

SOUTHERN ALLIANCE MINING LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201931423D)

MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JULY 2020

The board of directors (the "**Board**") of Southern Alliance Mining Ltd. (the "**Company**" and together with its subsidiaries the "**Group**") refers to the unaudited full year financial year results announcements for the financial year ended 31 July 2020 ("**FY2020**") (the "**Unaudited Financial Statement**") released via the SGXNet on 25 September 2020 (the "**Announcement**").

Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings as defined in the Announcement.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board would like to announce the material variances between the Unaudited Financial Statement and the audited financial statements for the FY2020 ("**Audited Financial Statement**"), after the completion of the audit by the Company's external auditor.

Statement of Financial Position of the Group

	Audited	Unaudited	Variance		Notes
	Financial	Financial	RM'000	%	
	Statements	Statement	RM'000	%	
	RM'000	RM'000	RM'000	%	
NON-CURRENT ASSETS					
Property, plant and equipment	37,138	28,555	8,583	30.1	1
Right-of-use assets	-	8,583	(8,583)	(100.0)	1

Notes:

- (1) Presentation of right-of-use assets as part of property, plant and equipment in the statement of financial position. Under Singapore Financial Reporting Standards (International) ("SFRS (I)") 16 paragraph 47, a lessee may either present the right-of-use assets separately in the statement of financial position or disclose in the notes to the financial statements. The Company will be disclosing the breakdown in the notes to financial statements.

BY ORDER OF THE BOARD

Dato' Sri Pek Kok Sam
Executive Director and Chief Executive Officer
28 October 2020

Southern Alliance Mining Ltd. (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited on 26 June 2020. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This announcement has been reviewed by the Company's Sponsor. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

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