his position as an Independent Director of the Company because he expected to advise the Group on its future corporate development activities as well as its coal marketing & trading initiatives, which may be perceived to conflict with his independence. He is now a consultant for RPG Trading Pte Ltd. Mr Mihir Taparia's positive contribution to the Board and Board Committees including as Chairman of the RC and member of ARMC and NC was acknowledged. The NC considered, at this stage, it is not necessary to replace Mr Mihir Taparia's position on the Board.

Process for Selection and Appointment of New Directors

The NC is responsible for identifying candidates and reviewing all nominations for the appointment of new Directors.

The NC will conduct an annual review of the composition of the Board in terms of the size and mix of skills and qualifications of the Board members. It may, if it deems appropriate, recommend the appointment of additional Directors to strengthen the composition of the Board. The NC may also recommend the appointment of a new Director to fill a casual vacancy in the Board. The NC will deliberate and propose the background, skills, qualification and experience of the candidate it deems appropriate. The factors taken into consideration by the NC could include among other things, the new Director to add to or complement the mix of skills and qualifications in the existing Board, relevance of his experience and contributions to the business of the Company and the depth and breadth he could bring to Board's discussion.

CORPORATE GOVERNANCE REPORT

The NC will accept nominations and review the resumes of candidates for shortlisting. It will arrange to conduct, meet and talk to the shortlisted candidates to assess their suitability and fit to the Board as well as to assess their interest to take up directorships in the Company. It will narrow its search to two or three most suitable candidates and submit their names to the Board. The Board will review the credentials of the candidates submitted to them and the recommendations of the NC and make a final decision on an appointee.

Process for Re-appointment of Directors

The role of the NC also includes the responsibility of reviewing the re-appointment of Directors who retire by rotation.

Under the Constitution of the Company, one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company ("AGM"). The Constitution of the Company also provides that all retiring Directors (except for Mr Agus Sugiono, the Executive Chairman and CEO, who is holding an equivalent appointment as a Managing Director) are eligible to offer themselves for re-appointment. Further, all the Directors are required to retire from office at least once every three years.

In addition, under the Constitution of the Company, a newly appointed Director must retire and submit himself for re-election at the AGM immediately following his appointment. Thereafter, he will be subject to the one-third rotation rule under the Constitution of the Company.

The NC has recommended to the Board that Mr Gabriel Giovani Sugiono and Mr Low Yew Shen be nominated for re-appointment at the forthcoming AGM. In making its recommendations, the NC has considered, amongst others, the Directors' integrity, independent mindedness, contribution and performance (such as attendance, participation, preparedness and candour). The Board has accepted the recommendations of the NC and the retiring Directors will be offering themselves for re-appointment at the forthcoming AGM. Mr Gabriel Giovani Sugiono and Mr Low Yew Shen have abstained from both the NC's and the Board's deliberations of their respective re-appointments.

Independence of the Directors

For the financial year under review, the NC is of the view that the Independent Directors are independent as defined in the Code and are able to exercise judgement on the corporate affairs of the Group independent of the Management.

Multiple Board Representations

The NC has considered and is of the view that it would not be appropriate to set a limit on the number of directorships that a Director may hold because Directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities. Each Director shall determine the demands of his competing directorships and obligations and assess the number of directorships he could hold and serve effectively. The Board, with the assistance of the NC has, as part of its annual review, taken into account, among others, (i) the contributions by Directors to and during meetings of the Board and Board Committees; (ii) the results of the Board's evaluation of its performance; and (iii) the directorships and principal commitments of individual Directors, and has concluded that the Directors are able to and have devoted sufficient time and attention to the affairs of the Company and to discharge their responsibilities adequately as required under the Code.

There is no alternate Director being appointed to the Board for the financial year under review.

CORPORATE GOVERNANCE REPORT

The key information on each Director is set out in the "Board of Directors" section of this annual report. The date of initial appointment and last re-appointment of each Director, together with his current and past directorships in other listed companies, are set out below:

Name	Date of initial appointment	Date of last re-appointment	Current directorships in other listed companies	Past directorships in listed companies (preceding three years)
Agus Sugiono	12 November 2014	Not applicable [(1)]	Nil	Nil
Gabriel Giovani Sugiono	12 November 2014	Not applicable	Nil	Nil
Giang Sovann	12 November 2014	Not applicable	Nil	SBI Offshore Limited
Low Yew Shen	12 November 2014	Not applicable	Regal International Group Ltd	China Ouhua Winery Holdings Limited
Mihir Taparia [(2)]	12 November 2014	Not applicable	Nil	Nil
Rozano Satar	12 November 2014	27 July 2015	Nil	Nil
Russell Joseph Kelly	12 November 2014	27 July 2015	Nil	Nil

Notes:

(1) Under the Constitution of the Company, the Managing Director of the Company (or any Director holding an equivalent appointment) is not subject to retirement.

(2) Resigned on 27 January 2016.

Board Performance

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

On an annual and formal basis, the NC assesses the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board and each of the Board Committees has assessed the effectiveness of the Board Committees. The Board has not engaged any external facilitator in conducting the assessment of the Board's performance and the performance of individual Directors. Where relevant, the NC will consider such engagement.

During the financial year under review, all Directors are requested to complete evaluation forms designed to seek their view on the various aspects of the Board performance so as to assess the overall effectiveness of the Board as well as the performance of the Board Committees and Individual Directors. The completed evaluation forms were submitted to the Company Secretary for collation and the consolidated responses were presented to the NC for review. The NC will then report to the Board of the results of the consolidated responses. Following the receipt of the consolidated responses, the Board is of the view that the Board and its Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

For the performance criteria for the Board's evaluation, the NC considers a number of factors, including the discharge of the Board's functions, access to information, participation at Board meetings and communication and guidance given by the Board to Management.

CORPORATE GOVERNANCE REPORT

For the purpose of its evaluation of the Directors' performance, the NC focuses on whether the Directors, individually or collectively possesses the background, experience, competencies in the relevant skills critical to the Company's business as well as whether each Director, with his contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

Access to Information

Principle 6: In order to fulfill their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

The Company fully recognises that the continual flow of relevant and accurate information on timely basis is critical for the Board to be effective in discharging its duties. The Management provides the Board members with regular updates on the financial performance and financial position of the Company. Board papers are generally made available to Directors on a timely manner, before the meetings and would include financial management reports, reports on performance of the Group, papers pertaining to matters requiring Board's decision, updates on key outstanding issues, strategic plans and developments in the Group. This is to enable the Directors to be properly briefed on matters to be considered at the Board and Board Committees meetings. Quarterly reviews of the Company's activities are also provided to the Board with other key information, such as business investment plans, corporate actions and other information being communicated to the Directors on an ongoing basis. The Directors have separate and independent access to Management and the Company Secretary.

Under the directorship of the Chairman, the Company Secretary ensures good information flows within the Board and its Board Committees and between the Management and the Non-Executive Director. The Company Secretary assists the Chairman and the Chairman of each Board Committee in the development of agendas for the various Board and Board Committee meetings. The Company Secretary administers and she or her representative attends all Board and Board Committee meetings of the Company and prepares minutes of meetings. The Company Secretary is also responsible for, among other things, ensuring that the Board procedures are observed and that the relevant rules and regulations, including requirements of the Companies Act and the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("Catalist rules") are complied with. The appointment and the removal of the Company Secretary is a matter for the Board as a whole.

The Directors, whether individually or as a group, will have access to independent professional advice where such services are required in furtherance of their duties. The cost of such professional advice will be borne by the Company.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies
Level and Mix of Remuneration
Disclosure on Remuneration

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The RC of the Company comprises three Directors, all of whom, including the Chairman, are independent. The RC is chaired by Mr Giang Sovann, who is not a substantial shareholder of the Company or directly associated with any substantial shareholder of the Company. The other members of the RC are Mr Russell Joseph Kelly and Mr Rozano Satar. The RC will meet at least once a year or when necessary.

The RC will review and recommend remuneration policies and specific remuneration packages that will attract, retain and motivate each Director and key management personnel to exert their best efforts to work towards the growth of the Group, the protection and promotion of the interests of all shareholders and the interests of improved corporate performance. The review of remuneration packages takes into consideration the long-term interests of the Group such that the interests of the Directors and the key management personnel are aligned with that of the shareholders. The review covers all aspects of remuneration, including but not limited to, Directors' salaries, fees, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind. The RC's recommendations will be submitted for endorsement by the entire Board.

In addition, the RC will perform an annual review of the remuneration of employees related to the Group's Directors and substantial shareholders to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. The RC will also review and approve any bonuses, pay increments and/or promotions of these employees and will also review the Group's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination which are not overly generous.

The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expenses of such services shall be borne by the Company.

Each member of the RC shall abstain from voting on any resolutions, making recommendations and/or participating in any deliberations of the RC in respect of his remuneration package or that of employees related to him (if any). The RC shall also be empowered to review human resource management policies of the Group.

In its review and recommendations on remuneration policies and packages for the Directors, the RC will consider, among others, the size and complexity of the Group, the time commitment, as well as survey reports published by reputable human resource consulting firms.

Remuneration of key management personnel will be reviewed by the Company's human resource department in consultation with the CEO and Management. The review will take into consideration the value-added and the extent of contribution of the key management personnel towards the financial health and business needs of the Group. The Company will offer competitive remuneration packages to recruit, motivate and retain valuable staff. The RC will also administer the employee share option scheme and performance share plan of the Company.

The Independent Directors and Non-Executive Director receive Directors' fees in accordance with a remuneration framework where each Director is paid a basic fee and an additional fee for appointments as chairman or a member of a board committee commensurate with additional responsibilities associated with such appointments. The Independent Directors shall not be over-compensated to the extent that their independence may be compromised. Payments of Directors' fees are subject to shareholder approval at the AGM.

CORPORATE GOVERNANCE REPORT

Executive Directors do not receive Directors' fees but are remunerated as members of Management. The Company has entered into service agreements with Mr Agus Sugiono (Executive Chairman and CEO) and Mr Gabriel Giovani Sugiono (Executive Director) (together, the "Executives"), for an initial term of three years from 12 November 2014. Upon the expiry of the initial term, their employment may, at the option of the Company, be extended for such further period on terms and conditions to be agreed between the Company and the Executives. The salary, performance bonus and any other benefits-in-kind which the Executives are entitled to are subject to annual review and approval by the Board and/or the RC. The Executives and/or his associates will abstain from voting in respect of any resolution or decision to be made by the Board in relation to the terms and renewal of their respective service agreements. The Board has reviewed the terms of their service agreements and is of the opinion that the remuneration of the Executives is competitive compared to the market rate.

The remuneration package of the Executive Directors and the Management are set by individual service agreements and comprise (i) a basic salary component; (ii) a religious festive bonus, based on the country of residence, in the amount equal to the basic monthly salary of the executive; and (iii) a variable component, where applicable, which is the annual bonus, based on the performance of the Group as a whole and their individual performance.

The remuneration policy of the Group seeks, *inter alia*, to align the interests of employees within the Group, to reward and encourage performance based on its core values and to ensure that remuneration is commercially competitive to attract and retain talent. Remuneration packages are initially discussed with the prospective employee to obtain his/her requirements. Such requirements are then considered and adjusted in light of the current employee remuneration structure and levels, company resources as well as market data, where available. The typical remuneration package consists of a fixed monthly salary plus a religious festive bonus in the amount equal to the basic monthly salary of the employee.

There are no termination or retirement benefits granted to the Directors, CEO and key management personnel. Currently, the RC is of the view that it is not necessary to use contractual provisions that would allow the Company to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company and the Group.

The compensation paid or payable to the members of the Board (including Directors' fees) and key management personnel of the Group (who are not Directors and CEO) (including salary, bonus, provident fund contribution, benefits-in-kind and deferred compensation accrued in the financial year under review and payable at a later date) are as follows:

Name of Director	**Base/ Fixed Salary (S$'000)**	**Bonus (S$'000)**	**Provident Fund Contribution (S$'000)**	**Directors' Fee (S$'000)**	**Allowances and Other Benefits (S$'000)**	**Total (S$'000)**
Agus Sugiono	313	–	–	–	45	358
Gabriel Giovani Sugiono	87	–	–	–	–	87
Giang Sovann	–	–	–	50	–	50
Mihir Taparia (1)	–	–	–	41	–	41
Russell Joseph Kelly	–	–	–	41	–	41
Rozano Satar	–	–	–	37	–	37
Low Yew Shen				30	–	30
Name of Top 5 Management Personnel (who are not Directors or CEO)	**Base/ Fixed Salary**	**Bonus**	**Provident Fund Contribution**	**Directors' Fee**	**Allowances and Other Benefits**	**Total**
S$250,000 – S$500,000						
John Allan Watson	90%	–	–	–	10%	100%
Nordiansyah Nasrie	87%	–	–	–	13%	100%
Below S$250,000						
Bhondan Suryo Bhroto	87%	–	–	–	13%	100%
Betsaida Tamba	87%	–	–	–	13%	100%
Marlina	87%	–	–	–	13%	100%

Note:

(1) Resigned on 27 January 2016.

The remuneration of the Directors and the top five key management personnel are reviewed at the discretion of the Board in consultation with the RC.

For 9MFYE15, the aggregate total remuneration paid to the top five key management personnel (who are not Directors or CEO) was approximately S$761,367.

Remuneration of Immediate Family Member of Directors or Substantial Shareholders

Save for Gabriel Giovani Sugiono who is the son of the Executive Chairman and CEO of the Company, there are no other employees who are immediate family members of a Director or the CEO and whose remuneration exceed S$50,000 per annum during the financial period under review.

Details of Employee Share Scheme

A Resources Prima Group Limited Employee Share Option Scheme (the "Scheme") and a Resources Prima Group Limited Performance Share Plan (the "Plan") were approved by the shareholders at an Extraordinary General Meeting held on 7 May 2010. Further details of the Scheme and the Plan are set out in the "Directors' Report" section of this annual report.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is accountable to the shareholders and is committed to ensure compliance with the Listing Rules of the SGX-ST. The Directors have each signed the respective undertaking in the form set out in Appendix 7H of the Catalist Rules to undertake to use their best endeavors to comply with the Catalist Rules and to procure that the Company shall so comply. Similar undertakings have been executed by the Chief Operating Officer, CFO and Vice President Operations in their capacity as Executive Officers.

The Board provides shareholders with annual financial reports and announces promptly, quarterly and yearly financial results. It is the aim of the Board to include analyses in these reports of sufficient detail to provide a balanced and understandable assessment of the Company's financial performance, position and prospects.

The Board also takes adequate steps to ensure compliance with legislative and regulatory requirements and observes obligations of continuing disclosure under the Catalist Rules. For example, in line with the Catalist Rules, the Board provides a negative assurance confirmation to shareholders in respect of the interim unaudited financial statements. The Board also provides shareholders with periodic updates and reports through announcements, where necessary, with regard to the Group's business developments.

A consolidated analysis of the Group's financial statements is provided to the Board on a quarterly basis. Detailed management accounts of the Company and operating subsidiaries are provided to the Board and further analysis/information is provided on specific request.

Risk Management and Internal Controls

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard the shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks, which the Board is willing to take in achieving its strategic objectives.

The ARMC conducts an annual review of the adequacy and effectiveness of the Company's material internal controls, including financial, operational, compliance and information technology controls, and risk management. In this respect, the ARMC reviews the audit plans from the internal auditor, and the findings of the review conducted by the internal auditor as well as the findings of the review undertaken by the external auditor as part of their statutory audit and ensures that the Company acts on the recommendations, if any, of the internal auditor and external auditor, as appropriate.

The Group has in place a system of internal control and risk management to ensure proper accounting records and reliable financial information as well as management of business risks with a view to safeguarding shareholders' investments and the Company's assets. The risk management structure comprises a Chief Risk Officer ("CRO") who is responsible to the ARMC for implementing the risk management plan and providing regular reports. John Allan Watson, the CFO of the Group, is tasked with the responsibilities of the CRO. The CRO coordinates implementation of the risk management plan through a management risk committee comprising representatives of all functional departments. Each functional department is required to document their risk appetites and tolerances along with risk assessments for each risk appetite. The risk management framework implemented provides for systematic and structured review and reporting of the assessment of the degree of risk, evaluation and effectiveness of controls in place and the requirements for further controls. The financial risk management objectives and policies of the Group are set out in pages 101 and 104 of this annual report.

The Board notes that the system of internal control and risk management established by the Management provides reasonable, but not absolute assurance that the Group will not be significantly affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal control and risk management can provide absolute assurance in this regard, or absolute assurance against poor judgment in decision-making, human error, losses, fraud or other irregularities.

For 9MFYE15, the Board has received letters of assurance from the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and regarding the effectiveness of the Company's risk management and internal control systems. Based on the confirmations received from the CEO and CFO and the work performed by the internal and external auditors, the Board, with the concurrence of the ARMC, is of the opinion that the Group's current internal control procedures in place in addressing financial, operational, compliance, information technology controls and risk management systems are adequate and effective.

Audit Committee

Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

The ARMC of the Company comprises three Directors, all of whom, including the Chairman, are independent. The ARMC is chaired by Mr Giang Sovann. The other members of the ARMC are Mr Russell Joseph Kelly and Mr Rozano Satar.

Mr Giang Sovann is a Chartered Accountant with the Institute of Chartered Accountants of Saskatchewan, Canada, a Chartered Accountant, Singapore and a Certified Public Accountant, Singapore and a member of the Singapore Institute of Directors. Mr Russell Joseph Kelly was the managing director of Polytama International Finance B.V. from 2004 to 2015 and is a member of the Board of Commissioners of PT Tuban LPG Indonesia. The Board is satisfied that a majority of the ARMC members (including the Chairman of the ARMC) have recent and relevant accounting or related financial management expertise or experience and are appropriately qualified to discharge the responsibilities of the ARMC.

The overall objective of the ARMC is to ensure that the Management has created and maintained an effective control environment in the Company. The ARMC has explicit authority to investigate on any matter within its terms of reference and has full access to and co-operation by the Management. The ARMC also has full discretion to invite any Director or executive officer to attend its meetings and reasonable resources to enable it to discharge its functions properly.

The ARMC is guided by its terms of reference. The ARMC's duties and functions include:

(a) reviewing with the internal and external auditors the audit plan, scope of work, their evaluation of the system of internal accounting controls, their management letter and the Management's response and results of the audits conducted by the internal and external auditors of the Group;

(b) reviewing the scope and results of the external audit and the independence and objectivity of the external auditors;

(c) reviewing the periodic consolidated financial statements and results announcements before submission to the Board for approval, focusing, in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;

CORPORATE GOVERNANCE REPORT

(d) reviewing the internal controls and procedures and ensure co-ordination between the external auditors, internal auditors and the Management, and review the assistance given by the Management to the auditors and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the Management, where necessary);

(e) ensuring that annual internal controls audits are commissioned until such time it is satisfied that the Group's internal controls are robust and effective. Further, the ARMC may initiate such internal controls audits as and when it deems fit to satisfy itself that the Group's internal controls remain robust and effective;

(f) reviewing and approving all formal hedging and trading policies (if any) and ensure that adequate procedures are in place, prior to implementation by the Group;

(g) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response;

(h) reviewing and reporting to the Board at least annually the risk profile of the Group, effectiveness and adequacy of its internal controls and risk management procedures, including accounting, financial, operational, compliance and information technology controls and procedures and the appropriate steps to be taken to mitigate and manage risks at an acceptable level determined by the Board;

(i) considering the appointment, remuneration, terms of engagement or re-appointment of external and internal auditors, and matters relating to the resignation or dismissal of the auditors;

(j) reviewing and approving any transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(k) reviewing potential conflict of interests, if any, and take any necessary steps to resolve and mitigate such conflict of interests;

(l) reviewing significant financial reporting issues and judgments with the CFO and the external auditors so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before their submission to the Board;

(m) reviewing and establishing procedures for receipt, retention and treatment of complaints received by the Group, *inter alia*, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;

(n) reviewing the policy and arrangements by which staff of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, and ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken;

(o) undertaking such other review and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARMC; and

(p) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

In addition, the ARMC will have the discretion to direct an independent review of the risk management procedures of the Group and the frequency of such review.

In the event that a member of the ARMC is interested in any matter being considered by the ARMC, he will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

The ARMC will also meet separately with the external auditors and the internal auditors, as well as meet among themselves in the absence of the Management, when necessary, at least annually, so as to be able to react to potential concerns when they are identified. The ARMC reviews the independence of the external auditors annually.

The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to its external auditors.

For the financial period under review, the aggregate amount of fees paid or payable to the Company's external auditors, Baker Tilly TFW LLP, was S$153,600, comprising S$150,000 of audit fees and S$3,600 of non-audit fees; whereas the aggregate amount of fees paid or payable to other external auditors of the Group was approximately S$45,725, comprising approximately S$45,725 of audit fees and US$Nil for non-audit fees. The ARMC confirms that it has undertaken a review of all non-audit services provided by the external auditors, and is satisfied that the nature and extent of such non-audit services will not, in the ARMC's opinion, prejudice the independence and objectivity of the external auditors. Accordingly, the ARMC has recommended to the Board, the nomination of Baker Tilly TFW LLP, the external auditors of the Company, for re-appointment at the forthcoming AGM.

During 9MFYE15, the Company had in place a whistle-blowing framework by which any staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters with the ARMC Chairman who is also the Lead Independent Director and other Independent Directors. The objective for such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. No such whistle-blowing letter was received in 9MFYE15.

The external auditors provided regular updates and periodic briefings to the ARMC on changes or amendments to accounting standards to enable the members of the ARMC to keep abreast of such changes and its corresponding impact on the financial statements, if any.

No former partner or director of the Company's current auditing firm or auditing corporation is a member of the ARMC.

Internal Audit

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Board recognises that it is responsible for maintaining a system of internal control to safeguard shareholders' investments and the Group's businesses and assets, while the Management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner. The ARMC approves the appointment, removal, evaluation and compensation of the internal auditor. As the size of the operations of the Group does not warrant the Group having an in-house internal audit function, the Group has therefore appointed a professional internal audit firm to undertake the functions of its internal audit.

For the financial period under review, the Company outsourced its internal audit function to Deloitte & Touche Enterprise Risk Services Pte Ltd for the internal audit of the Company and the Group. The internal auditor reports directly to the ARMC and has unrestricted access to the documents, records, properties and personnel of the Company and of the Group.

The primary objectives of the internal audit function are to:

(a) assess if adequate systems of internal controls are in place to protect the assets of the Group and to ensure control procedures are complied with;

(b) assess if operations of the business processes under review are conducted efficiently and effectively; and

(c) identify and recommend improvement to internal control procedures, where required.

Before the commencement of the internal audit, the internal auditor will propose an internal audit plan to the ARMC and obtain the approval of the ARMC before the internal auditor can proceed with the internal audit plan. The findings of such internal audit are submitted by the internal auditor to the ARMC for their review. Under the internal audit plan for the financial year under review, the internal audit covers internal controls associated with; general control environment, health, safety and environment, fixed asset management (capital expenditure), contract and mining contractor management, revenue, credit control and collections, purchases, payables and expenses, inventory and facility management, human resources and payroll, bank and cash management, related party and interested person transactions. Subsequent to the internal audit conducted, internal audit findings and corresponding responses from the Management to address these findings were reported at the meeting of the ARMC.

The ARMC annually reviews the adequacy of the internal audit function to ensure that the internal audit resources are adequate and that the internal audits are performed effectively. For the financial period under review, the ARMC has reviewed the adequacy and effectiveness of the internal audit function and is satisfied that the internal audit function is adequately resourced with suitably qualified and experienced professionals with the relevant experience, and that the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors are used as a reference and guide by the internal auditor when carrying out the internal audit work.

During the financial period under review, the ARMC has also met with the internal auditor without the presence of the Management.

COMMUNICATION WITH SHAREHOLDERS

Shareholder Rights
Communication with Shareholders
Promoting Greater Participation by Shareholders

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognize, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

Announcements of the Company's quarterly and full year results are done via SGXNet. All information on the Company's new developments is communicated to shareholders on a timely basis via SGXNet.

Shareholders can have access to the Company's financial information as well as the developments of the Company through its website at http://resourcesprima.com.sg/

The Company communicates with its shareholders on a timely basis, through its Investor Relations group, annual reports, financial statements announcements, notice of and explanatory memorandum for general meetings, press releases and disclosures to the Singapore Exchange Securities Trading Limited. The Company does not practice selective disclosure. In line with the continuous obligations of the Company under the Catalist Rules and the Companies Act (Chapter 50 of Singapore), the Board's policy is that all shareholders should equally and on a timely basis be informed of all major developments that impact the Group via SGXNet. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly to all others as soon as practicable.

Shareholders are informed of general meetings through announcements released via SGXNet and notices contained in the annual reports or circulars sent to all shareholders. All shareholders are entitled to attend the Company's general meetings and are given the opportunity to communicate their views on various matters affecting the Company and the Group at the general meetings. This serves as a good platform for them to meet with the Board and the Management to clarify concerns relating to the Company's and the Group's performance and direction. Shareholders are encouraged to articulate their views on matters relating to the Company and the Group or question the Board on issues pertaining to the resolutions proposed at the general meetings. Shareholders will also be briefed by the Company on the rules, including voting procedures that govern general meetings.

The Company does not have a formal dividend policy. The form, frequency and amount of declaration and payment of future dividends on shares of the Company that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as other factors deemed relevant by the Directors:

(a) the level of cash and retained earnings;

(b) the actual and projected financial performance and financial conditions;

(c) projected working capital requirements;

(d) projected levels of capital expenditure and other investment plans; and

(e) restrictions on payment of dividends imposed on the Group by its financing arrangements or other agreements (if any).

The Board does not recommend any payment of dividends for 9MFYE15 as the Company does not have sufficient profits to declare dividends and plans to self-fund the exploration and development of IPPKH2.

The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act) to appoint one or two proxies to attend and vote at its general meetings. The Companies Act allows relevant intermediaries, which include CPF Approved nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF Approved Nominees' proxies. Voting in absentia by mail, email or fax is currently not permitted under the Company's Constitution until security, integrity and other pertinent issues are satisfactorily resolved.

The Chairman of the Board and the respective Chairmen of the ARMC, NC and RC are normally present and available to address shareholders' questions at general meetings. If a specific member of the Board to whom a question is addressed is not present, another member of the Board or an officer of the Company who is present will address the question. The Company's external auditors are also present to address shareholders' queries relating to the conduct of audit and the preparation and content of the auditors' report. Where deemed appropriate, the Board may call upon other professional service providers to address queries.

CORPORATE GOVERNANCE REPORT

All resolutions at the forthcoming AGM will be put to vote by poll. This will be in compliance with the requirements of the Catalist Rules and allow greater transparency and more equitable participation by shareholders.

The proceeding of the AGMs will be properly recorded, including all comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and the Management, and these minutes will be available to shareholders upon their request.

INTERESTED PERSON TRANSACTIONS

The Company has an internal policy in respect of any transactions with interested persons and has in place a process to review and approve any interested person transaction.

The Company does not have any general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules for 9MFYE15. Save for interested person transactions with a value of less than S$100,000 each, there were no interested persons transactions entered into by the Group during 9MFYE15.

DEALINGS IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules on Dealing in Securities, the Company has formed and adopted its own internal compliance code to provide guidance to its officers with regards to dealing by the listed issuer and its officers in its securities by issuing circulars to its Directors and employees, to remind them that (i) they should not deal in shares of the Company on short-term considerations or if they are in possession of unpublished material price-sensitive information; and (ii) they are required to report on their dealings in shares of the Company. The Directors and employees are also reminded of the prohibition in dealing in shares of the Company 14 days before the announcement of the Company's quarterly and one (1) month before the announcement of the Company's full year financial statements.

MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling shareholders, either still subsisting at the end of 9MFYE15 or if not then subsisting, entered into since the end of the previous financial year ended 31 March 2015:

1. Service agreements entered into between the Executive Directors and the Company;

2. Loan agreement dated 10 April 2014 between Forrest Point Enterprises Limited ("Forrest Point") and Energy Prima Pte. Ltd. ("Energy Prima") for a loan from Forrest Point to Energy Prima for the sum of S$1,750,000 (US$1,386,688). The loan is interest-free, unsecured and has an initial period of five years for repayment and extendable by mutual agreement of the parties;

3. Loan agreement dated 13 July 2012 between Clydeswood Ventures Ltd ("Clydeswood") and Energy Prima for a loan from Clydeswood to Energy Prima (which was amended by supplemental agreements dated 13 July 2012 and 13 July 2014) for a loan from Clydeswood to Energy Prima in the sum of S$60,000. The loan is interest-free, unsecured and has a repayment period of five years from 13 July 2014 or such other period as the parties may agree in writing;

Material contracts 2 and 3 set out above were entered into prior to the completion of the Acquisition on 12 November 2014, and details have been set out in the Company's circular to shareholders dated 30 September 2014.

USE OF PROCEEDS

On 12 November 2014, the Company issued 83,000,000 new shares in the capital of the Company at an issue price of S$0.20 per new share thereby raising gross proceeds of S$16.6 million. The use of such proceeds in the financial period under review is as follows:

Placement Proceeds

Proceeds raised from placement of 83,000,000 new shares in the capital of the Company at an issue price of S$0.20 per new share	(S$'000)
	16,600

Purpose	Allocation of proceeds to each purpose as announced on 24 November 2014 (S$'000)	Proceeds utilized at the date of this announcement (S$'000)	Balance (S$'000)
Carrying Out Civil Works	500	500	–
Upgrading Coal Mining Facilities	900	443	457
Partial repayment of existing debt to CK	10,000	10,000	–
General Working Capital	1,961	1,961	–
Outstanding Expense (1)	2,658	2,658	–
Underwriting and placement commission (1)	581	581	–
Total	16,600	16,143	457

Note:

(1) Excluding applicable goods and services tax.

The Company will make periodic announcements on the use of the balance of the net proceeds from the placement as and when the funds are materially disbursed.

RISK MANAGEMENT POLICIES AND PROCESSES

Details of risk management policies and processes can be found in Note 28(b) of the accompanying financial statements.

NON-SPONSORSHIP FEES

With reference to Rule 1204(21) of the Catalist Rules, the breakdown of fees payable or paid to the Company's Sponsor, Canaccord Genuity Singapore Pte. Ltd., for 9MFYE15 is as follows:

	Amount (S$)
Sponsor Fees	129,470
Non-Sponsor Fees	–
Total	129,470

DIRECTORS' STATEMENT

The Board of Directos (the "Board" or the "Directors") are pleased to present their statement to the members together with the audited consolidated financial statements of Resources Prima Group Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial period from 1 April 2015 to 31 December 2015.

Opinion of the Directors

In the opinion of the Directors:

(i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 54 to 108 are properly drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2015 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial period from 1 April 2015 to 31 December 2015 in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The Directors of the Company in office at the date of this statement are:

Agus Sugiono
Gabriel Giovani Sugiono
Low Yew Shen
Giang Sovann
Russell Joseph Kelly
Rozano Satar

Arrangement to Enable Directors to Acquire Benefits

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than share options as disclosed in this statement.

DIRECTORS' STATEMENT

Directors' Interests in Shares or Debentures

The Directors of the Company holding office at the end of the financial period had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act (the "Act"), except as follows:

	Number of ordinary shares			
	Shareholdings registered in their own names		Shareholdings in which a director is deemed to have an interest	
	At 1.4.2015	At 31.12.2015	At 1.4.2015	At 31.12.2015
Name of director and companies in which interest are held				
Ultimate holding company				
Madrone Enterprises Limited				
Agus Sugiono	–	–	1#	1#
Gabriel Giovani Sugiono	1@	1@	–	–
Company				
Resources Prima Group Limited				
Agus Sugiono	–	–	1,001,958,980#	1,001,958,980#
Gabriel Giovani Sugiono	–	–	1,001,958,980*	1,001,958,980*

Notes:

* Pursuant to the Act, Gabriel Giovani Sugiono is deemed to have an interest in the shares of the Company held by Madrone Enterprises Limited in which he is the ultimate beneficial owner.

\# Pursuant to the Act, Agus Sugiono is deemed to have an interest in the shares held directly and indirectly by his son, Gabriel Giovani Sugiono.

@ The sole shareholder of Madrone Enterprises Limited is Joyful Sky Limited, incorporated in British Virgin Islands, which holds the share as a nominee of Gabriel Giovani Sugiono.

The directors, Agus Sugiono and Gabriel Giovani Sugiono, by virtue of Section 7 of the Act are deemed to have an interest in the shares held by the Company in its wholly-owned subsidiaries.

Agus Sugiono and Gabriel Giovani Sugiono, by virtue of their interest of not less than 20% of the issued share capital of the Company are deemed to have an interest in the shares held by the Company in the following subsidiaries that are not wholly-owned by the Group.

DIRECTORS' STATEMENT

Directors' Interests in Shares or Debentures (cont'd)

	Number of ordinary shares			
	Shareholdings registered in their own names		Shareholdings in which a director is deemed to have an interest	
	At 1.4.2015	At 31.12.2015	At 1.4.2015	At 31.12.2015
Name of director and companies in which interest are held				
Subsidiaries				
PT Pilar Mas Utama Perkasa				
Agus Sugiono	–	–	8,000	8,000
Gabriel Giovani Sugiono	–	–	8,000	8,000
PT Rinjani Kartanegara				
Agus Sugiono	1	1	399	399
Gabriel Giovani Sugiono	–	–	399	399
PT Energy Indonesia Resources				
Agus Sugiono	–	–	7,801	7,880
Gabriel Giovani Sugiono	–	–	7,801	7,880

The Directors' interests in the ordinary shares of the Company as at 21 January 2016 were the same as those as at 31 December 2015.

Share Options

At an Extraordinary General Meeting held on 7 May 2010, shareholders of the Company approved the Employee Share Option Scheme (the "Scheme") for the granting of non-transferable options that are settled by issuance or transfer of the ordinary shares of the Company, in the name of the Central Depository (Pte) Limited ("CDP"), for credit to the securities account of participants or that participant's securities sub-account with a Depository Agent.

The shareholders also approved the Performance Share Plan (the "Plan") for the granting of shares that are settled by allotment or transfer of the ordinary shares of the Company on the release of an award to a participant to be issued in the name of, or transferred to, CDP to the credit of either, the securities account of that participant maintained with CDP; or the securities sub-account of that participant maintained with a Depository Agent, or the Central Provident Fund ("CPF") investment account maintained with a CPF agent bank.

The Remuneration Committee ("RC") is responsible for administering the Scheme and the Plan. At the date of this report, the members of the RC are Giang Sovann (Chairman), Russell Joseph Kelly and Rozano Satar.

No options were granted under the Scheme during the financial period ended 31 December 2015.

No shares were awarded under the Plan during the financial period ended 31 December 2015.

Share Options (cont'd)

There were no unissued shares of the Company or its subsidiary corporations under options granted by the Company or its subsidiary corporations as at the end of the financial period.

Since the commencement of the Scheme until the end of the financial period ended 31 December 2015:

- No participant has received 5% or more of the total options available under the Scheme.
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted.
- No options have been granted at a discount.

Since the commencement of the Plan until the end of the financial period ended 31 December 2015, no participant has received 5% or more of the total number of shares available under the Plan.

Audit and Risk Management Committee

The members of the Audit and Risk Management Committee ("ARMC") at the date of this statement are:

Giang Sovann (Chairman)
Russell Joseph Kelly
Rozano Satar

The ARMC carries out its functions in accordance with Section 201B(5) of the Act, the SGX-ST Listing Manual Section B: Rules of Catalist (the "Catalist Rules") and the Code of Corporate Governance and performs the following:

(i) review with the internal and external auditors the audit plan, scope of work, their evaluation of the system of internal accounting controls, their management letter and the management's response and results of the audits conducted by the internal and external auditors of the Group;

(ii) review the scope and results of the external audit and the independence and objectivity of the external auditors;

(iii) review the periodic consolidated financial statements and results announcements before submission to the Board for approval, focusing, in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;

(iv) review the internal control and procedures and ensure co-ordination between the external auditors, internal auditors and the management, and review the assistance given by the management to the auditors and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management, where necessary);

(v) ensure that annual internal controls audits are commissioned until such time it is satisfied that the Group's internal controls are robust and effective. Further, the ARMC may initiate such internal controls audits as and when it deems fit to satisfy itself that the Group's internal controls remain robust and effective;

DIRECTORS' STATEMENT

Audit and Risk Management Committee (cont'd)

(vi) review and approve all formal hedging and trading policies (if any) and ensure that adequate procedures are in place, prior to implementation by the Group;

(vii) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;

(viii) review and report to the Board at least annually the risk profile of the Group, effectiveness and adequacy of its internal control and risk management procedures, including accounting, financial, operational, compliance and information technology controls and procedures and the appropriate steps to be taken to mitigate and manage risks at an acceptable level determined by the Board;

(ix) consider the appointment, remuneration, terms of engagement or re-appointment of external and internal auditors, and matters relating to the resignation or dismissal of the auditors;

(x) review and approve any transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(xi) review potential conflict of interests, if any, and take any necessary steps to resolve and mitigate such conflict of interests;

(xii) review significant financial reporting issues and judgments with the Chief Financial Officer and the external auditors so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before their submission to the Board;

(xiii) review and establish procedures for receipt, retention and treatment of complaints received by the Group, inter alia, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;

(xiv) review the policy and arrangements by which staff of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, and ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken;

(xv) undertake such other review and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARMC; and

(xvi) generally undertake such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

The ARMC is satisfied with the independence and objectivity of the independent auditors and has nominated Baker Tilly TFW LLP for re-appointment as independent auditor of the Company at the forthcoming annual general meeting.

DIRECTORS' STATEMENT

Independent Auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Directors

Agus Sugiono Director	Low Yew Shen Director

5 April 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Resources Prima Group Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Resources Prima Group Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 54 to 108, which comprise the statements of financial position of the Group and the Company as at 31 December 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial period from 1 April 2015 to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial period from 1 April 2015 to 31 December 2015.

INDEPENDENT AUDITOR'S REPORT

To the Members of Resources Prima Group Limited

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

5 April 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 1 April 2015 to 31 December 2015

	Note	**9 months ended 31.12.2015 US$'000**	12 months ended 31.3.2015 US$'000
Revenue	3	**50,964**	86,868
Cost of goods sold		**(40,473)**	(80,244)
Gross profit		**10,491**	6,624
Other income	4	**675**	7,905
Selling and distribution expenses		**(4,486)**	(5,557)
Administrative expenses		**(2,795)**	(4,759)
Finance costs	5	**(1,000)**	(3,482)
Other expenses	6	**(957)**	(64,368)
Profit/(loss) before tax	7	**1,928**	(63,637)
Tax expense	9	**(1,331)**	(654)
Profit/(loss) for the financial period/year		**597**	(64,291)
Other comprehensive income/(loss)			
Item that may not be reclassified subsequently to profit or loss:			
Remeasurement of post-employment benefits, net of tax		**4**	(10)
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising on consolidation		**(352)**	(803)
Total comprehensive income/(loss) for the financial period/year		**249**	(65,104)
Profit/(loss) attributable to:			
Equity holders of the Company		**616**	(63,842)
Non-controlling interests		**(19)**	(449)
		597	(64,291)
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		**267**	(64,653)
Non-controlling interests		**(18)**	(451)
		249	(65,104)
Earnings/(loss) per share for profit/(loss) attributable to equity holders of the Company (expressed in cents per share)			
Basic and diluted earnings/(loss) per share	10	**0.03**	(4.48)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

At 31 December 2015

	Note	Group 31.12.2015 US$'000	Group 31.3.2015 US$'000	Company 31.12.2015 US$'000	Company 31.3.2015 US$'000
Non-current assets					
Property, plant and equipment	11	**23,727**	11,316	**–**	–
Intangible assets	12	**210**	241	**–**	–
Deferred exploration and evaluation costs	13	**–**	640	**–**	–
Mining properties	14	**5,892**	7,120	**–**	–
Deferred tax assets	15	**856**	1,733	**–**	–
Investments in subsidiaries	16	**–**	–	**50,615**	187,577
Other receivables	17	**727**	412	**–**	–
		31,412	21,462	**50,615**	187,577
Current assets					
Available-for-sale investment	18	**–**	2,890	**–**	2,890
Inventories	19	**2,375**	994	**–**	–
Trade and other receivables	17	**16,052**	20,564	**12,595**	11,945
Cash and bank balances		**4,714**	5,535	**76**	1,082
		23,141	29,983	**12,671**	15,917
Total assets		**54,553**	51,445	**63,286**	203,494
Non-current liabilities					
Trade and other payables	20	**40**	17,459	**–**	–
Post-employment benefits	21	**549**	404	**–**	–
Finance lease liabilities	22	**696**	417	**–**	–
Provisions	23	**973**	949	**–**	–
		2,258	19,229	**–**	–
Current liabilities					
Trade and other payables	20	**37,679**	18,401	**223**	2,207
Finance lease liabilities	22	**797**	549	**–**	–
Tax payable		**471**	167	**–**	–
		38,947	19,117	**223**	2,207
Total liabilities		**41,205**	38,346	**223**	2,207
Net assets		**13,348**	13,099	**63,063**	201,287
Equity					
Share capital	24	**100,480**	100,480	**236,508**	236,508
Currency translation reserve	25	**(1,155)**	(803)	**(16,759)**	(11,446)
Accumulated losses		**(82,156)**	(82,788)	**(156,686)**	(23,775)
Equity attributable to equity holders of the Company		**17,169**	16,889	**63,063**	201,287
Non-controlling interests		**(3,821)**	(3,790)	**–**	–
Total equity		**13,348**	13,099	**63,063**	201,287

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial period from 1 April 2015 to 31 December 2015

	← Attributable to equity holders of the Company →					
	Share capital US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Group						
At 1.4.2015	100,480	(803)	(82,788)	16,889	(3,790)	13,099
Acquisition of non-controlling interest	–	–	13	13	(13)	–
Profit/(loss) for the financial period	–	–	616	616	(19)	597
Other comprehensive income/(loss)						
Remeasurement of post-employment benefits, net of tax	–	–	3	3	1	4
Currency translation differences	–	(352)	–	(352)	–	(352)
Total comprehensive income/(loss) for the financial period	–	(352)	619	267	(18)	249
At 31.12.2015	**100,480**	**(1,155)**	**(82,156)**	**17,169**	**(3,821)**	**13,348**

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial period from 1 April 2015 to 31 December 2015

	← Attributable to equity holders of the Company →					
	Share capital US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Group						
At 1.4.2014	1,591	–	(18,938)	(17,347)	(3,352)	(20,699)
Acquisition of subsidiaries	–	–	–	–	13	13
Contributions by and distributions to owners:						
Conversion of convertible bonds	23,082	–	–	23,082	–	23,082
Issuance of shares pursuant to Reverse Acquisition	47,772	–	–	47,772	–	47,772
Issuance of shares as payment of professional fee for the Reverse Acquisition	15,675	–	–	15,675	–	15,675
Issuance of new shares	12,360	–	–	12,360	–	12,360
	98,889	–	–	98,889	–	98,889
Loss for the financial year	–	–	(63,842)	(63,842)	(449)	(64,291)
Other comprehensive loss						
Remeasurement of post-employment benefits, net of tax	–	–	(8)	(8)	(2)	(10)
Currency translation differences	–	(803)	–	(803)	–	(803)
Total comprehensive loss for the financial year	–	(803)	(63,850)	(64,653)	(451)	(65,104)
At 31.3.2015	100,480	(803)	(82,788)	16,889	(3,790)	13,099

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial period from 1 April 2015 to 31 December 2015

	Share capital US$'000	Share option reserve US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Total equity US$'000
Company					
At 1.4.2015	236,508	–	(11,446)	(23,775)	201,287
Loss for the financial period	–	–	–	(132,911)	(132,911)
Other comprehensive loss					
Currency translation differences	–	–	(5,313)	–	(5,313)
Total comprehensive loss for the financial period	–	–	(5,313)	(132,911)	(138,224)
At 31.12.2015	**236,508**	**–**	**(16,759)**	**(156,686)**	**63,063**
Company					
At 1.4.2014	10,498	16	1,572	(9,155)	2,931
Contributions by and distributions to owners:					
Employee share options exercised	168	(16)	–	–	152
Issuance of shares pursuant to Reverse Acquisition	197,807	–	–	–	197,807
Issuance of shares as payment of professional fee for the Reverse Acquisition	15,675	–	–	–	15,675
Issuance of new shares	12,360	–	–	–	12,360
	226,010	(16)	–	–	225,994
Loss for the financial year	–	–	–	(14,620)	(14,620)
Other comprehensive loss					
Currency translation differences	–	–	(13,018)	–	(13,018)
Total comprehensive loss for the financial year	–	–	(13,018)	(14,620)	(27,638)
At 31.3.2015	236,508	–	(11,446)	(23,775)	201,287

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 April 2015 to 31 December 2015

	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Cash flows from operating activities		
Profit/(loss) before tax	**1,928**	(63,637)
Adjustments for:		
Amortisation of deferred stripping costs	**–**	12,468
Amortisation of intangible assets	**31**	40
Amortisation of mining properties	**2,037**	2,398
Cost of professional fee paid in shares	**–**	15,675
Depreciation of property, plant and equipment	**2,219**	1,854
Fair value loss on derivative financial liability	**–**	2,548
Fair value loss/(gain) on non-current interest-free loan	**523**	(748)
Finance costs	**1,000**	3,482
Gain on waiver of amount due to former subsidiary	**–**	(2,428)
Impairment of goodwill arising from Reverse Acquisition	**–**	45,858
Interest income	**(15)**	(2)
Loss on disposal of property, plant and equipment	**5**	–
Post-employment benefits	**171**	180
Provision for mine reclamation and rehabilitation	**97**	232
Unrealised foreign currency exchange (gain)/loss	**(232)**	191
Operating cash flows before working capital changes	**7,764**	18,111
Inventories	**(1,381)**	1,630
Trade and other receivables	**2,459**	(11,252)
Trade and other payables	**2,627**	(12,650)
Currency translation adjustments	**(352)**	(548)
Cash generated from/(used in) operations	**11,117**	(4,709)
Interest received	**15**	2
Taxes paid	**(378)**	(54)
Net cash generated from/(used in) operating activities	**10,754**	(4,761)
Cash flows from investing activities		
Proceeds/advance payment from disposal of available-for-sale investment (Note 18)	**884**	1,933
Proceeds from disposal of property, plant and equipment	**57**	–
Additions to mining properties (Note 14)	**(169)**	–
Purchases of property, plant and equipment (Note A)	**(11,080)**	(3,071)
Net cash inflow from Reverse Acquisition	**–**	38
Additions to deferred exploration and evaluation costs (Note 13)	**–**	(79)
Net cash used in investing activities	**(10,308)**	(1,179)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 April 2015 to 31 December 2015

	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Cash flows from financing activities		
Interest paid	**(146)**	(446)
Repayment of finance leases	**(1,121)**	(587)
Proceeds from issue of shares	**–**	12,360
Proceeds from loan from related party	**–**	1,402
Repayment of loan to bondholder	**–**	(1,420)
Net cash (used in)/generated from financing activities	**(1,267)**	11,309
Net (decrease)/increase in cash and cash equivalents	**(821)**	5,369
Cash and cash equivalents at beginning of the financial period/year	**5,535**	166
Cash and cash equivalents at end of the financial period/year (Note B)	**4,714**	5,535

Note A

During the financial period ended 31 December 2015, the Group acquired property, plant and equipment with an aggregate cost of US$14,692,000 (31.3.2015: US$3,583,000) (Note 11) of which US$1,648,000 (31.3.2015: US$512,000) were acquired under finance lease arrangements and US$11,080,000 (31.3.2015: US$3,071,000) were paid by cash and US$1,964,000 (31.3.2015: Nil) were paid in advance in previous year.

Note B

Cash and cash equivalents comprise cash and bank balances as shown on the statement of financial position of the Group.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

The Company (Co. Reg. No. 198602949M) is listed on the Singapore Stock Exchange and incorporated and domiciled in Singapore. The registered office of the Company is at 333 North Bridge Road, #09-00 KH KEA Building, Singapore 188721.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 16.

The ultimate holding company of the Company is Madrone Enterprises Limited, incorporated in British Virgin Islands and is controlled by the ultimate beneficial owner, Gabriel Giovani Sugiono, the son of Agus Sugiono who is the Chief Executive Officer and director of the Company.

During the financial period, the Company changed its reporting date from 31 March to 31 December.

2 Significant accounting policies

(a) Basis of preparation

The financial statements are presented in United States dollars (US$), which is the Company's presentation currency, and all financial information presented are rounded to the nearest thousand (US$'000) except when otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a high degree of judgment or complexity, are disclosed in Note 2(y).

The carrying amounts of cash and bank balances, current trade and other receivables, current trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2 Significant accounting policies (cont'd)

(a) Basis of preparation (cont'd)

During the financial period ended 31 December 2015, the Group has adopted all new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial period. The adoption of new/revised FRS and INT FRS did not have any material effect on the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company.

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial period ended 31 December 2015 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company, except as described below:

<u>FRS 115 Revenue from Contracts with Customers</u>

FRS 115 replaces FRS 18 'Revenue', FRS 11 'Construction contracts' and other revenue related interpretations. It applies to all contracts with customers, except for leases, financial instruments and insurance contracts. FRS 115 provides a single, principle-based model to be applied to all contracts with customers. It provides guidance on whether revenue should be recognised at a point in time or over time, replacing the previous distinction between goods and services. The standard introduces new guidance on specific circumstances where cost should be capitalised and new requirements for disclosure of revenue in the financial statements. The standard is effective for annual periods beginning on or after 1 January 2018. The Group will reassess its contracts with customers in accordance with FRS 115.

<u>FRS 109 Financial Instruments</u>

FRS 109 includes guidance on (i) the classification and measurement of financial assets and financial liabilities; (ii) impairment requirements for financial assets; and (iii) general hedge accounting. FRS 109, when effective will replace FRS 39 Financial Instruments: Recognition and Measurement. This standard is effective for annual periods beginning on or after 1 January 2018. The Group will reassess the potential impact of FRS 109 and plans to adopt the standard on the required effective date.

(b) Basis of business combination

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

2 Significant accounting policies (cont'd)

(b) Basis of business combination (cont'd)

Business combinations involving entities or businesses under common control are accounted for by applying the pooling of interest method which involves the following:

– assets and liabilities of the combining entities are reflected at their existing carrying amounts;

– no amount is recognised for goodwill;

– any difference between the consideration paid and the share capital and accumulated profits of the acquiree is reflected within the equity of the Group as merger reserve;

– the statement of comprehensive income reflects the results of the combined entities for the full year, irrespective of when the combination took place; and

– comparatives are presented as if the entities had always been combined since the date the entities had come under the common control.

All other business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as a gain from bargain purchase in profit or loss on the date of acquisition.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

When a change in the company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific FRS.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (ie transactions with owners in their capacity as owners) and therefore, no gain or loss is recognised in profit or loss.

Any retained equity interest in the previous subsidiary is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost and its fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

2 Significant accounting policies (cont'd)

(c) Non-controlling interests

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if the subsidiary incurred losses and the losses allocated exceed the non-controlling interests in the subsidiary's equity.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in statement of comprehensive income.

(e) Revenue recognition

Revenue comprises the fair value for the sale of goods and rendering of services, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity, and the amount of revenue and related cost can be reliably measured.

Revenue from the sale of coal is recognised when the Group entity has delivered to the customer and significant risks and rewards of ownership of the coal have been passed to the customer.

Revenue from usage of coal mining facilities is recognised when the services are rendered.

Interest income is recognised on a time proportion basis using the effective interest method.

(f) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2 Significant accounting policies (cont'd)

(f) Property, plant and equipment (cont'd)

Construction in progress included in property, plant and equipment is not depreciated as these assets are not yet available for use.

Land is not depreciated. Depreciation is calculated on a straight line basis to allocate the depreciable amounts of property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

	Years
Buildings	8 - 10
Infrastructure	7 - 8
Vehicles	4 - 5
Machinery	2 - 4
Office equipment	4
Leasehold improvements	2

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial period in which it is incurred.

On disposal of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the statement of comprehensive income.

(g) Intangible assets

Acquired mining business licence is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the cost of license acquired over 12 years, which is the shorter of its useful life, being the expected completion of coal mining in the licenced mining area or the termination of the mining business licence.

(h) Deferred exploration and evaluation costs

Exploration and evaluation activities involve the search for minerals, determination of technical feasibility and assessment of commercial viability of an identified resource.

Such activities include:

(i) gathering exploration data through topographical, geochemical and geophysical studies;

(ii) exploratory drilling, trenching and sampling;

(iii) determining and examining the volume and grade of the resource; and

(iv) surveying transportation and infrastructure requirements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

2 Significant accounting policies (cont'd)

(h) Deferred exploration and evaluation costs (cont'd)

Administration costs that are not directly attributable to a specific exploration area are charged to profit or loss. Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised from the commencement of coal mining.

Exploration and evaluation costs (including amortisation of capitalised licence costs) are capitalised as incurred, except in the following circumstances:

(i) before the legal rights to explore a specific area are obtained;

(ii) after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable or proven reserves are discovered.

Capitalised exploration and evaluation costs are subsequently measured at cost less any allowance for impairment. Such assets are not depreciated as they are not available for use but monitored for indications of impairment. To the extent that exploration and evaluation costs are not expected to be recovered, these are charged to profit or loss.

When the technical feasibility and commercial viability are determined, exploration and evaluation assets are tested for impairment and reclassified to "Mining Properties".

(i) Mine reclamation and rehabilitation and asset retirement obligations

Mine reclamation and rehabilitation expenditures are costs associated with mine reclamation during the mine operation period, mine closure and decommissioning and demobilisation of facilities and other closure activities.

Provision for estimated costs of mine reclamation and rehabilitation and provision for mine closure are recorded on an incremental basis based on the quantity of coal produced. The rate used is subject to a regular review based on mine reclamation and mine closure plans.

The obligations are recognised as liabilities when a legal obligation with respect to the retirement of an asset is incurred, with the initial measurement of the obligation at present value. These obligations are accreted to full value over time through charges to the profit or loss. In addition, an asset retirement cost equivalent to the liabilities is capitalised as part of the related asset's carrying value and is subsequently depreciated or depleted over the asset's useful life. A liability for an asset retirement obligation is incurred over more than one reporting period. For example, if a facility is permanently closed but the closure plan is developed over more than one reporting period, the cost of the closure of the facility is incurred over the reporting periods when the closure plan is finalised.

For environmental issues that may not involve the retirement of an asset, where the Group is a responsible party and it is determined that a liability exists, and the amount can be quantified, the Group provides for the estimated liability. In determining whether a liability exists in respect of such environmental issues, the Group applies the criteria for liability recognition under applicable accounting standards, as follows:

(i) there is clear indication that an obligation has been incurred at the financial reporting date resulting from activities which have already been performed; and

(ii) there is a reasonable basis to calculate the amount of the obligation incurred.

2 Significant accounting policies (cont'd)

(j) Leases

When a Group entity is the lessee:

Finance leases

Leases of property, plant and equipment in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between reduction of the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in finance lease liabilities. The interest element of the finance lease is taken to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the profit or loss on a straight-line basis over the period of the lease. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(k) Inventories

Coal inventories represent coal on hand and are valued at the lower of cost and net realisable value. Cost is determined on a monthly weighted-average basis and includes an appropriate allocation of materials, labour, depreciation and overheads related to mining activities. Net realisable value is the estimated sales amount in the ordinary course of business, less the estimated costs of completion and selling expenses.

Fuel and spare parts are stated at lower of cost and net realisable value. Cost is determined using the first-in, first-out method.

(l) Mining properties

Mining properties are stated at cost less accumulated amortisation, and include costs transferred from deferred exploration and evaluation assets once technical feasibility and commercial viability of an area of interest are determined, and subsequent costs to develop the mine to the production phase.

The mining property balance is amortised using the unit-of-production method based on estimated coal reserves from commencement of commercial production and having regard to the term of the mining business licence.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

2 Significant accounting policies (cont'd)

(m) Stripping costs

Stripping costs are the costs of removing overburden from a mine. Stripping costs incurred for the removal of overburden without exposing the coal are deferred and recognised as production costs when the coal has been exposed. Deferred stripping costs are written off during the period in which the coal is determined to be non-existent and/or not economic to be mined.

The initial recognition of the stripping asset (if any) and subsequent amortisation is determined by reference to components of the coal body rather than by reference to the entire operation. The asset is amortised subsequently using the unit-of-production method over the expected useful life of the identified component of the coal body that becomes more accessible as a result of the stripping activity, unless another method is more appropriate, rather than as a charge to operating costs based on an expected stripping ratio.

(n) Financial assets

Classification

The Group classifies its financial assets according to the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition. The Group's financial assets are loans and receivables and available-for-sale investment.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are classified within "trade and other receivables (excluding prepayments, tax recoverable and advance payments to suppliers)" and "cash and bank balances" on the statements of financial position.

Financial assets, available-for-sale

Financial assets, available-for-sale include equity securities that are non-derivatives and are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months after the reporting date.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss.

2 Significant accounting policies (cont'd)

(n) Financial assets (cont'd)

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method, less impairment.

Interest income on financial assets is recognised separately in the profit or loss.

Available-for-sale investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measurable, are measured at cost less impairment loss.

Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account, and the amount of the loss is recognised in profit or loss. The allowance amount is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

An impairment loss is reversed through the profit or loss if the impairment loss decrease can be related objectively to an event occurring after the impairment loss was recognised. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

Financial assets, available-for-sale

For available-for-sale financial assets carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The amount of impairment loss is recognised in profit or loss and such losses are not reversed in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

2 Significant accounting policies (cont'd)

(o) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Financial liabilities include trade and other payables (excluding deferred gain and advance payment from customer).

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with the interest expense recognised on an effective yield basis.

Convertible bonds

Convertible bonds with a conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a variable number of the Company's own equity instruments is a hybrid instrument consisting an embedded derivative and a non-derivative host contract. Convertible bonds with a conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a compound instrument consisting a debt host component and an equity conversion option.

Hybrid instrument: Where conversion option will be settled by the exchange of a fixed amount of cash or another financial asset for a variable number of the Company's own equity instruments

On initial recognition, the fair value of the liability host component is determined using the prevailing market interest rate of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible loans and the fair value assigned to the liability host component, representing the conversion option for the holder to convert the loans into equity, is recognised separately as derivative financial liability.

On subsequent measurements, the derivative financial liability which represents the equity conversion option is measured at its fair value, with fair value changes recognised in profit or loss. The liability host component is carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption.

Upon conversion, the derivative financial liability and the carrying amount of the liability host component will be transferred to share capital.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

2 Significant accounting policies (cont'd)

(p) Income taxes

Income tax on the profit or loss for the financial period comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable or recoverable on the taxable income for the current financial period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years.

Deferred income tax is provided using the liability method, on all temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the reporting date.

Deferred income tax is charged or credited to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

(q) Cash and cash equivalents

For the purposes of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and in banks, deposits with financial institutions which are readily convertible and subject to an insignificant risk of change in value.

(r) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

2 Significant accounting policies (cont'd)

(r) Impairment of non-financial assets (cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(s) Post-employment benefits

The post-employment pension benefit obligation is the present value of the defined benefit obligation at end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are directly recognised in other comprehensive income and reported in retained earnings.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield at the end of the reporting period of long term government bonds denominated in Indonesian Rupiah in which the benefits will be paid and that have terms to maturity similar to the related pension obligation.

(t) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and that the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

(u) Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur.

2 Significant accounting policies (cont'd)

(v) Functional and foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the "functional currency"). The functional currency of the Company is Singapore dollars. The Group's consolidated financial statements are presented in United States dollars to reflect the currency of the majority of the Group's transactions and balances which are derived from the subsidiaries.

Transactions and balances

Transactions in a currency other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except for currency translation differences on net investment in foreign operations and borrowings, which are included in the currency transaction reserve within equity in the financial statements. The currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the reporting date;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting exchange differences are recognised in other comprehensive income and accumulated in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings are recognised in the currency translation reserve.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

2 Significant accounting policies (cont'd)

(w) Share-based compensation

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options granted on the date of the grant. This cost is recognised in profit or loss, with a corresponding increase in the share option reserve, over the vesting period. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At the end of the reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account when new ordinary shares are issued. Upon expiry of the options, the balance in the share option reserve is transferred to retained earnings.

(x) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

(y) Significant accounting judgments and estimates

In the process of applying the Group's accounting policies, management has made the following judgments and estimations which have the most significant effect on the amounts recognised in the financial statements.

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following presents the critical accounting estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Significant accounting policies (cont'd)

(y) Significant accounting judgments and estimates (cont'd)

Functional currency

The Company measures foreign currency transactions in the functional currency of the Company. In determining the functional currency of the Company, judgment is required by management to determine the primary economic environment in which the Company operates, the Company's process of determining sales prices and the currency of the country whose competitive forces and regulations mainly influences the prices of its goods and services. Management has assessed that prices are mainly denominated and settled in the local currency of the Company. In addition, the Company's cost base is mainly denominated in local currency. Therefore, management concluded that the functional currency of the Company is local currency.

Reserve estimates

The Group determines and reports its coal reserves under the principles incorporated in the Code for Reporting of Mineral Resources and Ore Reserves (the "JORC Code"). In order to estimate coal reserves, assumptions are required about a range of geological, technical and economic factors, including quantities, production techniques, stripping ratio, production costs, transport costs, commodity demand, commodity prices and exchange rates.

Estimating the quantity and/or calorific value of coal reserves requires the size, shape and depth of coal bodies or fields to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgments to interpret the data.

Because the economic assumptions used to estimate reserves change from period to period and because additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including the amortisation of mining properties as well as the recovery of the carrying amounts of mining properties, intangible assets and property, plant and equipment. The carrying amount of the Group's mining properties, intangible assets and property, plant and equipment at the end of the reporting period are disclosed in Notes 14, 12 and 11 respectively.

Impairment of mining properties and property, plant and equipment

As at each reporting date, the Group assesses whether there is any objective evidence that the mining properties and property, plant and equipment are impaired. To determine whether there is any objective evidence of impairment, the Group considers the events or circumstances that indicate the carrying amount of the mining properties and property, plant and equipment may not be recoverable. Recoverable amount is defined as the higher of an asset's fair value less cost to sell and its value in use. In making this judgment, the Group evaluates the net present value of future cash flows using cash flow projections which have been discounted at an appropriate rate. At the end of reporting period, the carrying amount of the Group's mining properties is disclosed in Note 14 and the carrying amount of the Group's property, plant and equipment is disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

2 Significant accounting policies (cont'd)

(y) Significant accounting judgments and estimates (cont'd)

Estimated useful lives of property, plant and equipment

As at each reporting date, the Group reviews the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the non-current assets. The carrying amount of the Group's property, plant and equipment at the end of reporting period is disclosed in Note 11.

Impairment of receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the present value of estimated future cash flows differ from management's estimates, the Group's allowance for impairment for receivables and the receivables balance at the end of the reporting period will be affected accordingly. The carrying amount of the Company and the Group's receivables at the end of the reporting period is disclosed in Note 17.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of competitor actions in response to industry cycles. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 19.

Provisions for mine reclamation and rehabilitation

The Group's accounting policy for the recognition of provision for mine reclamation and rehabilitation requires significant estimates and assumptions, such as requirement of the relevant legal and regulatory framework; the magnitude of possible land disturbance and the timing, extent and costs of required closure and rehabilitation activity. These uncertainties may result in future actual expenditures differing from the amounts currently provided. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time.

The carrying amount of the Group's provision for mine reclamation and rehabilitation at the end of the reporting period is disclosed in Note 23.

2 Significant accounting policies (cont'd)

(y) Significant accounting judgments and estimates (cont'd)

Post-employment benefits

The determination of the Group's employee benefits liabilities is dependent on the selection of certain assumptions used by the independent actuary in calculating such amounts. Those assumptions include among others, discount rate and salary increase rate, annual employee turn-over rate, disability rate, and retirement age and mortality rate. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual results or significant changes in the Group's assumptions may materially affect its employee benefits liabilities and net employee benefits expense. The carrying amount of the Group's provision for post-employment benefits at the end of the reporting period is disclosed in Note 21.

Income taxes and deferred tax assets

The Group recognises deferred tax assets on carried forward tax losses to the extent there are sufficient estimated future taxable profits and/or taxable temporary differences against which the tax losses can be utilised.

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

In addition, the Group has exposure to income taxes in Singapore and Indonesia. Significant judgment is involved in determining the Group's provision for income taxes. There are various transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcomes of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax in the period in which such determination is made.

At the end of reporting period, the carrying amount of the Group's deferred tax assets is disclosed in Note 15 and the carrying amount of the Group's tax recoverables and payables are US$226,000 (31.3.2015: Nil) and US$471,000 (31.3.2015: US$167,000) respectively.

Impairment of investments in subsidiaries

Investments in subsidiaries are tested for impairment whenever there is objective evidence or indication that these assets may be impaired. Judgment is required to determine if any such indication exists, based on the evaluation of both internal and external sources of information. If any such indication exists, management assesses the recoverable amount of the investments in subsidiaries based on the value in use of the mining operations at the end of the reporting period.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared for the Group's mining operations. These budgets and forecast calculations cover the expected life of the mine.

If the recoverable amount of the subsidiary is less than its carrying amount, an impairment loss is recognised in profit or loss to reduce the carrying amount of the investment in subsidiary to its recoverable amount.

There was an impairment of US$132,000,000 (31.3.2015: Nil) in relation to investments in subsidiaries for the current financial period. The carrying amount of the Company's investment in subsidiaries at the end of the reporting period is disclosed in Note 16.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

3 Revenue

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Sales of coal	**49,453**	84,616
Revenue from usage of coal mining facilities	**1,511**	2,252
	50,964	86,868

4 Other income

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Fair value gain on non-current interest-free loan	**–**	748
Gain on foreign currency exchange, net	**619**	2,330
Gain on waiver of amount due to former subsidiary, Sky One Network (Holding) Ltd	**–**	2,428
Interest income	**15**	2
Waiver of interest payable on convertible bonds	**–**	1,504
Write-back of standby claim	**–**	750
Others	**41**	143
	675	7,905

5 Finance costs

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Interest expenses on:		
- amounts due to bondholder	**–**	293
- amounts due to third party	**749**	2,086
- convertible bonds	**–**	876
- finance lease liabilities	**146**	104
- interest accretion on provision for asset retirement obligations (Note 23(b))	**19**	27
- deemed finance cost on loan from a related party	**86**	96
	1,000	3,482

6 Other expenses

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Cost of professional fee paid in shares	**–**	15,675
Fair value loss on derivative financial liability	**–**	2,548
Fair value loss on non-current interest-free loan	**523**	–
Impairment of goodwill arising from Reverse Acquisition	**–**	45,858
Land compensation	**326**	263
Loss on disposal of property, plant and equipment	**5**	–
Others	**103**	24
	957	64,368

7 Profit/(loss) before tax

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
This is arrived at after charging:		
Amortisation of deferred stripping costs	**–**	12,468
Amortisation of intangible assets (Note 12)	**31**	40
Amortisation of mining properties (Note 14)	**2,037**	2,398
Auditors' remuneration paid/payable to:		
- auditor of the Company	**106**	91
- other auditor	**33**	40
Depreciation of property, plant and equipment (Note 11(b))	**2,219**	1,854
Fee for non-audit services paid/payable to:		
- auditor of the Company	**2**	371
- other auditor	**–**	91
Land and building taxes	**539**	115
Loss on waiver of amount due from former subsidiaries	**–**	339
Operating lease expenses	**1,657**	4,222
Other professional fees	**469**	491
Professional fee in relation to Reverse Acquisition	**–**	1,765
Provision for mine reclamation and rehabilitation (Note 23(a))	**97**	232
Staff costs (Note 8)	**3,279**	3,731

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

8 Staff costs

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Salaries and related costs	**3,108**	3,551
Post-employment benefits (Note 21)	**171**	180
	3,279	3,731

9 Tax expense

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Tax expense attributable to profit/(loss) is made up of:		
Current income tax	**456**	108
Deferred tax (Note 15)	**875**	546
	1,331	654

Tax expense relating to each component of other comprehensive income is as follows:

	9 months ended 31.12.2015			12 months ended 31.3.2015		
	Before tax US$'000	**Tax charge US$'000**	**After tax US$'000**	Before tax US$'000	Tax charge US$'000	After tax US$'000
Group						
Remeasurement of post-employment benefits	**5**	**(1)**	**4**	(13)	3	(10)

The income tax expense on the results of the financial period/year differs from the amount of income tax determined by applying the domestic rates applicable in the countries where the Group entities operates due to the following factors:

9 Tax expense (cont'd)

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Profit/(loss) before tax	**1,928**	(63,637)
Tax calculated at domestic rates applicable to profit/(loss) in the countries in which the Group entities operates	**484**	(10,948)
Expenses not deductible for tax purposes	**797**	11,983
Income not subject to tax	**(8)**	(422)
Others	**58**	41
	1,331	654

The corporate income tax rate applicable to the entities in Singapore is 17% (31.3.2015: 17%). The corporate income tax rate applicable to the subsidiaries in Indonesia is 25% (31.3.2015: 25%).

10 Earnings/(loss) per share

The calculation of the basic and diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Profit/(loss) for the financial period/year attributable to equity holders of the Company	**616**	(63,842)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

10 Earnings/(loss) per share (cont'd)

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Weighted average number of ordinary shares for basic earnings per share	**1,833,000**	1,424,145

For the previous financial year ended 31 March 2015, the weighted average number of ordinary shares for the financial year is calculated based on:

(a) the number of ordinary shares outstanding from the beginning of the financial year, up to the Reverse Acquisition date is computed based on the weighted average number of ordinary shares of Energy Prima Pte. Ltd. (the "Legal Subsidiary") outstanding during the financial period multiplied by the exchange ratio established in the sale and purchase agreement; and

(b) the number of ordinary shares outstanding from the Completion Date, up to the end of the reporting period is the actual number of ordinary shares of the Company outstanding during the financial period.

At the reporting date, the diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share as there were no outstanding convertible instruments.

NOTES TO THE FINANCIAL STATEMENTS
For the financial period from 1 April 2015 to 31 December 2015

11 Property, plant and equipment

	Land US$'000	Buildings US$'000	Infrastructures US$'000	Vehicles US$'000	Machinery US$'000	Office equipment US$'000	Leasehold improvements US$'000	Construction in progress US$'000	Total US$'000
Cost									
Balance at 1.4.2014	–	450	5,381	488	118	160	145	1,555	8,297
Acquisition of subsidiaries	250	–	–	3,011	–	16	–	–	3,277
Additions	–	179	125	694	878	183	4	1,520	3,583
Reclassifications	–	–	2,874	–	–	–	–	(2,874)	–
Balance at 31.3.2015	250	629	8,380	4,193	996	359	149	201	15,157
Additions	11,826	47	44	1,156	894	40	4	681	14,692
Disposals	–	–	–	(113)	–	(5)	–	–	(118)
Reclassifications	–	264	1	–	–	–	–	(265)	–
Balance at 31.12.2015	**12,076**	**940**	**8,425**	**5,236**	**1,890**	**394**	**153**	**617**	**29,731**
Accumulated depreciation									
Balance at 1.4.2014	–	57	600	188	36	54	70	–	1,005
Acquisition of subsidiaries	–	–	–	975	–	7	–	–	982
Depreciation charge	–	57	1,028	543	102	64	60	–	1,854
Balance at 31.3.2015	–	114	1,628	1,706	138	125	130	–	3,841
Depreciation charge	–	74	823	803	428	72	19	–	2,219
Disposals	–	–	–	(53)	–	(3)	–	–	(56)
Balance at 31.12.2015	**–**	**188**	**2,451**	**2,456**	**566**	**194**	**149**	**–**	**6,004**
Net carrying value									
At 31.3.2015	250	515	6,752	2,487	858	234	19	201	11,316
At 31.12.2015	**12,076**	**752**	**5,974**	**2,780**	**1,324**	**200**	**4**	**617**	**23,727**

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

11 Property, plant and equipment (cont'd)

(a) The net carrying value of property, plant and equipment of the Group held under finance lease arrangements at the reporting date were as follows:

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Vehicles	**2,580**	1,694
Machinery	**431**	–
	3,011	1,694

Leased assets are pledged as security for the related finance lease liabilities (Note 22).

(b) Depreciation was charged to the following accounts:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Administrative expenses	**155**	137
Cost of goods sold	**2,064**	1,717
	2,219	1,854

12 Intangible assets

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Mining business licence		
Cost		
At beginning and end of the financial period/year	**481**	481
Accumulated amortisation		
At beginning of the financial period/year	**240**	200
Amortisation charge (Note 7)	**31**	40
At end of the financial period/year	**271**	240
Net carrying value at end of the financial period/year	**210**	241

Amortisation charge is recognised in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

13 Deferred exploration and evaluation costs

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Cost		
At beginning of the financial period/year	**640**	561
Additions	**–**	79
Reclassification to mining properties (Note 14)	**(640)**	–
At end of the financial period/year	**–**	640

14 Mining properties

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Cost		
At beginning of the financial period/year	**10,917**	10,917
Additions	**169**	–
Reclassification from deferred exploration and evaluation costs (Note 13)	**640**	–
At end of the financial period/year	**11,726**	10,917
Accumulated amortisation		
At beginning of the financial period/year	**3,797**	1,399
Amortisation charge (Note 7)	**2,037**	2,398
At end of the financial period/year	**5,834**	3,797
Net carrying value at end of the financial period/year	**5,892**	7,120

Amortisation charge is recognised in the "Cost of goods sold" line item in the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

15 Deferred tax assets

The movements in the deferred tax assets are as follows:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
At beginning of the financial period/year	**1,733**	2,214
Acquisition of subsidiary	**–**	62
Charge to profit or loss (Note 9)	**(875)**	(546)
(Charge)/credit to other comprehensive income/(loss)	**(1)**	3
Exchange differences	**(1)**	–
At end of the financial period/year	**856**	1,733

The deferred tax assets on temporary differences recognised in the financial statements are in respect of tax effects arising from:

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Accrual for land and building taxes	**135**	251
Post-employment benefits	**137**	101
Property, plant and equipment	**321**	282
Provisions	**144**	124
Unabsorbed tax losses	**–**	903
Others	**119**	72
	856	1,733

The Group has recognised deferred tax assets on the basis that there are sufficient estimated future taxable profits and taxable temporary differences against which the tax benefits can be utilised, based on the management's financial projections.

16 Investments in subsidiaries

	Company	
	31.12.2015 US$'000	31.3.2015 US$'000
Unquoted equity shares, at cost	**182,615**	187,577
Less: Allowance for impairment loss	**(132,000)**	–
At end of the financial period/year	**50,615**	187,577

16 Investments in subsidiaries (cont'd)

Movements in allowance for impairment loss are as follows:

	Company	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
At beginning of financial period/year	**–**	28,218
Impairment loss recognised during the financial period	**132,000**	–
Impairment loss reclassified to available-for-sale investment	**–**	(27,579)
Exchange differences	**–**	(639)
At end of the financial period/year	**132,000**	–

(a) Details of subsidiaries:

Name of subsidiaries (Country of incorporation)	Principal activities	Group's effective equity interest 31.12.2015 %	31.3.2015 %
Held by the Company			
Energy Prima Pte. Ltd. [1] (Singapore)	Investment holding	**100**	100
PT Energy Indonesia Resources[2] (Indonesia)	Mining support activities consisting of management of a stockpile facility, jetty and loading conveyor; transportation of coal; and other logistical support activities	**100**	99
RPG Trading Pte. Ltd. (Singapore) [1] (Note (b))	Trading and marketing of coal	**100**	100
Held by Energy Prima Pte. Ltd.			
PT Pilar Mas Utama Perkasa[2] (Indonesia)	Trading (import) of goods	**80**	80
Held by PT Pilar Mas Utama Perkasa			
PT Rinjani Kartanegara[2] (Indonesia) ("PTRK")	Coal mining, including production, construction, processing, refining and sale	**79.8**	79.8

(1) Audited by Baker Tilly TFW LLP, Singapore.

(2) Audited by Johan Malonda Mustika & Rekan, an independent member firm of Baker Tilly International.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

16 Investments in subsidiaries (cont'd)

(b) Acquisition of a subsidiary

On 27 March 2015, the Company acquired 100% of the issued share capital of RPG Trading Pte. Ltd. for a cash consideration of $1.00 from a director of the Company.

(c) Summarised financial information of subsidiary with material non-controlling interests ("NCI")

The Group has the following subsidiary that has NCI that is considered by management to be material to the Group:

Name of subsidiary	**Principal place of business/ Country of incorporation**	**Ownership interest held by NCI**
		31.12.2015 and 31.3.2015
PTRK	Indonesia	20.2%

The following are the summarised financial information of the Group's subsidiary with NCI that is considered by management to be material to the Group. These financial information include consolidation adjustments but before inter-company eliminations.

Summarised Statement of Financial Position

	PTRK	
	31.12.2015 US$'000	31.3.2015 US$'000
Non-current assets	**28,886**	19,254
Current assets	**22,750**	26,519
Non-current liabilities	**(21,624)**	(38,052)
Current liabilities	**(48,638)**	(26,403)
Net liabilities	**(18,626)**	(18,682)
Net liabilities attributable to NCI	**(3,762)**	(3,773)

Summarised Statement of Comprehensive Income

	PTRK	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Revenue	**50,865**	86,868
Profit/(loss) before tax	**1,123**	(1,532)
Income tax expense	**(1,071)**	(611)
Profit/(loss) after tax	**52**	(2,143)
Other comprehensive income/(loss)	**4**	(10)
Total comprehensive income/(loss)	**56**	(2,153)
Total comprehensive income/(loss) allocated to NCI	**11**	(435)

16 Investments in subsidiaries (cont'd)

(c) Summarised financial information of subsidiary with material non-controlling interests ("NCI") (cont'd)

<u>*Summarised Statement of Cash Flows*</u>

	PTRK	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Cash flows generated from/(used in) operating activities	**7,578**	(2,303)
Cash flows used in investing activities	**(9,291)**	(3,151)
Cash flows (used in)/generated from financing activities	**(486)**	9,745
Net (decrease)/increase in cash and cash equivalents	**(2,199)**	4,291

(d) Company level - Impairment review of investments in subsidiaries

The Company's subsidiary, Energy Prima Pte. Ltd., is the intermediate holding company of PTRK which holds the mining licences. During the financial period, an impairment loss of US$132 million (31.3.2015: Nil) was recognised in profit or loss to write down the investment in this subsidiary to its recoverable amount of US$48,865,000.

The impairment loss resulted mainly from the decline in the international coal price. In addition, coal reserves have also been reassessed and revised downwards due to: (i) the reduced price forecast; (ii) the delay in approval of IPPKH2; and (iii) the in-principle approval for IPPKH2 is for a reduced land area (899.49 ha) than the remaining concession land area (1,624.46 ha).

The recoverable amount of the investment in Energy Prima Pte. Ltd. has been determined based on a value in use calculation using cash flows forecasts derived from the most recent financial forecast approved by the management covering a ten-year period. Cash flows beyond five years were projected based on the net cash flows of the fifth year at zero growth rate. In calculating the value in use, a post-tax discount rate of 17.8% per annum was applied to the post-tax cash flows. The discount rate is derived from the Group's post-tax weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risk specific to the mining concession and to determine the pre-tax discount rate of 27.5% per annum. The WACC takes into account both the equity and debt. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on its interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

17 Trade and other receivables

	Group		Company	
	31.12.2015 US$'000	31.3.2015 US$'000	**31.12.2015 US$'000**	31.3.2015 US$'000
Current				
Trade receivables	**14,941**	15,730	**–**	–
Other receivables				
- third parties	**113**	174	**–**	16
- related party	**–**	1,964	**–**	–
- subsidiaries	**–**	–	**12,580**	11,848
Tax recoverable	**226**	–	**–**	–
Prepayments	**209**	201	**15**	70
Advance payments to suppliers				
- third parties	**491**	2,225	**–**	–
Deposits	**72**	270	**–**	11
	16,052	20,564	**12,595**	11,945
Non-current				
Other receivable				
- Bank deposits subject to pledge	**727**	412	**–**	**–**

The amounts due from related parties and subsidiaries are interest-free, non-trade in nature, unsecured and repayable on demand.

Included in other receivables as at 31 March 2015 were advance payments by a subsidiary to a related party amounting to US$1,964,000 (IDR22,397,350,000) for the search and acquisition of land for stockpiling of coal. During the financial period, the advance payments were transferred to property, plant and equipment.

18 Available-for-sale investment

	Group and Company	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Unquoted equity shares, at cost		
At beginning of the financial period/year	**2,890**	30,469
Less: Disposal	**(2,890)**	–
Less: Allowance for impairment loss	**–**	(27,579)
At end of the financial period/year	**–**	2,890

19 Inventories

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Coal	**2,061**	942
Fuel and spare parts	**314**	52
	2,375	994

The cost of inventories recognised as an expense and included in 'cost of goods sold' amounted to US$40,473,000 (31.3.2015: US$79,437,000) during the financial period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

20 Trade and other payables

		Group		Company	
		31.12.2015	31.3.2015	**31.12.2015**	31.3.2015
		US$'000	US$'000	**US$'000**	US$'000
Current					
Trade payables					
- third parties	(i)	**24,518**	10,930	**–**	–
Accrued royalties		**2,150**	1,118	**–**	–
Accrued taxes on land and buildings		**539**	1,004	**–**	–
Accrued other operating expenses		**2,494**	1,614	**223**	224
Payables relating to mining properties		**145**	145	**–**	–
Standby claim		**188**	165	**–**	–
Other payables					
- third parties	(i)	**5,465**	1,273	**–**	–
- former subsidiary	(iii)	**–**	50	**–**	50
- related parties	(ii)	**1,280**	–	**–**	–
- a director	(iii)	**18**	19	**–**	–
- a shareholder	(iii)	**146**	150	**–**	–
Advance payment from a customer		**736**	–	**–**	–
Advance payment from a former director		**–**	1,933	**–**	1,933
		37,679	18,401	**223**	2,207
Non-current					
Trade payables					
- third party	(i)	**–**	12,580	**–**	–
Other payables					
- third parties	(i)	**40**	4,174	**–**	–
- related parties	(ii)	**–**	705	**–**	–
		40	17,459	**–**	–
		37,719	35,860	**223**	2,207

(i) Included in the trade and other payables is at total amount of US$16,868,000 (31.3.2015: US$21,610,000) which bears interest at rates ranging from 7.13% to 9.24% (31.3.2015: 8.29% to 9.06%) per annum during the financial period/year.

(ii) The amounts due to related parties are interest-free, non-trade in nature, unsecured and repayable on demand except for balances at the previous reporting date totaling US$705,000 (principal amount was SGD1,810,000) which were repayable in 5 years from the dates of drawdown in April 2014 and July 2014. During the current financial period, the repayment term for the remaining outstanding principal balance of US$1,280,000 has been changed to repayable on demand.

(iii) The amounts due to director, shareholder and former subsidiary are interest-free, non-trade in nature, unsecured and repayable on demand.

21 Post-employment benefits

The Group's subsidiaries recognised liabilities for post-employment benefits based on the actuarial calculation by PT Bumi Dharma Aktuaria, an Independent Actuary.

The present value of the defined post-employment benefit obligations, and the related current service cost and past service cost, were measured using the projected unit credit method. No funding has been made to this defined benefit scheme.

The principal assumptions used in determining post employment benefits as at the reporting date were as follows:

	Group	
	31.12.2015	31.3.2015
Normal pension age	**55 years**	55 years
Salary increment rate per annum	**10%**	10%
Discount rate per annum	**9.00%**	7.75%
Mortality rate	**TMI - 2011**	TMI - 2011
Disability level	**10% of TMI - 2011**	10% of TMI - 2011
Resignation level per annum	**5% for the age under 34 and 1% linearly decreasing until the age of 54**	5% for the age under 34 and 1% linearly decreasing until the age of 54

The amount recognised in the statements of financial position is determined as follows:

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Present value of defined benefit obligations and total post-employment benefits	**549**	404

Movements in the account are as follows:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
At beginning of the financial period/year	**404**	242
Remeasurement recognised in other comprehensive (income)/loss	**(5)**	13
Post-employment benefits expense (Note 8)	**171**	180
Exchange differences	**(21)**	(31)
At end of the financial period/year	**549**	404

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

21 Post-employment benefits (cont'd)

The following table summarises the components of post-employment benefits expense recognised in profit or loss:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Current service cost	**141**	162
Interest cost on defined benefit obligations	**30**	18
Post-employment benefits expense	**171**	180

Post-employment benefits expense is recognised in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

The sensitivity analysis below has been determined based on reasonably possible changes of significant assumptions on the post-employment benefits as of the end of the reporting period, assuming all other assumptions were held constant.

	Present value of obligation		**Current service cost**	
	31.12.2015 US$'000	31.3.2015 US$'000	**31.12.2015 US$'000**	31.3.2015 US$'000
As reported using discount rate of 9.00% (31.3.2015: 7.75%) per annum	**549**	404	**141**	162
Increase by 100 basis points	**506**	369	**130**	146
Decrease by 100 basis points	**600**	447	**154**	180

22 Finance lease liabilities

	Group			
	31.12.2015		31.3.2015	
	Minimum lease payments US$'000	**Present value of lease payments US$'000**	Minimum lease payments US$'000	Present value of lease payments US$'000
Not later than 1 year	**961**	**797**	648	549
Later than 1 year but not later than 5 years	**772**	**696**	436	417
Total minimum lease payments	**1,733**	**1,493**	1,084	966
Less: future finance charge	**(240)**	**–**	(118)	–
Present value of finance lease liabilities	**1,493**	**1,493**	966	966

22 Finance lease liabilities (contd')

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Representing finance lease liabilities:		
Current	**797**	549
Non-current	**696**	417
	1,493	966

At 31 December 2015, the finance leases bear effective interest rates ranging from 4.30% to 10.63% (31.3.2015: 4.30% to 10.63%) per annum.

The net carrying value of property, plant and equipment acquired under finance lease arrangements are disclosed in Note 11(a).

23 Provisions

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Provision for mine reclamation and rehabilitation (Note (a))	**734**	717
Provision for assets retirement obligations (Note (b))	**239**	232
At end of the financial period/year	**973**	949

(a) Movements in provision for mine reclamation and rehabilitation are as follows:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
At beginning of the financial period/year	**717**	548
Provision for the financial period/year		
- charged to profit or loss (Note 7)	**97**	232
Exchange differences	**(80)**	(63)
At end of the financial period/year	**734**	717

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

23 Provisions (cont'd)

(b) Movements in provision for assets retirement obligations are as follows:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
At beginning of the financial period/year	**232**	221
Interest accretion charged to profit or loss (Note 5)	**19**	27
Exchange differences	**(12)**	(16)
At end of the financial period/year	**239**	232

24 Share capital

	Group		Company	
	Number of shares '000	**US$'000**	**Number of shares '000**	**US$'000**
Issued and fully paid:				
At 1 April 2014	316,400	1,591	316,400	10,498
Conversion of convertible bonds	–	23,082	–	–
Employee share options exercised	3,600	–	3,600	168
Issuance of shares pursuant to Reverse Acquisition	1,325,000	47,772	1,325,000	197,807
Issuance of shares as payment of professional fee for the Reverse Acquisition	105,000	15,675	105,000	15,675
Issuance of new shares	83,000	12,360	83,000	12,360
At 31 March 2015 and 31 December 2015	**1,833,000**	**100,480**	**1,833,000**	**236,508**

The ordinary shares of the Company have no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. All issued ordinary shares are fully paid.

24 Share capital (cont'd)

Performance Share Plan

The Performance Share Plan (the "Plan") was adopted by the Company on 7 May 2010 for the purpose of enabling the Company to award shares of the Company to eligible participants as incentives or rewards for their contribution to the Company. Under the Plan, the Remuneration Committee may, at its discretion, award shares of the Company to eligible participants, after taking into account criteria such as, *inter alia*, the rank, scope of responsibilities, performance, years of service, potential for future development, extent of effort and resourcefulness with which the performance target(s) may be achieved within the performance period. The principal terms of the Plan are as follows:

(i) The maximum number of shares in respect of which options may be granted under the Plan must not, in aggregate, exceed 15% of the issued share capital of the Company on the day preceding the award date, and which must not in aggregate (including all outstanding options granted and yet to be exercised under any other share option scheme of the Company) exceed 15% of the shares of the Company in issue from time to time.

(ii) The Plan expires in ten (10) years commencing on the date the Plan was adopted by the Company or such earlier date as may be determined by the Remuneration Committee.

No shares were awarded under the Plan during the financial period (31.3.2015: Nil).

Employee Share Option Scheme

The Employee Share Option Scheme (the "Scheme") was adopted by the Company on 7 May 2010 for the purpose of enabling the Company to grant non-transferrable options to eligible participants as incentives or rewards for their contribution to the Company. Under the Scheme, the Remuneration Committee may, at its discretion, invite eligible participants to take up options to subscribe for shares of the Company. The principal terms of the Scheme are as follows:

(i) The maximum number of shares in respect of which options may be granted under the Scheme must not, in aggregate, exceed 15% of the issued share capital of the Company, and which must not in aggregate (including all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company) exceed 15% of the shares of the Company.

(ii) The exercise price is determined by the Remuneration Committee in its absolute discretion by reference to:

    (a) a price equal to the average of the last dealt price(s) for a share, as determined by reference to the official list or any other publication by the Singapore Stock Exchange Trading Limited, for the last five (5) market days immediately preceding the offering date of that option (the "Market Price"); or

    (b) a price which is set at a discount to the Market Price, provided that: (i) the maximum discount shall not exceed 20% of the Market Price; (ii) the discount must have been approved by the shareholders in a separate resolution; and

    (c) a price which is set at a premium to the Market Price.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

24 Share capital (cont'd)

(iii) An option may be accepted by a proposed grantee within 30 days from the date of the offer of grant of the option. The minimum period for which an option must be held before it can be exercised is one year except for in the case of an exercise price set at a discount, which is two years. An option may be exercised at any time thereafter prior to its expiry.

(iv) Upon acceptance of the option, the grantee shall pay S$1 to the Company by way of consideration for the grant of the option.

(v) The Scheme expires in ten (10) years commencing on the date the Scheme was adopted by the Company or such earlier date as may be determined by the Remuneration Committee.

No options were granted under the Scheme during the financial period (31.3.2015: Nil).

25 Currency translation reserve

Currency translation reserve arises from the translation of the financial statements of the Company whose functional currency is different from the Group's presentation currency.

26 Significant related party transactions

(a) In addition to information disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and the related parties at terms agreed by the parties:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
With director of the Company		
Advances to subsidiaries	**–**	19
Acquisition of subsidiary	**–**	*
With other related parties		
Loans to subsidiaries	**–**	1,402
Professional fees paid by a subsidiary	**3**	121
Purchase of motor vehicle	**7**	–

* Amount less than US$1,000

The related parties comprise:

(i) companies in which the directors of the Company have a controlling interest; or

(ii) companies in which a director of the Company, who is a close family member of the controlling shareholder, is a key management personnel.

26 Significant related party transactions (cont'd)

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Directors' fee	**144**	43
Salaries and related costs	**793**	580
	937	623

The above includes remuneration paid to the directors of the Company totaling US$465,000 (31.3.2015: US$230,000).

27 Commitments

(a) Capital commitments

Capital expenditures contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Contracted for purchase of property, plant and equipment	**310**	908

(b) Operating lease commitments - where the Group is a lessee

The Group leases premises for office and staff accommodation from non-related parties under non-cancellable operating lease arrangements.

The future minimum lease payables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as liabilities are as follows:

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Not later than 1 year	**138**	144
Later than 1 year but not later than 5 years	**11**	73
	149	217

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 April 2015 to 31 December 2015

28 Financial instruments

(a) Categories of financial instruments

Financial instruments at their carrying amounts as at reporting date are as follows:

	Group		Company	
	31.12.2015 US$'000	31.3.2015 US$'000	**31.12.2015 US$'000**	31.3.2015 US$'000
Financial assets				
Trade and other receivables	**15,853**	16,586	**12,580**	11,875
Cash and bank balances	**4,714**	5,535	**76**	1,082
Loans and receivables	**20,567**	22,121	**12,656**	12,957
Available-for-sale investment	**–**	2,890	**–**	2,890
Financial liabilities				
Trade and other payables	**36,917**	33,927	**223**	274
Finance lease liabilities	**1,493**	966	**–**	–
At amortised cost	**38,410**	34,893	**223**	274

(b) Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The policies for managing each of these risks are summarised below. The directors review and agree policies and procedures for the management of these risks.

There has been no change to the Group and the Company's exposure to these financial risks or the manner in which the Group and the Company manages and measures financial risk.

Foreign currency risk

Foreign currency risk arises on certain transactions that are denominated in currencies other than the functional currency of the entities in the Group. The foreign currencies in which the Group and the Company's currency risk arises are mainly Singapore dollar ("SGD") and Indonesian Rupiah ("IDR").

The Group and the Company's overall risk management strategy seek to minimise adverse effects from these financial risks on the Group and the Company's financial performance. The Group and the Company may use derivatives such as forward currency contracts to hedge certain financial risk exposures but the Group and the Company do not hold derivative financial instruments as at the reporting date.

28 Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Foreign currency risk (cont'd)

The Group and the Company's foreign currency exposures based on the information provided by key management are as follows:

	SGD US$'000	IDR US$'000
Group		
31.12.2015		
Financial assets		
Trade and other receivables	–	824
Cash and bank balances	26	36
	26	860
Financial liabilities		
Trade and other payables	1,444	5,265
Finance lease liabilities	–	1,493
	1,444	6,758
Net financial liabilities, representing net exposure	**(1,418)**	**(5,898)**
31.3.2015		
Financial assets		
Trade and other receivables	–	814
Cash and bank balances	5	382
	5	1,196
Financial liabilities		
Trade and other payables	1,034	10,506
Finance lease liabilities	–	966
	1,034	11,472
Net financial liabilities, representing net exposure	(1,029)	(10,276)

If the SGD and IDR changes against the respective functional currencies of the Group's entities by 5% with all other variables including tax rate being held constant, the effects arising from the net financial assets/(liabilities) denominated in foreign currencies are as follows:

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For the financial period from 1 April 2015 to 31 December 2015

28 Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Foreign currency risk (cont'd)

	Group (Increase)/decrease in loss after tax	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
SGD against USD		
- strengthened	**(59)**	(43)
- weakened	**59**	43
IDR against USD		
- strengthened	**(221)**	(385)
- weakened	**221**	385

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of the Group and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from the finance lease liabilities and certain trade and other payables. The Company's exposure to interest rate risk as at the end of the reporting period is not significant.

At 31 December 2015, the Group's payable balance at variable rates on which effective hedges have not been entered into, is denominated in USD. If the USD interest rate increase/decrease by 50 basis points with all other variables including tax rate being held constant, the loss after tax of the Group will be higher/lower by US$63,000 (31.3.2015: US$81,000) as a result of higher/lower interest expense on the payable balance.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. For trade receivables, the Group adopts the policy of dealing only with creditworthy customers.

The Group's trade receivables comprise 2 debtors (31.3.2015: 1) that represents 96% (31.3.2015: 96%) of the trade receivables. 86% (31.3.2015: 86%) of the Company's other receivables were balances with a subsidiary.

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is the carrying amount of each class of financial assets recognised in the statements of financial position.

Trade receivables that are neither past due nor impaired are from creditworthy debtors with an acceptable payment record with the Group.

28 Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Cash and bank balances that are neither past due nor impaired are placed with reputable financial institutions.

Financial assets that are either past due and/or impaired

There is no other class of financial assets that is either past due and/or impaired except for trade receivables.

The table below is an ageing analysis of trade receivables:

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Not past due and not impaired	**2,790**	6,075
Past due < 3 months but not impaired	**12,072**	9,655
Past due > 3 months but not impaired	**79**	–
	14,941	15,730

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant difficulties or have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. Liquidity risk is managed by matching the payment and receipt cycle.

The Group monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

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For the financial period from 1 April 2015 to 31 December 2015

28 Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's non-derivative financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within 1 year US$'000	Within 2 to 5 years US$'000	Total US$'000
Group			
31.12.2015			
Trade and other payables	38,180	–	38,180
Finance lease liabilities	961	772	1,733
	39,141	**772**	**39,913**
31.3.2015			
Trade and other payables	18,439	19,419	37,858
Finance lease liabilities	648	436	1,084
	19,087	19,855	38,942

At 31 December 2015, the Group's current liabilities exceeded its current assets by US$15,806,000. As disclosed in Note 33, the subsidiary has entered into a debt settlement agreement with its main supplier to reschedule the payment term, in order to ensure that the Group has sufficient and adequate working capital to finance its operating activities and to pay its debt obligations as and when they fall due.

	On demand or within 1 year US$'000	Within 2 to 5 years US$'000	Total US$'000
Company			
31.12.2015			
Trade and other payables	**223**	**–**	**223**
31.3.2015			
Trade and other payables	274	–	274

29 Fair values of assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(i) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Assets and liabilities not carried at fair value but which fair values are disclosed

	Group	
	Carrying amount US$'000	**Fair value measurement at balance sheet date Level 3 US$'000**
At 31.12.2015		
Finance lease liabilities	**1,493**	**1,603**
At 31.3.2015		
Finance lease liabilities	966	1,015

The above does not include financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair value due to their short-term nature and where the effect of discounting is immaterial or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

Finance lease liabilities

Determination of fair values

The fair values are determined from discounted cash flow analysis using a discount rate based upon the market borrowing rates of an equivalent instrument or market lending rates for similar types of lending arrangement which the directors expect would be available to the Group at the end of reporting period (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

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30 Segment information

The Group has only one reportable segment, which is mining and marketing of coal. The majority of the Group's sales and all of its assets are in Indonesia. Accordingly, no segment information is presented.

Information about major customers

Revenue of approximately US$49,453,000 (31.3.2015: US$84,616,000) is derived from 2 (31.3.2015: 1) external customers who individually contributed 10% or more of Group's revenue as follows:

	Group	
	9 months ended 31.12.2015 US$'000	12 months ended 31.3.2015 US$'000
Customer 1	**41,474**	84,616
Customer 2	**7,979**	–
	49,453	84,616

31 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Group's overall strategies remains unchanged from 31 March 2015.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and bank balances. Total capital is calculated as equity plus net debt.

	Group	
	31.12.2015 US$'000	31.3.2015 US$'000
Net debt	**34,498**	31,291
Total equity	**13,348**	13,099
Total capital	**47,846**	44,390
Gearing ratio	**72%**	70%

32 Contingent liabilities

Legal claim

Land compensation

On 11 February 2015, a claim was made by H. Adji Mohamad Salehoeddin a.k.a Adji Pangeran Adipati Praboe Anoem Soerya Adiningrat and H. Adji Azuar Poeger bin Adji Anuar a.k.a Adji Pangeran Hario Kesuma Poeger bin Adji Moh Parikesit (the "Claimant") against a subsidiary, PTRK for compensation totaling IDR399,300,000,000 (equivalent to US$30,518,000). The claim relates to the total land area of 1,933 ha of the subsidiary covered by Licence of Coal Mining Production, 308.4 ha of which is covered by the Borrow-to-Use Permit for Forrest Areas.

In the petition submitted to the State Court of Tenggarong (the "Court"), the Claimant asserts that such total area of 1,933 ha was crown land of *Kesultanan Kutai,* which now belongs to the Claimant through grant or "*hibah*" and inheritance. The directors of the Company and the subsidiary considers the claim to have no legal standing since the total area of 1,933 ha is located in an active forest area controlled and owned by the Forestry and Environment Ministry of the Republic of Indonesia, and the subsidiary holds valid permits in the form of a Licence of Coal Mining Production and Borrow-to-Use Permit for Forest Areas.

Based on court decision from the Court dated 5 November 2015, the Court has rejected all claims submitted by the Claimant.

Due to such decision, the Claimant then appealed to the Higher Court of Samarinda which issued a decision in the favour of the subsidiary based on decision. No. 11/DPT/2016/PT.SMR dated 22 February 2016.

Royalty claims

On 19 August 2015, a claim was submitted by a farmers group "Bentuhung" to the District Court of Tenggarong against Mr. Nordiansyah Nasrie, PTRK's Director for a total royalty claim of IDR90,720,000,000 (equivalent to US$6,720,000). Bentuhung claimed that on 27 October 2008, an agreement was entered between the subsidiary and Mr. Erhamsyah, Head of Bentuhung, in which the subsidiary agreed to provide Bentuhung with a royalty fee in the amount of US$1/MT of the subsidiary's coal production in return for Bentuhung providing the subsidiary with assistance in its field operations. Bentuhung claimed that they have provided assistance to the subsidiary in accordance with the agreement and therefore they have the right to claim the royalty fee.

As at the date of these financial statements, the status of the claim is ongoing in the court and the subsidiary has appointed Ariyanto & Rekan, to represent the subsidiary. Taking into consideration the nature and basis of the claim, the directors of the Company and the subsidiary are confident that the decision issued by the Court will be in the subsidiary's favour and that no material losses will arise in respect of the legal claim.

NOTES TO THE FINANCIAL STATEMENTS
For the financial period from 1 April 2015 to 31 December 2015

33 Subsequent events

Debt Settlement Agreement

On 29 March 2016, the Group's subsidiary, PTRK and its major supplier, PT Cipta Kridatama ("PTCK"), entered into a Second Addendum of Deed to a Debt Settlement Agreement ("Settlement Agreement"). The Settlement Agreement outlined the terms and conditions for settlement of the outstanding debt owed by the subsidiary to PTCK.

The revised schedule for principal payments is as follows:

Date of payment	Installment payment
January 2016 - December 2016	US$1.5/MT of monthly production or US$180,000 whichever is higher
January 2017 - December 2017	US$2.0/MT of monthly production or US$330,000 whichever is higher
January 2018 - December 2018	US$2.0/MT of monthly production or US$330,000 whichever is higher
31 December 2018	Full and final settlement of the outstanding balance

In addition to above, PTCK will also be entitled to additional payments if the price of the Indonesian Coal Index 2 ("ICI 2") adjusted for PTRK's coal quality is above US$60 on freight on board ("FOB") barge. The additional payments are as follows:

Payables	ICI 2	Remark
+$0.25/MT	>US$60	Incremental
+$0.50/MT	>US$65	Incremental
+$0.75/MT	>US$70	Incremental
+$1.00/MT	>US$75	Incremental

The outstanding balance bears interest at SIBOR+7% and payable at the end of every month commencing from January 2017.

34 Comparative figures

As disclosed in Note 1, the Company changed its reporting date from 31 March to 31 December. As such, the current financial statements cover the financial period from 1 April 2015 to 31 December 2015 and the comparative figures cover the financial year from 1 April 2014 to 31 March 2015. Therefore, the comparative figures for the consolidated statement of comprehensive income, statements of changes in equity, consolidated statement of cash flows and related notes are not comparable to current financial period.

35 Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company were authorised for issue in accordance with a resolution of the directors dated 5 April 2016.

SHAREHOLDING STATISTICS

AS AT 16 March 2016

SHARE CAPITAL INFORMATION

Issued and fully paid-up capital	:	S$307,306,455
Number of issued shares	:	1,832,999,998
Number of treasury shares	:	Nil
Class of shares	:	Ordinary share
Voting rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	9	0.53	321	0.00
100 – 1,000	237	13.91	109,989	0.01
1,001 – 10,000	486	28.54	2,302,178	0.13
10,001 – 1,000,000	906	53.20	117,477,196	6.41
1,000,001 AND ABOVE	65	3.82	1,713,110,314	93.46
TOTAL	**1,703**	**99.99**	**1,832,999,998**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	UOB KAY HIAN PRIVATE LIMITED	816,119,980	44.52
2	ANG LIANG KIM	113,250,000	6.18
3	BLUE ENERGY HOLDINGS LIMITED	93,750,000	5.11
4	HO WEN YAN	75,800,000	4.14
5	HONG LEONG FINANCE NOMINEES PTE LTD	69,330,000	3.78
6	L.K. ANG CORPORATE PTE LTD	62,146,000	3.39
7	FORTUNE TECHNOLOGY FUND LTD	54,395,000	2.97
8	SUEN YIU CHUNG DICKY	39,326,692	2.15
9	DBS NOMINEES (PRIVATE) LIMITED	39,200,550	2.14
10	TAN KIM SING	38,588,100	2.11
11	MAYBANK KIM ENG SECURITIES PTE. LTD.	35,787,300	1.95
12	PHILLIP SECURITIES PTE LTD	26,096,760	1.42
13	QUEK YIANG HANG	22,800,000	1.24
14	OCBC SECURITIES PRIVATE LIMITED	17,928,850	0.98
15	QUAN HENG SWEE JACOB (GUAN XINGRUI JACOB)	15,000,000	0.82
16	LYE INVESTMENTS LIMITED	14,433,750	0.79
17	RHB SECURITIES SINGAPORE PTE. LTD.	13,160,000	0.72
18	BANK OF SINGAPORE NOMINEES PTE. LTD.	12,275,910	0.67
19	YEO HEE CHONG	11,601,400	0.63
20	LAU HON KIT	10,093,084	0.55
	TOTAL	**1,581,083,376**	**86.26**

SHAREHOLDING STATISTICS

AS AT 16 March 2016

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	Number of Shares	%	Number of Shares	%
Gabriel Giovani Sugiono	–	–	832,384,980(1)	45.4
Joyful Sky Limited	–	–	832,384,980(1)	45.4
Agus Sugiono	–	–	832,384,980(2)	45.4
Madrone Enterprises Limited	832,384,980	45.4	–	–
Blue Energy Holdings Limited	93,750,000	5.11	–	–
Xie Ping	–	–	93,750,000(3)	5.11
Qing Guangmei	–	–	93,750,000(3)	5.11
Ang Liang Kim	123,288,000(4)	6.73	62,146,000	3.39

Notes:

(1) Joyful Sky Limited (the sole shareholder of Madrone Enterprises Limited) is a nominee of Gabriel Giovani Sugiono who is the ultimate beneficial owner of the shares in Madrone Enterprises Limited by virtue of Section 7 of the Companies Act, Chapter 50 of Singapore. Gabriel Giovani Sugiono is therefore deemed to be interested in the shares of the Company held by Madrone Enterprises Limited.

(2) Agus Sugiono is the father of Gabriel Giovani Sugiono, who is the ultimate beneficial owner of the shares in Madrone Enterprises Limited by virtue of Section 7 of the Companies Act, Chapter 50 of Singapore. Agus Sugiono is deemed to be interested in the shares of the Company held by Madrone Enterprises Limited.

(3) Xie Ping and Qing Guangmei are husband and wife, and they are deemed to be interested in the shares of the Company held by Blue Energy Holdings Limited by virtue of Section 7 of the Companies Act, Chapter 50 of Singapore.

(4) Ang Liang Kim is deemed to be interested in the shares held by LK Ang Corporate Pte Ltd by virtue of Section 7 of the Companies Act, Chapter 50 of Singapore. The direct and deemed shareholdings of Ang Liang Kim are based on his notification to the Company. A portion of his shares are kept with Hong Leong Finance Nominees Pte Ltd.

PUBLIC FLOAT

Based on information available to the Company as at 16 March 2016, approximately 39.36% of the issued ordinary shares of the Company is held by the public, and therefore, Rule 723 of Section B: Rules of Catalist of the SGX-ST Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at M Hotel, Anson I and II, Level 2, 81 Anson Road, Singapore 079908 on Wednesday, 27 April 2016 at 10.00 a.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial period 1 April 2015 to 31 December 2015 and the Directors' Statement and Auditors' Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fee of S$219,615 for the financial period from 1 January 2016 to 31 December 2016, to be paid quarterly in arrears. **(Resolution 2)**

3. To re-elect Mr Gabriel Giovani Sugiono, a Director of the Company, retiring pursuant to Article 104 of the Company's Constitution. **(Resolution 3)**

   The key information of Mr Gabriel Giovani Sugiono can be found in the Company's Annual Report 9MFYE15. Mr Gabriel Giovani Sugiono will, upon re-election as a Director of the Company, remain as Executive Director (Investor and Stakeholder Relations).

4. To re-elect Mr Low Yew Shen, a Director of the Company, retiring pursuant to Article 104 of the Company's Constitution. **(Resolution 4)**

   The key information of Mr Low Yew Shen can be found in the Company's Annual Report 9MFYE15. Mr Low Yew Shen will, upon re-election as a Director of the Company, remain as Non-Executive Director of the Company.

5. To re-appoint Baker Tilly TFW LLP as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions, with or without modifications:-

6. AUTHORITY TO ISSUE SHARES

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and the Catalist Rules, authority be and is hereby given to the Directors of the Company at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit to:

(a) (i) issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

(b) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force, provided that:

(i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 50% of the total number of issued Shares (excluding treasury shares), and for the purpose of determining the aggregate number of Shares and Instruments that may be issued under this resolution, the percentage of the total number of issued Shares (excluding treasury shares) shall be based on the Company's total number of issued Shares (excluding treasury shares) at the time this resolution is passed, after adjusting for:

(1) new Shares arising from the conversion or exercise of any convertible securities;

(2) new Shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time this resolution is passed, provided the options or awards were granted in compliance with the Catalist Rules; and

(3) any subsequent bonus issue, consolidation or subdivision of Shares;

(ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier; and

(c) the Directors be and are hereby authorised to do any and all acts which they deem necessary and expedient in connection with paragraphs (a) and (b) above."

(Resolution 6)
[See Explanatory Note I]

7. AUTHORITY TO GRANT SHARE OPTIONS AND ISSUE SHARES UNDER THE RPG EMPLOYEE SHARE OPTION SCHEME

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, authority be and is hereby given to the Directors of the Company to grant share options in accordance with the provisions of the RPG Employee Share Option Scheme ("**RPG ESOS**") and to issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of the share options granted under the RPG ESOS, provided always that the aggregate number of Shares to be issued pursuant to the RPG ESOS, when aggregated together with the Shares issued and/or issuable in respect of all share options granted under the RPG ESOS, and all Shares issued and/or issuable in respect of all share options or share awards granted under any other share schemes or share plans adopted by the Company for the time being, shall not exceed

15% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(**Resolution 7)**
[See Explanatory Note II]

8. **AUTHORITY TO GRANT SHARE AWARDS AND ISSUE SHARES UNDER THE RPG PERFORMANCE SHARE PLAN**

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, authority be and is hereby given to the Directors of the Company to grant share awards in accordance with the provisions of the RPG Performance Share Plan ("**RPG PSP**") and to issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the vesting of share awards granted under the RPG PSP, provided always that the aggregate number of Shares to be issued pursuant to the RPG PSP, when aggregated together with the Shares issued and/or issuable in respect of all share awards granted under the RPG PSP, and all Shares issued and/or issuable in respect of all share options or share awards granted under any other share schemes or share plans adopted by the Company for the time being, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(Resolution 8)
[See Explanatory Note III]

ANY OTHER BUSINESS

9. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)
Company Secretary

Date: 12 April 2016
SINGAPORE

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:-

I. The ordinary resolution in item 6 above, if passed, will empower the Directors of the Company from the date of the above Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares and convertible securities in the Company up to an amount not exceeding in aggregate 100% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which the total number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, at the time this resolution is passed, for such purposes as they consider would be in the interests of the Company.

Rule 806(2)(a) of the Catalist Rules currently provides that for the purpose of determining the aggregate number of Shares and Instruments that may be issued under this resolution, the percentage of the total number of issued Shares (excluding treasury shares) shall be based on the Company's total number of issued Shares (excluding treasury shares) at the time this resolution is passed (after adjusting for new Shares arising from the conversion of convertible securities or exercise of share options or vesting of share awards outstanding or subsisting at the time this resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares).

II. The ordinary resolution in item 7 above, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant share options under the RPG ESOS and to issue Shares pursuant to the exercise of such share options in accordance with the RPG ESOS.

III. The ordinary resolution in item 8 above, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant share awards under the RPG PSP and to issue Shares pursuant to the vesting of such share awards in accordance with the RPG PSP.

Notes:-

1. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

2. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50. A member (other than a relevant intermediary as defined in Section 181 of the Companies Act, Chapter 50) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

3. A proxy need not be a member of the Company.

4. If the appointer is a corporation, the instrument appointing the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

5. The instrument appointing a proxy must be deposited at the Company's registered office at 333 North Bridge Road, #08-00 KH KEA Building, Singapore 188721 not later than 48 hours before the time appointed for the meeting.

6. The sending of a Proxy Form by a member does not preclude him from attending and voting in person at the Annual General Meeting if he so wishes. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the Annual General Meeting.

7. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the Annual General Meeting in order for the Depositor to be entitled to attend and vote at the Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

8. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the Annual General Meeting in person as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the Annual General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Annual General Meeting.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting of the Company and/or any adjournment thereof, a member of the Company (i) contents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting of the Company (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request, and (iv) agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a results of the member's breach of warranty.

*This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this notice.*

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

The contact person for the Sponsor is Ms. Lam Siew Hwa, Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.

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PROXY FORM

RESOURCES PRIMA GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 198602949M)

IMPORTANT
1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than two (2) proxies to attend the Meeting and vote.
2. For investors who have used their CPF monies to buy RESOURCES PRIMA GROUP LIMITED's shares, this Report is forwarded to them at the request of their CPF Approved Nominees.
   This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We I/We, ______________________________ (Name) ________________ (NRIC/Passport No.)

of ____ (Address)

being *a member/members of RESOURCES PRIMA GROUP LIMITED (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

*and/or

as *my/our *proxy/proxies, to vote for *me/us and on *my/our behalf at the Annual General Meeting of the Company ("Annual General Meeting") to be held at M Hotel, Anson I and II, Room Level 2, 81 Anson Road, Singapore 079908 on Wednesday, 27 April 2016 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions proposed at the Annual General Meeting as indicated with a tick (√) in the spaces provided hereunder. If no specified directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

No.	Ordinary Resolutions	No. of Votes or indicate with a tick	
		For**	Against**
1.	To receive and adopt the Audited Financial Statements of the Company for the financial period from 1 April 2015 to 31 December 2015 and the Directors' Statement and Auditors' Report thereon.		
2.	To approve the payment of Directors' fees of S$219,615 for the financial period from 1 January 2016 to 31 December 2016, to be paid quarterly in arrears.		
3.	To re-elect Mr Gabriel Giovani Sugiono, a Director of the Company, retiring pursuant to Article 104 of the Company's Constitution.		
4.	To re-elect Mr Low Yew Shen, a Director of the Company, retiring pursuant to Article 104 of the Company's Constitution.		
5.	To re-appoint Baker Tilly TFW LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.		
6..	To authorise the Directors of the Company to allot and issue shares pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore.		
7.	To authorise the Directors of the Company to grant share options, allot and issue shares under the RPG Employee Share Option Scheme.		
8.	To authorise the Directors of the Company to grant share awards, allot and issue shares under the RPG Performance Share Plan.		

All resolutions would be put to vote by poll in accordance with listing rule of the Singapore Exchange Securities Limited.

Please tick (√) or indicate the number of votes within the box provided. A tick would represent you are exercising all your votes "For" or "Against" the relevant resolution.

Dated this __________ day of ________________ 2016

Total Number of Shares Held

____
Signature(s) of Member(s)/Common Seal

*Delete accordingly

IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THE PROXY FORM

Notes:

1. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the Annual General Meeting ("**AGM**"). Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

2. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 (the "Companies Act").

3. A proxy need not be a member of the Company.

4. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

5. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the meeting.

6. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where, the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

7. A corporation, which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with the Constitution of the Company and Section 179 of the Companies Act, Chapter 50 of Singapore.

8. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 333 North Bridge Road #08-00 KH KEA Building, Singapore 188721 not later than 48 hours before the time set for the AGM.

9. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register maintained by the Central Depository (Pte) Limited, he should insert the number of shares if the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert the number of shares. If the member has shares entered against his/her name in the Depository Register and shares registered in his name in the Register of Members of the Company, he/she should insert the aggregate number of shares. If no number of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

11. A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his/her name appears on the Depository Register 72 hours before the time set for the AGM.

12. Personal data privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the AGM.

Resources Prima Group Limited

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