

UNITED FIBER SYSTEM LIMITED

(Incorporated in the Republic of Singapore)

Company Registration Number: 199508589E

PROPOSED S\$1.88 BILLION ACQUISITION OF 66.9998% OF PT GOLDEN ENERGY MINES TBK – SUPPLEMENTAL AGREEMENT

Capitalised terms used herein shall have the definitions ascribed to them in the SPA Announcement and the MCB Announcement (as herein defined), unless otherwise stated or the context otherwise requires.

1. INTRODUCTION

The Board of Directors (“**Board**”) of United Fiber System Limited (“**UFS**” or “**Company**”) refers to the announcements released by the Company on 16 July 2013 (“**SPA Announcement**”) and 31 January 2014 in relation to the Proposed DSS Acquisition, and the announcement released by the Company on 30 August 2013 in relation to the Bonds Issue (“**MCB Announcement**”).

As at the date of this Announcement, the Proposed DSS Acquisition is still pending as various conditions precedent to the Proposed DSS Acquisition (including without limitation, requisite regulatory approvals) remain to be satisfied. In view of the extended transaction timeline, the Company has, on 5 July 2014, entered into a supplemental agreement (“**SPA Supplemental Agreement**”) with DSS to amend certain terms and conditions of the Share Purchase Agreement.

2. AMENDMENTS TO THE SHARE PURCHASE AGREEMENT

2.1 SPA Amendments. As announced in the SPA Announcement, UFS and DSS had originally agreed in the Share Purchase Agreement that the long-stop date for the Proposed DSS Acquisition shall be no later than 31 January 2014, or as otherwise agreed between UFS and DSS in writing (“**Acquisition Long-Stop Date**”). UFS and DSS have agreed to, *inter alia*, extend the Acquisition Long-Stop Date to 31 March 2015 and also amend such other terms in the Share Purchase Agreement that are affected by the extended timeline for the Proposed DSS Acquisition (“**SPA Amendments**”). For further details of the SPA Amendments, please refer to Appendix A of this Announcement.

2.2 MCB Amendments. As announced in the MCB Announcement, UFS and the Subscribers had originally agreed in the Subscription Agreement that the closing of the Bonds Issue shall take place no later than 31 January 2014 (“**Cut-Off Date**”). Taking into account the extended timeline to the Proposed DSS Acquisition, UFS has undertaken to DSS to make certain amendments to the Subscription Agreement including, *inter alia*, extending the Cut-Off Date in view of the extension of the Acquisition Long-Stop Date in the Share Purchase Agreement. The Company will provide further updates on the status and outcome of the discussions with the Subscribers in due course.

3. FURTHER INFORMATION

A copy of the SPA Supplemental Agreement will be made available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this Announcement.

4. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their UFS Shares as the Proposed DSS Acquisition, the Bonds Issue and/or the issuance of the Conversion Shares are still subject to numerous conditions precedent and there is no certainty or assurance as at the date of this Announcement that all of the conditions precedent will be satisfied (or waived, as the case may be), or that the Proposed DSS Acquisition, the Bonds Issue and/or the issuance of the Conversion Shares will be completed. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

5. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, the facts stated and opinions expressed herein are fair and accurate in all material respects as at the date hereof, and that there are no material facts the omission of which would make this Announcement misleading.

BY ORDER OF THE BOARD
UNITED FIBER SYSTEM LIMITED

Pauline Lee
Acting CEO
7 July 2014

APPENDIX A

KEY AMENDMENTS TO THE SHARE PURCHASE AGREEMENT

1. Extension of 31 January 2014 to 31 March 2015

All references to “31 January 2014” shall be amended to “31 March 2015” in the following definitions:

- (a) “Acquisition Long-Stop Date”, as referred to in Section 3.9 and paragraph 10 of Appendix A of the SPA Announcement;
- (b) “Maximum NTL Requirement”, as referred to in Section 3.6 and paragraph 7(b) of Appendix A of the SPA Announcement;
- (c) “Maximum Liability Requirement”, as referred to in Section 3.6 and paragraph 7(d) of Appendix A of the SPA Announcement;
- (d) “Total Relevant Unsecured Liabilities”, as referred to in Section 3.5(c) of the SPA Announcement; and
- (e) “UFS Disclosed Liabilities”, as referred to in Appendix E of the SPA Announcement.

2. Extension of MCB Cut-Off Date

An additional new condition precedent shall be included in the Share Purchase Agreement, providing that UFS shall, within 30 days from the date of the SPA Supplemental Agreement, enter into a supplemental MCB Subscription Agreement with each Subscriber to (a) extend the Cut-Off Date for the closing of the Bonds Issue from 31 January 2014 to a date no later than the completion of the Proposed DSS Acquisition; and (b) limit UFS’s aggregate liabilities to the Subscribers up to and including 31 March 2015 under the Subscription Agreement (including any accrued interest payable under the Mandatory Convertible Bonds) to no more than S\$46.5 million, which shall constitute full and final settlement of all claims against UFS by the Subscribers in respect of the Corporate Guarantees.

3. Minimum DSS Shareholding Percentage and Existing Issued Shares

The Minimum DSS Shareholding Percentage as referred to in Section 3.3 and paragraph 3 of Appendix A of the SPA Announcement shall be amended from 94.0686% to 94.0020%, and shall comprise, *inter alia*, 3,864,251,008 existing issued shares in the share capital of UFS as at 5 July 2014 instead of 3,789,687,294.

In view of the above, the references to 94.0686% in Section 1, Section 3.4, Section 3.5(a), Section 4.2 and paragraph 3(a), paragraph 4(b) and paragraph 8 of Appendix A of the SPA Announcement shall be amended to 94.0020%, and the number of existing issued UFS Shares referred to in footnote (1) and (2) of the SPA Announcement shall be amended to 3,864,251,008.

4. Deeds of undertaking and standstill

The condition precedent referred to in paragraph 2 of Appendix B of the SPA Announcement shall be amended such that UFS shall within 30 days from the date of the SPA Supplemental Agreement, obtain deeds of undertaking from ASM, ASF and RBI in favour of UFS and DSS, (a) expressing their respective support for the Proposed DSS Acquisition; (b) providing a standstill undertaking in respect of their claims against the UFS Group to be effective up to and including 3 days after completion of the Post-Completion Placement; (c) waiving any applicable default interest payable by UFS under the outstanding loans to UFS; and (d) approving the Disposal of PLC Companies (if required).

5. Disposal of PLC Companies

The condition precedent referred to in paragraph 2 of Appendix B of the SPA Announcement shall be amended such that the completion of the disposal by UFS of all its shareholdings in PLC, representing

the entire issued and paid-up share capital of PLC and all of its indirect interests in the other PLC Companies, shall be inter-conditional on DSS Completion, and subject to the aforesaid requirement of inter-conditional, completion of the disposal shall take place immediately before DSS Completion, instead of within 90 calendar days after the execution of the Share Purchase Agreement.

6. Recommendation of the Board of Directors of UFS

An additional new condition precedent shall be included in the Share Purchase Agreement, providing that the Board of Directors of UFS shall be required to recommend to the shareholders of UFS to vote in favour of the Proposed DSS Acquisition and such other transactions in connection with and incidental thereto (including the Whitewash Resolution), together with any related resolutions necessary or expedient for such purposes, at the UFS EGM, provided that nothing in this condition precedent or in the Share Purchase Agreement shall oblige the Board of Directors of UFS to act contrary to their fiduciary duties under applicable laws.

7. Adjustments to the Limits of the Maximum NTL Requirement, the Maximum Liability Requirement, RTO Costs Funding Securities and Existing Liabilities Settlement Securities

The respective limits of:

- (a) the Maximum NTL Requirement, as referred to in Section 3.6 and paragraph 7(b) of Appendix A of the SPA Announcement, shall be amended from US\$30 million to US\$66,000,000;
- (b) the Maximum Liability Requirement, as referred to in Section 3.6 and paragraph 7(d) of Appendix A of the SPA Announcement, shall be amended from S\$20 million to S\$31,139,598;
- (c) the RTO Costs Funding Securities, as referred to in paragraph 6(c) of Appendix A of the SPA Announcement, shall be amended from S\$5 million to S\$4,246,758; and
- (d) the Existing Liabilities Settlement Securities, as referred to in Section 3.7 and paragraph 6(d) of Appendix A of the SPA Announcement, shall be amended from S\$21.35 million to S\$20,371,873.

8. Calculation of Excess UFS Unsecured Liabilities and DSS Compensation Shares

The Excess UFS Unsecured Liabilities, as referred to in Section 3.5(c) of the SPA Announcement, shall be computed on the assumption that DSS Completion takes place on or before 31 March 2015 instead of 31 January 2014, and shall be computed based on the Total Relevant Unsecured Liabilities less the Compensation Threshold (as defined below) instead of the Total Relevant Unsecured Liabilities less the Maximum Liability Requirement.

In view of the above, the DSS Compensation Shares, as referred to in Section 3.5(c) of the SPA Announcement, shall be calculated based on the following formula instead:

$$N = \frac{X}{(100 - 93)} \times \frac{93}{0.019}$$

Where:

N is the number of DSS Compensation Shares to be allotted and issued by UFS to DSS, subject always to a maximum of 9,000,000,000 DSS Compensation Shares;

X is the Total Relevant Unsecured Liabilities less the Compensation Threshold ("**Excess UFS Unsecured Liabilities**"); and

"*Compensation Threshold*" means an amount equivalent to the sum of: S\$18,268,631 less (a) the liabilities of the UFS Group settled or extinguished by the issuance of additional UFS shares issued pursuant to the RTO Costs Funding Securities, and less (b) the liabilities of the UFS Group settled or

extinguished by the issuance of additional UFS shares issued pursuant to Existing Liabilities Settlement Securities, subject always to a maximum of S\$14,021,873.

9. Adjustments to the Proposed Share Consolidation

The consolidation ratio of the Proposed Share Consolidation, as referred to in Section 3.4, Section 3.5(c), and paragraph 4 of Appendix A of the SPA Announcement, shall be amended from every 30 UFS Shares into one (1) Consolidated UFS Share, to every 50 UFS Shares into one (1) Consolidated UFS Share. The number of Consolidated DSS Consideration Shares, as referred to in Section 3.5 and paragraph 4 of Appendix A of the SPA Announcement, shall be amended from 3,297,212,393 to 1,978,327,436 and the issue price of each Consolidated DSS Consideration Share, as referred to in Section 3.5 of the SPA Announcement, shall be amended from S\$0.57 to S\$0.95.

In view of the above, the number of MCB Conversion Shares referred to in Section 3.5(b) of the SPA Announcement shall be amended to 48,947,368 instead of 81,578,947, and the number of MCB Conversion Shares referred to in paragraph 8 of Appendix B of the SPA Announcement shall be amended to 48,947,368 instead of 81,578,947.