UNLOCKING POTENTIAL

WILTON

WILTON RESOURCES CORPORATION LIMITED

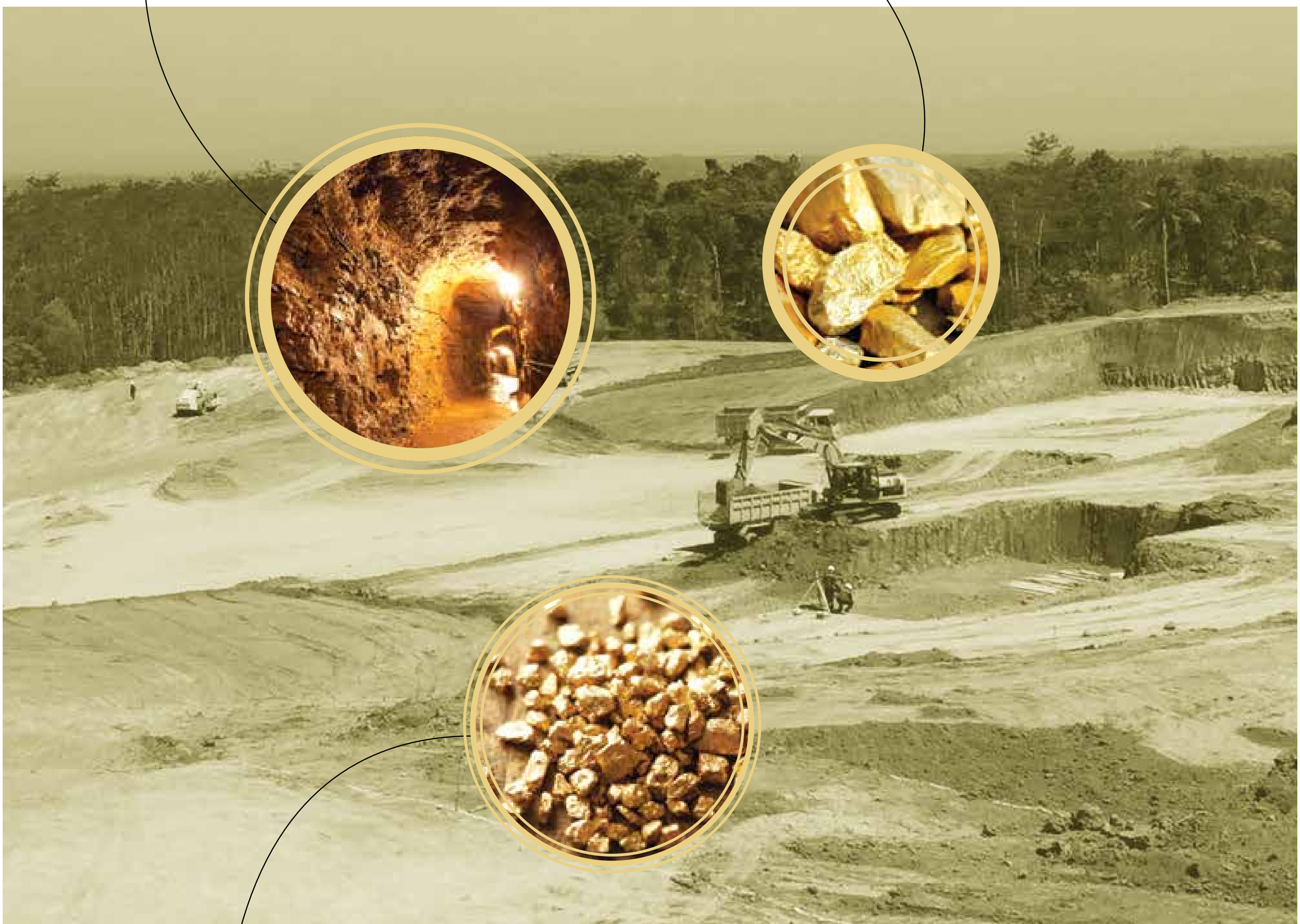
ANNUAL REPORT 2019

VISION

To be an accomplished gold mining group in Asia

MISSION

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



CORE VALUES

PLEDGE OF PARTNERSHIP
We adopt a "Partnership" approach to achieve a "win-win" situation in all our relationships

SENSE OF CONVICTION
Our passion and sense of conviction in our business inspires us to deliver our goals

CONTENTS

CORPORATE PROFILE


Overall view of the 500 tonnes per day flotation and carbon-in-leach processing plant

Listed on the Catalist Board of the Singapore Exchange, Wilton Resources Corporation Limited ("Wilton" or the "Company", and together with its subsidiaries, the "Group"), is engaged in the exploration and mining of gold, and production of gold dore in Indonesia, a major gold producing country.

Rich in ore reserves and mineral resources, the Group's Ciemas Gold Project, covering a total area of 3,078.5 hectares, is located in West Java, Indonesia. In the latest Independent Qualified Person's Report ("IQPR")[1], it is estimated that the Ciemas Gold Project contains approximately 3,260 kt of ore reserves with an average grade of approximately 7.7 g/t of gold[2]. In terms of mineral resources, it is estimated that the Ciemas Gold Project has approximately 3,415 kt of measured and indicated mineral resources and 2,559 kt of inferred mineral resources, with an average grade of approximately 8.6 g/t and 6.5 g/t of gold[2], respectively.

The Group is on track to complete the construction of its 500 tonnes per day flotation and carbon-in-leach processing plant.

Besides seeking to develop gold deposits, the Group is exploring the potential of other mineralised areas of the Ciemas Gold Project to build sustainable value for its stakeholders.

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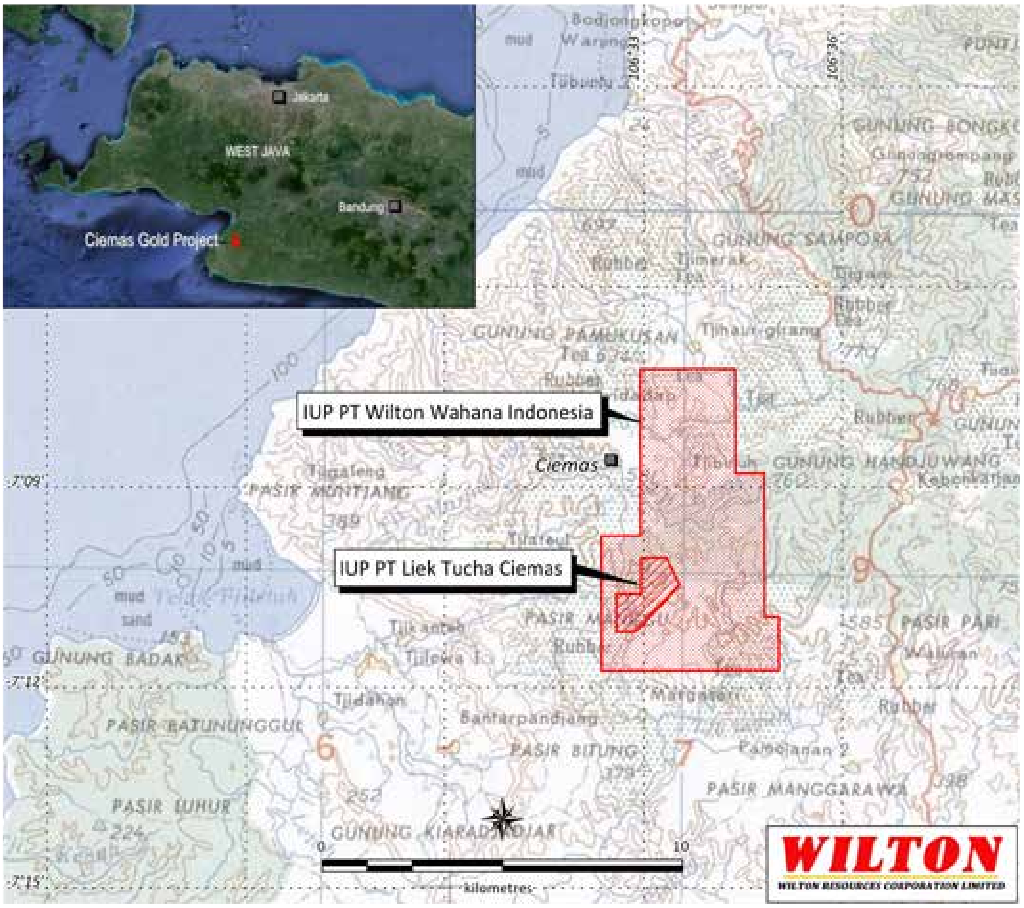
1 *IQPR dated 30 September 2018 was prepared by independent consultant, SRK Consulting (China) Ltd. ("SRK")*

2 *In accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code 2012 Edition")*

HARNESSING OUR CAPABILITIES

THE CIEMAS GOLD PROJECT CONTAINS APPROXIMATELY 3,260 kt OF ORE RESERVES WITH AN AVERAGE GRADE OF APPROXIMATELY 7.7 g/t OF GOLD



Carbon-in-leach circuit

Flotation circuit

Filter press system

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the board of directors (the "Board") of Wilton Resources Corporation Limited ("Wilton", and together with its subsidiaries, the "Group"), I am pleased to present our Annual Report and Financial Statements for the financial year ended 30 June 2019 ("FY2019").

FY2019 has been a year of remarkable achievement towards unlocking potential value of the Ciemas Gold Project in West Java, Indonesia. Firstly, significant progress was made on the construction of the 500 tonnes per day ("tpd") flotation and carbon-in-leach mineral processing facility at the Ciemas Gold Project ("500 tonnes Processing Facility"). Secondly, the Group acquired an Indonesian-listed company in a restructuring exercise that will offer economic benefits to shareholders of the Company ("Shareholders").

CHAIRMAN'S STATEMENT

500 TONNES PROCESSING FACILITY

The facility will play a key role in the Group's growth strategy and serves as our showcase project. In FY2019, the Group's Engineering, Procurement, Construction and Management contractor, Yantai Jinyuan Mining Machinery Co. Ltd., has made significant and steady progress towards completing the construction of the 500 tonnes Processing Facility. However, some delays occurred due to the prolonged rainy season during the third quarter of FY2019 and the Group faced logistical challenges in the transportation of bulky and oversized processing equipment and parts to the site in Ciemas, West Java from the port in Jakarta. The final stages of the infrastructure, civil works and other supporting facilities of the 500 tonnes Processing Facility has yet to be completed. Production of gold will commence upon completion of requisite works at the 500 tonnes Processing Facility.

RESTRUCTURING

In FY2019, the Group has successfully undertaken a restructuring exercise that involves subsuming an Indonesian-listed company into the Group ("Restructuring"). The Board believes that the Restructuring offers more tangible economic benefits to Shareholders as it provides opportunities for future growth and the acquisition of more mining concessions.

INDEPENDENT QUALIFIED PERSON'S REPORT 2018

The Independent Qualified Person's Report dated 30 September 2018 ("2018 IQPR"), prepared by an independent consultant, SRK Consulting China Ltd., detailed an estimation of mineral resources and ore reserves (in accordance with the JORC Code 2012 Edition) in our six prospect areas in the Ciemas Gold Project. It is estimated to contain approximately 3,260 kt of ore reserves with an average grade of approximately 7.7 g/t of gold (in accordance with the JORC Code 2012 Edition). In terms of mineral resources, there are approximately 3,415 kt of measured and indicated mineral resources and 2,559 kt of inferred mineral resources, with an average grade of approximately 8.6 g/t and 6.5 g/t of gold (in accordance with the JORC Code 2012 Edition), respectively. A key priority for the Group is to develop the six prospect areas, and spur growth.

APPRECIATION

In closing, on behalf of the Board, I would like to express my heartfelt gratitude to our shareholders for your patience, loyal support and confidence in the Group. We are glad that the Group is now on track to embark on its growth journey.

On the corporate governance front, we are pleased to be awarded runner-up under the Most Transparent Company Award (Materials Category) by the Securities Investors Association Singapore (SIAS) at the 20th Investors Choice Awards 2019.

A special thanks to Karl Hoffmann Minerals Pte. Ltd. for extending project financing to support the development of our 500 tonnes Processing Facility.

To my fellow Directors, I sincerely appreciate your valuable guidance in steering the Company towards its goal.

I would also like to express my appreciation to all our contractors, business associates, suppliers for their efforts and commitments. At last but not least, I would like to thank our management and staff for their dedication and contribution to bring the Group forward.

WIJAYA LAWRENCE
Executive Chairman and President

BOARD OF DIRECTORS

Mr Wijaya Lawrence
Executive Chairman
and President

Mr Ngiam Mia Je Patrick
Non-Executive Director

Mr Teo Kiang Kok
Lead Independent
Non-Executive Director

Mr Tan Cher Liang
Independent
Non-Executive Director

Mr Seah Seow Kang Steven
Independent
Non-Executive Director

BOARD OF DIRECTORS

Mr Wijaya Lawrence, an Indonesian citizen and an entrepreneur, is the Executive Chairman and President of the Group. Being the founder of Wilton, Mr Wijaya Lawrence is responsible for the strategic planning, overall management and operations of the Group. Prior to 2000, Mr Wijaya Lawrence was involved in various general trading businesses, such as lighting products and electronics.

In 2000, Mr Wijaya Lawrence founded P.T. Wilton Wahana Indonesia ("PT WWI"), which was involved in the business of trading in lighting products and electronics. In 2007, Mr Wijaya Lawrence was also involved in the business of trading various natural resources, such as zirconium, lead and coal, to several countries. In 2010, Mr Wijaya Lawrence decided to cease the trading business of PT WWI and focus on the mining business of the Group.

Mr Ngiam Mia Je Patrick, a Singapore citizen, is the Non-Executive Director of the Company. Mr Ngiam Mia Je Patrick is the Chairman and co-founder of the Essex group of companies ("Essex"). He is also the Chairman and Chief Executive Officer ("CEO") of IPC Corporation Limited (listed on the SGX-ST Main Board) and Chairman of Essex Bio-Technology Limited (listed on HKEx).

Mr Ngiam Mia Je Patrick, graduated in Electronics Engineering with first class honours, is an acknowledged entrepreneur in Singapore and has received many accolades. In 1990, he was awarded the inaugural KPMG High-Tech Entrepreneur Award. Other awards include the DHL & Singapore Press Holdings' Singapore Business Award for Businessman of the Year in 1994 and the Chevalier De L'Ordre National Du Merite conferred by Le President De La Republique Francaise in 1996.

Mr Seah Seow Kang Steven, a Singapore citizen, is an Independent Non-Executive Director of the Company. He is a lawyer by profession and has more than 30 years of experience in legal practice.

Mr Seah Seow Kang Steven is the co-founder and is currently a partner of Seah Ong & Partners LLP and has been involved in the management of the firm and also handled general legal matters relating to property, family, corporate and litigation.

In 2002, he was awarded the Public Service Medal (Pingat Bakti Masyarakat) and in 2013, he was awarded the Public Service Star (Bintang Bakti Masyarakat).

Mr Seah Seow Kang Steven obtained his Bachelor of Laws (Honours) from the University of Singapore in 1980 and a Diploma in Business Law from the National University of Singapore in 1988.

Mr Tan Cher Liang, a Singapore citizen, is an Independent Non-Executive Director of the Company. He chairs the Audit Committee and is a member of the Nominating Committee and the Remuneration Committee.

In May 2000, he co-founded Boardroom Limited, a company listed on the SGX-ST Main Board. He was the Managing/Finance Director of Boardroom Limited from May 2000 to March 2013. Having retired from Boardroom Limited, he continues to be an advisor. Prior to May 2000, he was with Ernst & Young Singapore and its affiliates since September 1973.

Mr Tan is currently an Independent Non-Executive Chairman of Vibrant Group Limited, listed on the SGX-ST Main Board and Catalist-listed Jumbo Group Limited. He is also an Independent Director of Kingsmen Creatives Ltd and Ezra Holdings Limited, all are listed on the SGX-ST Main Board. He also holds directorships in charitable organisations such as the D.S. Lee Foundation, EtonHouse Community Fund and Children's Charities Association. In addition, he is a trustee of Kwan Im Thong Hood Cho Temple.

He is a qualified financial professional of the Association of Chartered Certified Accountants of the United Kingdom. He was conferred the Public Service Medal (PBM) in 1996.

Mr Teo Kiang Kok, a Singapore citizen, is the Lead Independent Non-Executive Director of the Company. Mr Teo is a senior lawyer with more than 30 years of experience in legal practice. He was a partner of Shook Lin & Bok LLP ("SLB") from 1988 to 2011. Mr Teo was the Head of the Corporate Finance and China practices of SLB. His main areas of practice are corporate finance, international finance and securities.

In the course of his legal practice, Mr Teo has advised listed companies extensively on corporate law and regulatory compliance and in particular, the listing and compliance requirements of companies listed on the SGX-ST. Mr Teo retired as a senior partner of SLB in 2011 and is currently the senior consultant to SLB. He also serves on the boards of IPC Corporation Limited, Hyflux Ltd and Jadason Enterprises Ltd, all of which are listed on SGX-ST Main Board.

KEY EXECUTIVES

Mr Andrianto Darmasaputra
Vice President
(Operations)

Mr Andrianto Darmasaputra, an Indonesian citizen, is the Group's Vice President (Operations). He is responsible for managing the Company's day-to-day operations and reporting them to the Executive Chairman and President, Mr Wijaya Lawrence. He also assists in managing the Human Resources and Finance of the Group.

Prior to joining the Group full-time in December 2012 as Assistant to Chairman, Mr Andrianto Darmasaputra Lawrence worked for the Group on a part-time basis from January 2010 to November 2012, where he gained a comprehensive understanding of the Group's core business.

He obtained his Bachelor of Business (Management) from the Royal Melbourne Institute of Technology (Australia) in 2012.

Mr Nicco Darmasaputra Lawrence
Vice President
(General Administrastion)

Mr Nicco Darmasaputra Lawrence, an Indonesian citizen, is the Group's Vice President (General Administration). He is responsible for overseeing the Administration Division and also assists the Executive Chairman and President, Mr Wijaya Lawrence, in managing the business development and operations of the Group.

Prior to joining the Group full-time in October 2011, Mr Nicco Darmasaputra Lawrence worked for the Group on a part-time basis from September 2009 to September 2011, where he gained a comprehensive understanding of the Group's business and operations.

He obtained his Diploma in Business from the University of Hertfordshire (London) in 2008 and a Bachelor of Arts in Business Management from the Universitas Trisakti (Indonesia) in 2011.

Mr Antony
Vice President
(Technical and Development)

Mr Antony, an Indonesian citizen, is the Group's Vice President (Technical and Development). He is responsible for overseeing the Technical and Development Division. He has diverse experience in mechanical engineering industry including the power and process industry and heavy manufacturing engineering.

Prior to joining the Group in April 2015, Mr Antony worked as an engineering consultant since 1993. He was a senior engineer at Foster Wheeler Power Engineering from 1985 to 1992, where he developed a novel industrial boiler and had management experience in power station outage. He had also been responsible for a group heating project.

He obtained his Bachelor of Engineering (Honours) in Mechanical Engineering from Liverpool University U.K. and Master of Science (Mechanical Engineering) from King's College (University of London). He is a Chartered Engineer and a member of the Institute of Mechanical Engineer U.K.

KEY EXECUTIVES

Mr Yusuf Hermawan Jatikusumo
Head of Technical and Development

Mr Yusuf Hermawan Jatikusumo, an Indonesian citizen, is the Group's Head of Technical and Development. He has more than 25 years of experience in the mining industry. He is responsible for the exploration, development and operations of the mine.

Prior to joining the Group in 2009 as director of PT LTC, Mr Yusuf Hermawan Jatikusumo was working in PT LTC from 1996 to April 2009 as its General Manager and manages the day-to-day operations as well as certain technical aspects of PT LTC. Mr Yusuf Hermawan Jatikusumo worked in several mining related companies including Parry Corporation Ltd., P.T. Srikandi Jaya Sakti, Terrex Resources N.L. and P.T. Meekatharra Minerals.

He obtained his Bachelor Degree in Geological Engineering from the Bandung Institute of Technology in 1990.

Mr Leslie Tan Chee Yong
Group Accounting Controller

Mr Leslie Tan Chee Yong, a Singapore citizen, is the Group Accounting Controller of the Group, and is based in the Group's Singapore office. He has more than 18 years of experience in external audit, internal audit, finance, accounting, merger and acquisitions, initial public offerings and reverse takeovers in a range of industries, including pharmaceutical, internet payment and space resources management. He assists the Vice President (Operations), Mr Andrianto Darmasaputra Lawrence, in the accounting and reporting functions of the Group.

Prior to joining the Group as Group Accounting Controller, Mr Tan worked with the Group as a Consultant for the reverse takeover of Hartawan Holdings Ltd. Mr Tan was the Chief Financial Officer ("CFO") of a local group with diverse business interests in space resource management, logistics, food and beverages. From 2010 to 2012, Mr Tan was the CFO of Zero Co. Ltd, a Japanese internet payment service provider that has since listed on the Korea Stock Exchange. From 2004 to 2010, Mr Tan was the Group Finance Manager of Luye Pharma Group, a PRC Pharmaceutical company then listed on the SGX-ST Main Board. From 1999 to 2003, Mr Tan was an Audit Senior with Ernst & Young Singapore.

He obtained his Bachelor of Business (Accounting) from Monash University, Australia. He is a member of CPA Australia and a member of the Institute of Singapore Chartered Accountants.

KEY EXECUTIVES

Mr Sandy Salim
Finance Manager

Mr Sandy Salim, an Indonesian Citizen, is the Finance Manager of the Group. He has more than 17 years of experience in external audit, internal audit, finance and accounting in a range of industries, including oil and gas, forestry, plantation and mining. He assists the Vice President (Operations), Mr Andrianto Darmasaputra Lawrence, in the accounting and reporting functions of the Group.

Prior to joining the Group as Finance Manager, Mr Sandy Salim was worked with AsianIndo Holding Pte Ltd. from July 2012 to July 2013 as its Finance Manager. From June 2011 to May 2012, he was the Finance Manager of RH Petrogas Limited, an oil and gas company listed on the SGX-ST Main Board. From November 2008 to May 2011, he was the Group Accounting Manager of United Fiber System Limited, a forestry and construction Company listed on the SGX-ST Main Board. From September 2007 to November 2008, he was an Audit Assistant Manager with LTC LLP Singapore. From November 2001 to September 2007, he was an Audit Senior with BDO LLP Singapore and Ernst & Young Jakarta.

He obtained his Bachelor of Accounting from the Tarumanagara University in 2001 and Certified Public Accountant from Indonesian Institute of Certified Public Accountants in 2004.

Ms Amnah Tarigan
Accounting Manager

Ms Amnah Tarigan, an Indonesian citizen, is the Accounting Manager of the Group, and is based in the Group's Indonesia office. She has more than 15 years of experience in internal audit, finance, accounting and audit in a range of industries, including hospitality and mining. She assists the Vice President (Operations), Andrianto Darmasaputra Lawrence, in the accounting and reporting functions of the Group.

Ms Amnah Tarigan was the part-time Finance Manager of the Group from March 2013 to June 2013 and was formally employed in July 2013. Prior to joining the Group, she was an Internal Auditor of PT. BPK Gunung Mulia from February 2008 to June 2009. In 2007, she mainly undertook finance, accounting and tax assignments on a part-time basis. From January 2005 to October 2006, she was the Finance Supervisor of PT Prakarsa Nusa Cemerlang. From March 1999 to December 2004, she was the Accounting Superintendent at PT Multi Granitindo Utama. From November 1996 to February 1999, she was the Chief Finance Assistant & Accounting Staff at PT Jaka Artha Graha. Between June 1994 and November 1996, she was an Audit Executive at Soerhardjo Soewando & Rekan (public accountant) and an Internal Auditor at PT Puri Kamandalu - Hotel Banyan Tree.

She obtained her Bachelor of Accounting from the Universitas Kristen in 2005.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Wijaya Lawrence
Executive Chairman and President

Ngiam Mia Je Patrick
Non-Executive Director

Teo Kiang Kok
Lead Independent Non-Executive Director

Seah Seow Kang Steven
Independent Non-Executive Director

Tan Cher Liang
Independent Non-Executive Director

AUDIT COMMITTEE

Tan Cher Liang (Chairman)
Seah Seow Kang Steven
Teo Kiang Kok

REMUNERATION COMMITTEE

Teo Kiang Kok (Chairman)
Seah Seow Kang Steven
Tan Cher Liang
Wijaya Lawrence

NOMINATING COMMITTEE

Seah Seow Kang Steven (Chairman)
Ngiam Mia Je Patrick
Teo Kiang Kok
Tan Cher Liang

SHARE REGISTRAR

RHT Corporate Advisory Pte. Ltd.
30 Cecil Street
#19-08 Prudential Tower
Singapore 049712
Tel: (65) 6812 1611
Fax: (65) 6812 1601

AUDITOR

Ernst & Young LLP
Public Accountants and Chartered Accountants
One Raffles Quay, North Tower
Level 18, Singapore 048583

Partner in-charge: Ng Boon Heng
(Appointed since financial year ended 30 June 2016)

JOINT COMPANY SECRETARIES

Chew Kok Liang (LLB) (Hons)
Teo Chia Hui (ACS)

REGISTERED OFFICE AND BUSINESS ADDRESS

62 Ubi Road 1
Oxley Bizhub 2 #03-10
Singapore 408734
Tel: (65) 6732 4889
Fax: (65) 6732 4882
Email: email@wilton.sg

PRINCIPAL BANKERS

Standard Chartered Bank
Citibank Singapore Limited

CONTINUING SPONSOR

ZICO Capital Pte. Ltd.
8 Robinson Road
#09-00 ASO Building
Singapore 048544

OPERATIONS AND FINANCIAL REVIEW

OPERATIONS REVIEW

Wilton Resources Corporation Limited ("Wilton" or the "Company", and together with its subsidiaries, the "Group") made steady and significant progress during the year ended 30 June 2019 ("FY2019"). The Group focused on delivering the 500 tonnes per day ("tpd") flotation and carbon-in-leach mineral processing facility ("500 tonnes Processing Facility") at the Ciemas Gold Project towards production. The Group produced 25.1 kg of gold from the pool leaching production in FY2019.

The Group's operational activities for the Ciemas Gold Project are detailed below.

A. PRODUCTION PROGRAMME

Pool Leaching Production

The three leaching pools have been in production. Each pool processed 1,000 tonnes of oxide ore, and produced about 1.5 kg of gold every cycle. In FY2019, a total of 16,000 tonnes of ore was processed, yielding 25.1 kg of gold (99.0% purity). However, the focus is now on the 500 tonnes Processing Facility which is more efficient, and will soon come on stream production.

500 tonnes Processing Facility

Unlike pool leaching method which can only treat oxide ores, the flotation and carbon-in-leach processing method can treat both oxide and sulphide ores with better efficiency and has higher recovery rate. Wilton engaged Yantai Jinyuan Mining Machinery Co. Ltd. ("Jinyuan") as the Engineering, Procurement, Construction and Management contractor for the 500 tonnes Processing Facility.

Jinyuan's team, together with the Group's civil and steel structure team, made steady and significant progress towards completing the construction of the 500 tonnes Processing Facility. At present, most of the facility has been constructed and installed. Commissioning will follow next. There were some delays because of the challenging task to work under the prolonged raining season in the third quarter of FY2019, and to overcome the logistic arrangements in transporting bulky and oversized processing equipment and parts to site in Ciemas, West Java from the Jakarta port.

Infrastructure, Supporting Facilities and Mining

In FY2019, the Group has also made good progress in the construction of infrastructure, supporting facilities and mining. As the Group would initially adopt an underground mining method, the underground mining head portal has been constructed. Construction of the declined tunnelling is in progress. As for the infrastructure and supporting facilities, although progress has been made in many fronts, there are still some that have yet to be completed. Production of gold will commence upon completion of the 500 tonnes Processing Facility.

Future Plans

In the master plan for the 500 tonnes Processing Facility, the Group has catered for production capacity expansion up to 1,500 tpd. Adjacent space has been reserved for an additional 1,000 tpd capacity in the future. This would simplify and optimise future management of the entire plant.

B. EXPLORATION PROGRAMME

The Independent Qualified Person's Report dated 30 September 2018 ("2018 IQPR"), prepared by an independent consultant, SRK Consulting China Ltd. ("SRK"), detailed an estimation of mineral resources and ore reserves (in accordance with the JORC Code 2012 Edition) in the Group's six prospects areas at the Ciemas Gold Project (namely Pasir Manggu West, Cikadu, Sekolah, Cibatu, Cibak and Cipancar). As the Group has yet to commence commercial production of gold of the Ciemas Gold Project, the estimation of mineral resources and ore reserves as at 30 June 2019 remained unchanged from that reported in the 2018 IQPR. It is estimated to contain approximately 3,260 kt of ore reserves with an average grade of approximately 7.7 g/t of gold (in accordance with the JORC Code 2012 Edition). In terms of mineral resources, there are approximately 3,415 kt of measured and indicated mineral resources with an average grade of about 8.6 g/t of gold, and approximately 2,559 kt of inferred mineral resources with an average grade of about 6.5 g/t of gold, in accordance with the JORC Code 2012 Edition.

OPERATIONS AND FINANCIAL REVIEW (continued)

Going forward, the Group will focus on developing the six prospects where the mineral resources have been quantified. Where appropriate, exploration efforts will also extend to other mineralised areas within the concession blocks. Whenever needed, additional surface rights to areas within the Group's concession blocks will be acquired to facilitate future exploration.

Mineral Resources and Ore Reserves Status Update

The estimation of the Group's mineral resources and ore reserves for the six prospects, namely Pasir Manggu West, Cikadu, Sekolah, Cibatu, Cibak and Cipancar, is as shown in Tables 1.1 to 1.5.

Date of report: 30 June 2019
Date of previous report: 30 September 2018

Mineral Resources and Ore Reserves Summary Tables

1.1. Pasir Manggu West

Category	Mineral Type	Gross Attributable to Licence		Net Attributable to Issuer			Remarks
		Tonnes (kt)	Grade (g/t Au)	Tonnes (kt)	Grade (g/t Au)	Change[1] (%)	
Ore Reserves							
Proved	–	–	–	–	–	–	
Probable	Quartz Vein Gold	587	6.6	587	6.6	–	
Total		**587**	**6.6**	**587**	**6.6**	**–**	
Mineral Resources[2]							
Measured	Quartz Vein Gold	100	7.3	100	7.3	–	at cut-off grade of 1.0 g/t Au
Indicated	Quartz Vein Gold	489	7.3	489	7.3	–	
Inferred	Quartz Vein Gold	242	4.9	242	4.9	–	
Total		**831**	**6.6**	**831**	**6.6**	**–**	

1.2. Cikadu

Category	Mineral Type	Gross Attributable to Licence		Net Attributable to Issuer			Remarks
		Tonnes (kt)	Grade (g/t Au)	Tonnes (kt)	Grade (g/t Au)	Change[1] (%)	
Ore Reserves							
Proved	–	–	–	–	–	–	
Probable	Structurally Altered Gold	986	8.0	986	8.0	–	
Total		**986**	**8.0**	**986**	**8.0**	**–**	
Mineral Resources[2]							
Measured	–	–	–	–	–	–	at cut-off grade of 1.0 g/t Au
Indicated	Structurally Altered Gold	1,089	8.8	1,089	8.8	–	
Inferred	Structurally Altered Gold	299	9.5	299	9.5	–	
Total		**1,388**	**9.0**	**1,388**	**9.0**	**–**	

OPERATIONS AND FINANCIAL REVIEW (continued)

1.3. Sekolah

Category	Mineral Type	Gross Attributable to Licence		Net Attributable to Issuer			Remarks
		Tonnes (kt)	Grade (g/t Au)	Tonnes (kt)	Grade (g/t Au)	Change[1] (%)	
Ore Reserves							
Proved	–	–	–	–	–	–	
Probable	Structurally Altered Gold	679	8.1	679	8.1	–	
Total		**679**	**8.1**	**679**	**8.1**	**–**	
Mineral Resources[2]							
Measured	–	–	–	–	–	–	at cut-off grade of 1.0 g/t Au
Indicated	Structurally Altered Gold	700	9.1	700	9.1	–	
Inferred	Structurally Altered Gold	453	7.3	453	7.3	–	
Total		**1,154**	**8.4**	**1,154**	**8.4**	**–**	

1.4. Cibatu

Category	Mineral Type	Gross Attributable to Licence		Net Attributable to Issuer			Remarks
		Tonnes (kt)	Grade (g/t Au)	Tonnes (kt)	Grade (g/t Au)	Change[1] (%)	
Ore Reserves							
Proved	–	–	–	–	–	–	
Probable	Structurally Altered Gold	1,008	7.9	1,008	7.9	–	
Total		**1,008**	**7.9**	**1,008**	**7.9**	**–**	
Mineral Resources[2]							
Measured	–	–	–	–	–	–	at cut-off grade of 1.0 g/t Au
Indicated	Structurally Altered Gold	1,036	8.7	1,036	8.7	–	
Inferred	Structurally Altered Gold	455	7.0	455	7.0	–	
Total		**1,491**	**8.2**	**1,491**	**8.2**	**–**	

OPERATIONS AND FINANCIAL REVIEW (continued)

1.5. Cibak and Cipancar

Category	Mineral Type	Gross Attributable to Licence		Net Attributable to Issuer			Remarks
		Tonnes (kt)	Grade (g/t Au)	Tonnes (kt)	Grade (g/t Au)	Change[1] (%)	
Ore Reserves							
Proved	–	–	–	–	–	–	
Probable	–	–	–	–	–	–	
Total	**–**	**–**	**–**	**–**	**–**	**–**	
Mineral Resources[2]							
Measured	–	–	–	–	–	–	at cut-off grade of 2.5 g/t Au
Indicated	–	–	–	–	–	–	
Inferred	Structurally Altered Gold and Quartz Vein	1,110	5.6	1,110	5.6	–	
Total		**1,110**	**5.6**	**1,110**	**5.6**	**–**	

kt – 1,000 tonnes
g/t Au – grams of gold per tonne of ore

Notes:

(1) Change from previous update as of 30 September 2018. Changes are relative to contained metal as estimated; positive number denotes increase and negative number denotes decrease.

(2) Mineral Resources are inclusive of Ore Reserves.

Name of Qualified Person: Dr Anshun (Anson) Xu, Corporate Consultant (Geology), SRK Consulting (China) Ltd.

Effective date of Mineral Resources and Ore Reserves estimated: 30 June 2019

Professional Society Affiliation/ Membership: The Australasian Institute of Mining and Metallurgy (AusIMM)/FAusIMM (#224861)

The estimation of the Group's ore reserves for the four prospects, namely Pasir Manggu West, Cikadu, Sekolah, and Cibatu, is as shown in Table 2 below.

Table 2 : Summary of ore reserves as of 30 June 2019

Section	Category	Reserve (kt)	Grade (g/t Au)	Gold (kg)
Cikadu	Probable	986	8.0	7,849
Sekolah	Probable	679	8.1	5,511
Cibatu	Probable	1,008	7.9	7,945
Pasir Manggu West	Probable	587	6.6	3,898
Total		**3,260**	**7.7**	**25,203**

kt – 1,000 tonnes
g/t Au – grams of gold per tonne of ore

OPERATIONS AND FINANCIAL REVIEW (continued)

Note: The information in the 2018 IQPR which relates to ore reserve conversion is based on information compiled by Mr Falong Hu ("Mr Hu"), MAusIMM, and Mr Qiuji Huang ("Mr Huang"), FAusIMM, employees of SRK Consulting (China) Ltd. Both Mr Huang and Mr Hu have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the JORC Code 2012 Edition. Mr Huang supervised the work of Mr Hu. Mr Huang and Mr Hu consent to the reporting of this information in the form and context in which it appears.

The estimation of the Group's Mineral Resources from all six prospects is shown in table 3 below.

Table 3: Mineral Resources Statement for the six prospects as of 30 June 2019

Property	Type	Category	Resource (kt)	Grade (g/t Au)	Gold (kg)
Pasir Manggu West	Oxide	Indicated	109	7.2	783
		Inferred	36	5.6	200
	Fresh	Measured	100	7.3	731
		Indicated	380	7.3	2,776
		Inferred	206	4.7	975
Cikadu	Oxide	Indicated	81	6.2	496
		Inferred	20	6.9	134
	Fresh	Indicated	1,008	9.1	9,126
		Inferred	280	9.7	2,718
Sekolah	Oxide	Indicated	89	5.8	510
		Inferred	128	4.9	621
	Fresh	Indicated	612	9.6	5,869
		Inferred	326	8.3	2,689
Cibatu	Oxide	Indicated	129	6.2	794
		Inferred	78	3.0	233
	Fresh	Indicated	907	9.1	8,216
		Inferred	377	7.8	2,951
4 Prospects Total	***Oxide***	***Indicated***	***407***	***6.3***	***2,583***
		Inferred	***261***	***4.5***	***1,188***
	Fresh	***Measured + Indicated***	***3,007***	***8.9***	***26,718***
		Inferred	***1,188***	***7.9***	***9,332***
	Oxide + Fresh	***Measured + Indicated***	***3,415***	***8.6***	***29,301***
		Inferred	***1,449***	***7.3***	***10,520***
Cibak	Oxide + Fresh	Inferred	660	5.6	3,717
Cipancar	Oxide + Fresh	Inferred	450	5.6	2,520
Cibak & Cipancar Total	***Oxide + Fresh***	***Inferred***	***1,110***	***5.6***	***6,237***
4 Prospects + Cibak & Cipancar Total	***Oxide + Fresh***	***Measured + Indicated***	***3,415***	***8.6***	***29,301***
	Oxide + Fresh	***Inferred***	***2,559***	***6.5***	***16,757***

kt – 1,000 tonnes
g/t Au – grams of gold per tonne of ore

Note: Cut-off grades applied for mineral resources statement are 1.0 g/t Au for the 4 Prospects and 2.5 g/t Au for Cibak and Cipancar.

OPERATIONS AND FINANCIAL REVIEW (continued)

Mineral resources are not ore reserves and do not have demonstrated economic viability.

All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate.

Figures for Au metal in this table are estimated based on the resource tonnages and grades, and do not represent the exact amount of extractable metal for this Project. They should be treated differently from the expected production of gold bullion.

The information in the 2018 IQPR which relates to mineral resources estimates is based on information compiled by Dr Anson Xu ("Dr Xu"), and Mr Pengfei Xiao ("Mr Xiao"), employees of SRK Consulting (China) Ltd. Dr Xu, FAusIMM, and Mr Xiao, MAusIMM, have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the JORC Code 2012 Edition. Dr Xu and Mr Xiao consent to the reporting of this information in the form and context in which it appears.

FINANCIAL REVIEW

On 8 February 2019 ("Completion Date"), the Group completed its acquisition of 96.95% of P.T. Renuka Coalindo Tbk ("Renuka"), a company listed on the Indonesian stock exchange ("IDX"), pursuant to a restructuring exercise (the "Restructuring Exercise") which was duly approved by the Company's shareholders at an extraordinary general meeting on 29 November 2019. Please refer to the circular to shareholders dated 14 November 2018 ("Circular") for details on the Restructuring Exercise. With effect from the Completion Date, the Group has consolidated the profit or loss and financial position of Renuka into the Group's financial statements. Please refer to Note 1.2 to the Financial Statements for further details on the Restructuring Exercise.

Income Statement

Revenue/ Cost of sales

In the financial year ended 30 June 2019 ("FY19"), a total of 7.4kg (financial year ended 30 June 2018 ("FY18"): 7.7kg) of gold dore was sold at approximately US$1,181/oz (FY18: US$1,274/oz), and the Group reported revenue of Rp 4.2billion for FY19 (FY18: Rp 4.3billion). Correspondingly, cost of sales for FY19 amounted to Rp 3.1billion, being the cost of the gold dore sold during FY2019 (FY2018: Rp 2.9billion). As a result, the Group recorded gross profit of Rp 1.1billion for FY19 (FY18: Rp 1.4billion).

Other income

Other income increased by Rp 8.0billion, from Rp 53.0million in FY18 to Rp 8.0billion in FY19. Other income in FY19 relates mainly to unrealised foreign exchange gains from the revaluation of the Group's USD-denominated long term loan liability as the IDR to USD exchange rate fell 1.83%, from Rp 14,404 to Rp 14,141 per USD Dollar.

Interest income

Interest income increased by Rp 0.5billion, from Rp 1.0billion in FY18 to Rp 1.5billion in FY19, mainly due to higher fixed deposits placed with banks.

Other expenses

Other expenses increased by Rp 128.3billion, from Rp 4.9billion in FY18 to Rp 133.2billion in FY19, mainly due to the acquisition costs of Rp 132.7billion arising from the Restructuring Exercise.

Other operating expenses

Other operating expenses increased by Rp 6.2billion, from Rp 14.2billion in FY18, to Rp 20.4billion in FY19, mainly due to higher exploration and evaluation expenses incurred arising from the preparation of the 2018 IQPR and feasibility study, as well as higher site expenses incurred in FY19 as compared to FY18.

OPERATIONS AND FINANCIAL REVIEW (continued)

Finance costs

Finance costs increased by Rp 46.8billion, from Rp 15.1billion in FY18 to Rp 61.9billion in FY19, mainly due to (i) increase in interest expenses incurred on the project financing arrangement obtained by the Group from Karl Hoffmann Mineral Pte. Ltd. on 26 October 2018 ("Project Financing") as the fund was fully disbursed to the Company during the six-month financial period ended 31 December 2018; and (ii) interest expenses incurred for the overdraft facilities for the Company's subsidiaries in Indonesia. The Project Financing is to fund a 500 tonnes per day flotation and carbon-in-leach mineral processing facility ("500 tonnes Processing Facility") at the Group's Ciemas Gold Project located in West Java, Indonesia.

General and administrative ("G&A") expenses

G&A expenses increased by Rp 12.6billion, from Rp 47.0billion in FY18 to Rp 59.6billion in FY19. The increase was mainly due to increase in expenses incurred for visiting the vendor/contractor and equipment inspection in preparation of the 500 tonnes Processing Facility, as well as general increase in expenses due to higher headcount and activities.

Loss before tax

Due to the above-mentioned reasons, the Group's loss before tax increased by Rp 185.6billion, from Rp 78.8billion in FY18 to Rp 264.4billion in FY19.

Balance Sheet

Assets

Exploration and evaluation assets ("EEA") increased by Rp 28.7billion, from Rp 232.4billion as at 30 June 2018 to Rp 261.1billion as at 30 June 2019, due to the additional exploration and evaluation expenses capitalised in FY19.

Mine properties increased by Rp 0.5billion, from Rp 8.4billion as at 30 June 2018 to Rp 8.9billion as at 30 June 2019, as Rp 0.5billion of EEA was transferred to mine properties in FY19.

Property, plant and equipment ("PPE") increased by Rp 171.3billion, from Rp 8.7billion as at 30 June 2018 to Rp 180.0billion as at 30 June 2019, mainly due to additions to PPE of Rp 173.5billion as the construction of the 500 tonnes Processing Facility moved towards completion, and was partially offset by depreciation charges of Rp 2.2billion.

Prepaid leases (non-current and current) increased by Rp 12.3billion, from Rp 43.5billion as at 30 June 2018 to Rp 55.8billion as at 30 June 2019, due to additional land leases signed of Rp 15.9billion, which were reclassed from prepayments, partially offset by the amortisation charges of Rp 3.6billion in FY19.

Prepayments (non-current and current) decreased by Rp 41.9billion, from Rp 48.0billion as at 30 June 2018 to Rp 6.1billion as at 30 June 2019, mainly due to the reclassification of prepaid expenses in relation to the installation of the processing equipment at the 500 tonnes Processing Facility and civil work, to PPE upon the partial completion of the installation, and a reclassification of Rp 15.9billion to prepaid leases upon the signing of the lease agreements.

Inventories increased by Rp 7.2billion, from Rp 2.9billion as at 30 June 2018 to Rp 10.1billion as at 30 June 2019, mainly due to the capitalisation of the cost of gold pours of 25.1kg in FY19 of Rp 10.3billion, partially offset by the recognition of inventories of Rp 3.1billion as cost of goods sold.

Cash and cash equivalents decreased by Rp 99.9billion, from Rp 127.6billion as at 30 June 2018 to Rp 27.7billion as at 30 June 2019.

Liabilities

Trade payables increased by Rp 11.6billion, from Rp 5.4billion as at 30 June 2018 to Rp 17.0billion as at 30 June 2019, mainly due to amount due to a contractor for the work done in respect to the gold pours in FY19.

Other payables and accruals increased by Rp 77.9billion, from Rp 8.3billion as at 30 June 2018 to Rp 86.2billion as at 30 June 2019, mainly due to other payables and accruals of Renuka of Rp 36.3billion, higher accrual for construction in progress of Rp 31.0billion and higher accruals for staff costs. Other payables of Renuka include an amount of US$1.7million owing by Renuka to Renuka Energy Resources Holdings ("RERH").

OPERATIONS AND FINANCIAL REVIEW (continued)

Derivative liability amounted to Rp 58.2billion as at 30 June 2019 (30 June 2018: Nil). This relates to the recognition of the potential liability of a mandatory tender offer ("MTO") obligation of Wilton Resources Holdings Pte. Ltd (a wholly-owned subsidiary of the Company) to purchase the non-controlling interest of Renuka, the IDX-listed subsidiary of the Group. Please refer to section 7.2 and Appendix C of the Circular for further information on the MTO obligation.

Loans and borrowings (current) increased by Rp 1.8billion to Rp 25.0billion as at 30 June 2019 from Rp 23.2billion as at 30 June 2018 as the Group made additional draw down on its short-term overdraft facility.

Loans and borrowings (non-current) increased by Rp 103.8billion, from Rp 153.0billion as at 30 June 2018 to Rp 256.8billion as at 30 June 2019 due to capitalisation of amortised costs of Rp 61.9billion and proceeds received of Rp 48.7billion from the Project Financing, partially offset by unrealised exchange differences of Rp 5.4billion.

Employee benefits liability increased by Rp 0.5billion, from Rp 2.8billion as at 30 June 2018 to Rp 3.3billion as at 30 June 2019, mainly due to increased headcount and longer duration of the pension plans in Indonesia.

Working Capital

The Group's working capital decreased by Rp 257.0billion, from a net current assets position of Rp 116.5billion as at 30 June 2018 to a net current liabilities position of Rp 140.5billion as at 30 June 2019. Please refer to the above sections on "Assets" and "Liabilities" on the movement in current assets and current liabilities. The Company is securing certain funding arrangement for working capital and capital expenditure financial requirements.

Equity

Capital reserves increased by Rp 149.2billion, from Rp 11.6billion as at 30 June 2018 to Rp 160.8billion, mainly due to the Restructuring Exercise. Other reserves amounted to Rp 58.2billion as at 30 June 2019 (30 June 2018: Nil) due to the recognition of the potential liability of the MTO obligation (as discussed above under the section on "Derivative liability").

Cashflow Statement

Net cash outflow for operating activities of Rp 21.7billion in FY19 was mainly due to the operating loss before working capital changes of Rp 68.7billion, working capital changes of Rp 46.9billion, and interest expenses paid of Rp 1.4billion, partially offset by interest received of Rp 1.5billion.

Changes in working capital in FY19 was mainly due to (i) decrease in other debtors and deposits of Rp 0.7billion; (ii) increase in trade payables of Rp 11.5billion, (iii) increase in amount due to a related party of Rp 0.4billion and (iv) increase in other payables and accruals of Rp 41.7billion; which were partially offset by (v) increase in prepayment of Rp 0.2billion and (vi) increase in inventories of Rp 7.2billion.

Net cash used in investing activities of Rp 127.5billion in FY19 was mainly due to investment in EEA of Rp 29.2billion and purchase of property, plant and equipment of Rp 144.9billion, partially offset by the net cash inflow of Rp 46.6billion from the Restructuring Exercise.

Net cash generated from financing activities in FY19 of Rp 50.5billion comprised Rp 48.7billion from the net receipt of funds from the Project Financing and Rp 1.8billion from the short-term loan.

As at 30 June 2019, the Group had cash and cash equivalents of Rp 27.7billion, representing a decrease of Rp 99.9billion from Rp 127.6billion as at 30 June 2018.

Conclusion

The Group's operational activities are focused on unlocking the potential of Ciemas Gold Project and embark on its growth journey.

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or the "**Directors**") and the management ("**Management**") of Wilton Resources Corporation Limited ("**Company**", and its subsidiaries, the "Group") are committed to setting and maintaining corporate governance practices which are in line with the recommendations of the Code of Corporate Governance 2012 ("**Code**") to provide the structure through which the objectives of protection of shareholders of the Company's ("**Shareholders**") interests and enhancement of long-term shareholder value are met.

This report sets out the Group's corporate governance practices in place during the financial year ended 30 June 2019 ("**FY2019**"). The Company will continually review its corporate governance practices in compliance with the Code. The Board confirms that the Group has generally adhered to the principles and guidelines set out in the Code for FY2019. Where there are deviations from the Code, appropriate explanations are provided.

The new Code of Corporate Governance 2018 was issued on 6 August 2018 (the "**Revised Code**"), and will only take effect for annual reports covering financial years commencing from 1 January 2019. As such, the Revised Code will not affect the Company's latest financial year ended 30 June 2019, and accordingly, the Group will only make reference to the Code in reviewing and implementing its corporate governance structures and practices.

(A) BOARD MATTERS

BOARD'S CONDUCT OF ITS 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 Management to achieve this objective and Management remains accountable to the Board.

The Board's primary role is to protect and enhance long-term Shareholders' value. Its responsibilities are distinct from the Management's responsibilities. It sets the overall strategy for the Group and supervises the Management. To fulfil this role, the Board sets strategic directions, establishes goals for the Management and monitors the achievement of these goals, thereby taking responsibility for the overall corporate governance of the Group.

In addition to its statutory duties, the principal functions of the Board are:

a) Review and approve corporate policies, strategies and financial plans of the Group, ensuring that the necessary financial and human resources are in place;

b) Review and monitor the performance of the Management;

c) Monitor financial performance including approval of the annual and interim financial reports and material interested person transactions;

d) Setting the Company's values and standards, and ensuring that obligations to Shareholders and others are understood and met;

e) Oversee and review the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;

f) Consider sustainability issues as part of its strategic formulation;

g) Approve major funding proposals, investments, acquisitions and divestment proposals; and

h) Assume responsibility for corporate governance.

The Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

To assist the Board in the execution of its responsibilities, the Board has delegated specific responsibilities to three (3) committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively, "**Board Committees**"). The Board Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis to ensure their continued relevance and efficacy. While the Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters still lies with the entire Board.

CORPORATE GOVERNANCE REPORT (continued)

The Board holds at least four (4) meetings each year to approve the quarterly and full year results announcement and to oversee the business affairs of the Group. Additional meetings are held at such other times as may be necessary to address specific significant matters 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 provides for Board meetings to be held via telephone conference or videoconference.

The table below sets out the number of Board and Board Committees meetings held during FY2019 and the attendance of each Director at these meetings:

	Board		AC		NC		RC	
	No. of meeting		No. of meeting		No. of meeting		No. of meeting	
Name of Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Wijaya Lawrence	4	4	4	4*	1	1*	1	1
Ngiam Mia Je Patrick	4	4	4	4*	1	1	1	1*
Tan Cher Liang	4	4	4	4	1	1	1	1
Teo Kiang Kok	4	3	4	3	1	1	1	1
Seah Seow Kang Steven	4	4	4	4	1	1	1	1

* By Invitation

The Board has adopted a set of internal guidelines setting forth matters that require the Board's approval. Matters which are specifically reserved for the Board's decision are those involving significant acquisitions, disposals and financing proposals, reviewing and approving the Group's corporate policies, monitoring the performance of the Group and transactions relating to investment, financing, legal and corporate secretarial. The Board reviews these internal guidelines on a periodic basis to ensure their relevance to the operations of the Company.

The Directors are also updated regularly on changes to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), risk management, corporate governance, insider trading and key changes in the relevant regulatory requirements, financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as members of the Board or Board Committees.

News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are regularly circulated to the Board. The Company Secretaries would inform the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Annually, the external auditors update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties and responsibilities. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with such regulatory changes, the Company provides opportunities for ongoing education, training and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the Catalist Rules that affect the Company and/or the Directors in discharging their duties.

Newly-appointed Directors will receive appropriate orientation and briefings on director's duties, responsibilities, disclosure duties and statutory obligations. Newly appointed Directors will also be briefed by the Management on the business activities of the Group, strategic directions, governance policies, policies on disclosure of interests in securities, the rules relating to disclosure of any conflict of interest in a transaction involving the Company, prohibitions in dealing in the Company's securities and restrictions on disclosure of price sensitive information. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Group during the Board meetings. They will also be given opportunities to visit the Group's operations and meet the Management so as to gain a better understanding of the Group's business. For newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore, they will undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST, in accordance with the Catalist Rules. In addition, such Directors will undergo other training courses as organised by the Singapore Institute of Directors or other training institution in areas such as accounting, legal and industry specific knowledge, where appropriate, in connection with their duties. A formal letter of appointment would be furnished to every Director upon their appointment explaining, among other matters, their roles, obligations, duties and responsibilities as a member of the Board. No new director was appointed in FY2019.

CORPORATE GOVERNANCE REPORT (continued)

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment 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 Annual Report, the Board comprises five (5) members, three (3) of whom are Independent Directors (including the respective Chairmen of the Board Committees), and the composition of the Board and Board Committees are as follows:

		Board Committee Membership		
Name of Director	**Designation**	**Audit Committee**	**Nominating Committee**	**Remuneration Committee**
Wijaya Lawrence	Executive Chairman and President	–	–	Member
Ngiam Mia Je Patrick	Non-Executive Director	–	Member	–
Teo Kiang Kok	Lead Independent Director	Member	Member	Chairman
Tan Cher Liang	Independent Director	Chairman	Member	Member
Seah Seow Kang Steven	Independent Director	Member	Chairman	Member

There is presently a strong and independent element on the Board. Majority of the Board is made up of Independent Directors whose independence is reviewed annually by the NC. The criteria for independence are determined based on the definition as provided in the Code. The Board considers an independent director as one who has no relationship with the Company, its related companies, its 10% shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Directors' independent judgment of the Group's affairs. The Independent Directors do not have any relationships (including immediate family relationships) with other Directors, the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be perceived to interfere, with their independence. In addition, none of the Independent Directors has served on the Board beyond nine (9) years from the date of his first appointment.

After taking into account the views of the NC, the Board is satisfied that each Independent Director is independent in character and judgment and that there are no relationships or circumstances which are likely to affect, or could affect, the Independent Director's judgment.

The Non-Executive Director and the Independent Directors participate actively during Board meetings. The Company has benefited from the Management's access to its Directors for guidance and exchange of views both within and outside of the meetings of the Board and Board Committees. The Non-Executive Director and the Independent Directors communicate amongst themselves and with the Company's external auditor ("**EA**"), internal auditor ("**IA**"), and the Management.

The Board, via the NC, has reviewed its size and composition and is satisfied that, after taking into account the scope and nature of operations of the Group in the financial year under review, the current Board size is appropriate and effective. The Board comprises Directors who, as a whole, have the core competency and experience to discharge their duties as Directors of the Company. Such competency and experience include industry knowledge, strategic planning, business and general management, legal and finance. The Board noted that gender diversity on the Board is also one of the recommendations under the Code to provide an appropriate balance of diversity. Although there is currently no female Director appointed to the Board, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration.

None of the Independent Directors have been appointed as director to the Company's principal subsidiaries, and each of them do not exercise management functions in the Group. Although all the Directors have equal responsibility for the performance of the Group, the role of the Non-Executive Director and the Independent Directors is particularly important in ensuring that the strategies proposed by the Management are fully discussed and rigorously examined and take into account the long-term interests of not only Shareholders, but also of employees, customers, suppliers and the communities in which the Group conducts its business. The Non-Executive Director and the Independent Directors also review and monitor the performance of the Management on a periodic basis. The current system has ensured that no power is concentrated in any one individual or small group of individuals.

CORPORATE GOVERNANCE REPORT (continued)

The Company co-ordinates informal meetings for the Non-Executive Director and the Independent Directors on a need-to basis without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning, leadership development and the remuneration of the Executive Director.

Profiles of each of the Directors are set out in the "Board of Directors" section of this Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

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. Wijaya Lawrence, the Executive Chairman and President and the controlling shareholder of the Company, takes an active role in the management of the Group. The Board is of the opinion that it is not necessary to separate the two (2) roles of the chairman and the president (which is equivalent to the CEO) after taking into consideration the size and capabilities of the Board, and the size and operations of the Group.

The responsibilities of the Executive Chairman and President include:

a) Scheduling of meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;

b) Setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;

c) Ensuring that all members of the Board receive accurate, timely and clear information and ensuring effective communication with Shareholders;

d) Promoting active engagement and open dialogue amongst the Directors as well as between the Board and the Management;

e) Ensuring the Group's compliance with the Code; and

f) Acting in the best interest of the Group and the Shareholders.

The Company Secretaries may be called to assist the Executive Chairman and President in any of the above. Mr. Wijaya Lawrence is responsible for the overall management and strategic direction of the Group. He also takes an active role in the day-to-day operations of the Group.

As the Chairman and President is the same person, and in accordance with Guideline 3.3 of the Code, the Board has appointed Mr. Teo Kiang Kok as the Lead Independent Director. He is the principal liaison between the Independent Directors and the Executive Chairman and President. He is available to Shareholders where they have concerns and in circumstances where contact through the normal channel of the Executive Chairman and President, or the Vice President (Operations) has failed to resolve their concerns or for which such contact is inappropriate.

The Independent Directors, led by the Lead Independent Director, will meet without the presence of the other Directors where necessary, and the Lead Independent Director will provide feedback to the Executive Chairman and President after such meetings.

CORPORATE GOVERNANCE REPORT (continued)

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 four (4) members, three (3) of whom, including the NC Chairman, are Independent Directors. The NC comprises:

Seah Seow Kang Steven (Chairman)
Teo Kiang Kok
Tan Cher Liang
Ngiam Mia Je Patrick

Based on the written terms of reference approved by the Board, the principal functions of the NC are:

a) Reviewing and making recommendations to the Board on all candidates proposed for appointment to the Board of the Company and of its subsidiaries;

b) Reviewing on a regular basis the Board structure, size and composition and making recommendations to the Board on any changes as the NC deems necessary;

c) Reviewing and recommending to the Board the training and professional development programs for the Directors;

d) Identifying and making recommendations to the Board as to which Directors are to retire by rotation and to be put forward for re-election at each annual general meeting ("**AGM**") of the Company, having regard to the Directors' contribution and performance, including the Independent Directors;

e) Determining whether a Director is independent; and

f) 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.

The NC is responsible for identifying and recommending new Directors to the Board. In selecting potential new Directors, the NC will seek to identify the competencies required to enable the Board to fulfil its responsibilities. The NC may engage consultants to undertake research on, or assess, candidates applying for new positions on the Board, or to engage such other independent experts, as it considers necessary to carry out its duties and responsibilities. Recommendations for new Directors are put to the Board for its consideration. New Directors are appointed by way of a Board resolution following which they are subject to re-election at the next AGM.

The NC reviews annually the independence declaration made by the Independent Directors based on the criterion of independence under the guidelines provided in the Code. For FY2019, the NC is of the view that the Independent Directors are independent (as defined in the Code) and are able to exercise judgment on the corporate affairs of the Group independent of the Management.

In accordance with the Company's Constitution, each Director is required to submit for re-nomination and re-election at least once in every three (3) years by rotation, and all newly appointed Directors will have to retire by rotation and submit themselves for re-election at the next AGM following their appointments. The NC has recommended, and the Board has agreed that at the forthcoming AGM, Mr Ngiam Mia Je Patrick and Mr Seah Seow Kang Steven (collectively, "**Retiring Directors**"), will be retiring by rotation pursuant to Regulation 91 of the Company's Constitution. The Retiring Directors have offered themselves for re-election at the forthcoming AGM. Each member of the NC shall abstain from voting, approving or making a recommendation on any resolution of the NC in which he has a conflict of interest in the subject matter under consideration. In its deliberations on the re-election and re-appointment of existing Directors, the NC takes into consideration the relevant Director's competency, commitment, contribution and performance (including, if applicable, his contribution and performance as a Director). The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as the quality of input and contributions. Please refer to the section entitled "Additional Information on Director Nominated for Re-election - Appendix 7F to the Catalist Rules" of this report for the information as set out in Appendix 7F to the Catalist Rules relating to Mr Ngiam Mia Je Patrick and Mr Seah Seow Kang Steven.

CORPORATE GOVERNANCE REPORT (continued)

For Directors who have board representations in other listed companies and other principal commitments, the NC has reviewed the work and other commitments of such Directors and assessed their ability to adequately discharge their Board responsibilities. The NC is satisfied that the Directors are able to commit sufficient time, effort and attention to the affairs of the Group. The NC is of the view that fixing a limit on the number of such board representations is not meaningful in the context of the Group. The Board has accepted and affirmed the view of the NC.

There is no alternate director appointed to the Board as at the date of this Annual Report.

The Board, through the delegation of its authority to the NC, uses its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills to enable the Board to make effective decisions. The NC, in consultation with the Board, determines the selection and criteria and identifies candidates with the appropriate expertise and experience which will enhance the overall effectiveness of the Board. The NC will conduct initial assessment of the candidate's qualifications and experience before making its recommendations to the Board.

Other than the key information regarding the Directors set out below, information pertaining to the Directors' interests in shares, options and other convertible securities are set out in the "Directors' Statement" section of this Annual Report, and information in relation to the background and principal commitments of the Directors are set out in the "Board of Directors" section of this Annual Report.

Name of Director	Academic/ Professional qualifications	Board appointment	Board Committees as chairman or member	Date of first appointment as a Director	Date of last re-election	Directorships or chairmanships in other listed companies and other principal commitments	Past directorships or chairmanships in other listed companies and other principal commitments over the preceding 3 years
Wijaya Lawrence	Higher School Certificate	Executive Chairman and President	Chairman of the Board and member of the RC	12 December 2013	30 October 2018	Nil	Nil
Ngiam Mia Je Patrick	Bachelor of Science in Electronics Engineering (First Class Honours) from the University of Essex	Non-Executive Director	Board member and member of the NC	12 December 2013	30 October 2017 (To be re-elected at the forthcoming AGM)	(i) IPC Corporation Limited (ii) Essex Bio-Technology Limited	Nil
Tan Cher Liang	(i) Member of the Institute of Singapore Chartered Accountants (ii) Fellow of the Association of Chartered Certified Accounts of the United Kingdom	Independent Director	Board member, Chairman of the AC and a member of the NC and the RC	12 December 2013	30 October 2018	(i) Vibrant Group Limited (ii) Kingsmen Creatives Ltd (iii) Jumbo Group Limited (iv) Ezra Holdings Limited	Nil

CORPORATE GOVERNANCE REPORT (continued)

Name of Director	Academic/ Professional qualifications	Board appointment	Board Committees as chairman or member	Date of first appointment as a Director	Date of last re-election	Directorships or chairmanships in other listed companies and other principal commitments	Past directorships or chairmanships in other listed companies and other principal commitments over the preceding 3 years
Teo Kiang Kok	(i) Bachelor of Laws (Honours) from the University of Hull (ii) Barrister-at- law (Lincoln's Inn)	Lead Independent Director	Board member, Chairman of the RC and a member of the NC and the AC	12 December 2013	30 October 2017	(i) Hyflux Ltd (ii) Jadason Enterprises Ltd (iii) IPC Corporation Limited	Memtech International Ltd
Seah Seow Kang Steven	(i) Bachelor of Laws (Honours) from the University of Singapore (ii) Diploma in Business Law from the National University of Singapore	Independent Director	Board member, Chairman of the NC and a member of the AC and RC	12 December 2013	27 October 2016 (To be re-elected at the forthcoming AGM)	Nil	IPC Corporation Limited

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.

The NC has established a review process to assess:

a) The performance and effectiveness of the Board as a whole;

b) The effectiveness of the Board Committees; and

c) The contribution by each Director to the effectiveness of the Board.

During FY2019, all Directors are requested to complete a Board evaluation questionnaire designed to seek their views on the various aspects of the Board's performance so as to assess the overall effectiveness of the Board.

The assessment of the Board utilises a confidential questionnaire, covering areas such as the effectiveness of the Board in its monitoring role, and is completed by each Director individually. Such performance criteria are approved by the Board and they address, *inter alia*, how the Board has enhanced long-term shareholders' value. The performance criteria do not change unless circumstances deem it necessary and the decision to change them would be justified by the Board.

The Board and the NC have endeavoured to ensure that Directors appointed to the Board possess the relevant experience, knowledge and expertise critical to the Group's business.

CORPORATE GOVERNANCE REPORT (continued)

The evaluation of individual Directors is done through self-assessment, through a confidential questionnaire completed by the Directors individually. The assessment parameters for such individual evaluation include both qualitative and quantitative factors such as attendance records, contributions during Board meetings, as well as individual performance of principal functions and fiduciary duties.

The completed questionnaires are collated for the NC's deliberation. The NC then presents the results, conclusions and its recommendations to the Board. The Executive Chairman and President act on the results of the performance evaluation, and where appropriate and in consultation with the NC, proposes new members to be appointed to the Board, or seek the resignation of Directors.

The assessment of the Board, Board Committees and the Directors are carried out once every financial year. Each member of the NC is required to abstain from voting on any resolution in respect of the assessment of his performance or re-nomination as a Director.

The NC, having reviewed the overall performance of the Board, Board Committees and the assessment of the individual Director in terms of its role and responsibilities and the conduct of its affairs as a whole for FY2019, is of the view that the performance of the Board as a whole, Board Committees and contribution by each Director have been satisfactory. The NC is satisfied that sufficient time and attention has been given to the Group by the Directors. No external facilitator was used in the evaluation process.

ACCESS TO INFORMATION

Principle 6: In order to fulfil 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.

To enable the Board to fulfil its responsibilities, the Management strives to provide the Board members with complete, adequate and timely information for Board and Board Committees meetings on an on-going basis. The Board and Board Committees papers are prepared for each meeting and are disseminated to the members before the meetings. The Board and Board Committees papers include financial, business and corporate matters of the Group so as to enable the Directors to be properly briefed on matters to be considered at the Board and Board Committees meetings. The Directors are given separate and independent access to the Management and the Company Secretaries to address any enquires.

The Company Secretaries or their representative attends all Board and Board Committees meetings and prepare minutes of Board and Board Committees meetings. The Company Secretaries assist the Executive Chairman and President in ensuring that Board procedures are followed and reviewed in accordance with the Constitution so that the Board functions effectively and the relevant requirements of the Companies Act, Chapter 50 ("**Companies Act**") and the Catalist Rules are complied with. The Company Secretaries or their representatives advise the Board on all governance matters, ensuring that legal and regulatory requirements as well as Board policies and procedures are complied with. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

The Directors either individually or as a group may seek independent professional advice in furtherance of their duties and costs of such service will be borne by the Company.

(B) REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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.

The RC comprises four (4) members, three (3) of whom, including the RC Chairman, are Independent Directors. The RC comprises:

Teo Kiang Kok (Chairman)
Tan Cher Liang
Seah Seow Kang Steven
Wijaya Lawrence

CORPORATE GOVERNANCE REPORT (continued)

Mr. Wijaya Lawrence, the Executive Chairman and President of the Company, is a member of the RC. Although the Code provides that the RC should comprise entirely of non-executive directors, the majority of whom, including the Chairman of the RC should be independent, the Board is of the view that Mr. Wijaya Lawrence should be a member of the RC. Mr. Wijaya Lawrence has extensive knowledge and experience in Indonesia and he is well-placed to advise on remuneration packages of the key management personnel who are largely based in Indonesia. Hence, the inclusion of Mr. Wijaya Lawrence as a member of the RC is considered beneficial to the Group.

The functions of the RC include:

a) To review and recommend to the Board for approval, the remuneration packages of the Executive Director of the Group and key management personnel of the Company;

b) To review and recommend annually the total remuneration of the Directors and key management personnel;

c) To review the appropriateness of compensation for the Non-Executive Director and the Independent Directors including but not limited to the Directors' fees, allowances and share options;

d) To review and recommend to the Board a framework of remuneration and specific remuneration packages for all Directors;

e) To review the service agreement of the Executive Director;

f) To review and enhance the compensation structure with incentive performance for key management personnel; and

g) To oversee the general compensation of employees of the Group with a goal to motivate, recruit and retain employees and Directors through competitive compensation and progressive policies.

The RC is established for the purpose of ensuring that there is a formal and transparent procedure for developing policy on remuneration of the key management personnel and for fixing the remuneration packages of individual Directors. The overriding principle is that no Director should be involved in deciding his or her own remuneration. It has adopted written terms of reference that defines its membership, roles and functions and administration.

No Director is involved in deciding his own remuneration, except in providing information and documents if specifically requested by the RC to assist in its deliberations.

The RC has full authority to engage any external professional to advise on matters relating to remuneration as and when the need arises, and the expense of such services shall be borne by the Company. For FY2019, the RC did not seek any external professional advice on remuneration of the Directors.

In reviewing the service agreements of the Executive Director and key management personnel of the Group, the RC will review the Company's obligations arising in the event of termination of these service agreements, to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

LEVEL AND MIX OF 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.

The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages.

The remuneration for the Executive Director is based on his service agreement for an initial period of three years, and thereafter, automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree. The Board reviews the remuneration package of the Executive Director based on the recommendation of the RC.

CORPORATE GOVERNANCE REPORT (continued)

The remuneration for key management personnel of the Group comprise a fixed component, and a variable component that is performance related and linked to the Group's performance, as well as their individual performances.

The Independent Directors and the Non-Executive Director receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate the Directors. The Independent Directors and the Non-Executive Director shall not be over-compensated to the extent that their independence may be comprised. The Directors' fees are proposed by the RC and recommended by the Board for Shareholders' approval at the AGM of the Company. Directors' fees of S$210,000 for FY2019 had been approved by Shareholders at the last AGM held on 30 October 2018. Directors' fees of S$210,000 for the financial year ending 30 June 2020 have been recommended by the Board and will be subject to the approval of Shareholders at the forthcoming AGM of the Company. There are no share-based compensation schemes in place for Independent Directors and the Non-Executive Director.

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Director owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Director in the event of such breach of fiduciary duties.

DISCLOSURE ON REMUNERATION

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.

A breakdown showing the level and mix of remuneration paid/payable for FY2019 to the Directors is as follows:

Name of Director	Salary	Bonus	Directors' fees	Allowances and other benefits	Total
	%	%	%	%	%
S$250,000 to S$500,000					
Wijaya Lawrence	85.2	5.2	0.0	9.6	100.0
Below S$250,000					
Ngiam Mia Je Patrick	0.0	0.0	100.0	0.0	100.0
Tan Cher Liang	0.0	0.0	100.0	0.0	100.0
Seah Seow Kang Steven	0.0	0.0	100.0	0.0	100.0
Teo Kiang Kok	0.0	0.0	100.0	0.0	100.0

CORPORATE GOVERNANCE REPORT (continued)

Details of remuneration paid to top five (5) key management personnel of the Group (who are not Directors or the CEO) for FY2019 are set out below:

Name of Key Management Personnel	Salary	Bonus	Allowances and other benefits	Total
	%	%	%	%
S$250,000 to S$500,000				
Andrianto Darmasaputra Lawrence	85.1	13.7	1.2	100.0
Below S$250,000				
Leslie Tan Chee Yong	93.1	6.9	0.0	100.0
Sandy Salim	93.5	6.5	0.0	100.0
Nicco Darmasaputra Lawrence	84.3	5.9	9.8	100.0
Antony	84.3	5.9	9.8	100.0

For FY2019, there were no terminations, retirement or post-employment benefits granted to Directors and key management personnel other than the standard contractual notice period termination payment in lieu of service.

For FY2019, the aggregate total remuneration paid to the top 5 key management personnel (who are not Directors or the CEO) amounted to approximately Rp 7.05 billion (approximately S$670,000). The Company does not have an employee share option scheme.

In view of confidentiality of remuneration matters and to avoid the poaching of Directors and key management personnel of the Group, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact remuneration of the Directors and the top five (5) key management personnel in the annual report and that the disclosure based on the above remuneration bands is appropriate.

Immediate Family Member of Director or the CEO

Mr. Andrianto Darmasaputra Lawrence (Vice President (Operations)) and Mr. Nicco Darmasaputra Lawrence (Vice President (General Administration)) are the sons of Mr. Wijaya Lawrence (Executive Chairman and President) and the nephews of Mr. Ngiam Mia Je Patrick (Non-Executive Director). Mr. Wijaya Lawrence is the brother in-law of Mr. Ngiam Mia Je Patrick. The basis for determining the remuneration of the employees who are immediate family members of director or the CEO (or equivalent) is the same as the basis for determining the remuneration of other employees who are unrelated to the director or the CEO (or equivalent).

Details of remuneration paid to the immediate family member of Director or the CEO for FY2019 are set out below:

Name of Immediate Family Member	Salary	Bonus	Allowances and other benefits	Total
	%	%	%	%
S$250,000 to S$500,000				
Andrianto Darmasaputra Lawrence	85.1	13.7	1.2	100.0
Below S$50,000				
Nicco Darmasaputra Lawrence	84.3	5.9	9.8	100.0

Save as disclosed above, the Company does not have any employee who is an immediate family member of a Director or the CEO (or equivalent) of the Company whose remuneration in FY2019 exceeded S$50,000.

CORPORATE GOVERNANCE REPORT (continued)

(C) ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

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

Accountability to our Shareholders is demonstrated through the presentation of our quarterly financial statements, results announcements and all announcements on the Group's business and operations via SGXNet. The aforementioned conduct also provides Shareholders with balanced and accurate assessment of the Group's performance, financial positions and prospects.

The Management provides the Board with appropriately detailed management accounts of the Group's performance, position and prospects on quarterly basis and when deemed appropriate by particular circumstances.

In line with the Catalist Rules, the Board provides a negative assurance statement to Shareholders in its quarterly financial results announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect.

The Board also reviews legislation and regulatory compliance reports from the Management to ensure that the Group complies with the relevant regulatory requirements.

The Management maintains regular contact and communication with the Board by various means including the preparation and circulation to all Board members of quarterly financial statements of the Group. This allows the Board to monitor the Group's performance and position as well as the Management's achievements of the goals and objectives determined and set by the Board.

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 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 Board is responsible for the overall risk management and internal control framework, but acknowledges that no cost-effective risk management and internal controls system will preclude all errors and irregularities. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As the Group does not have a risk management committee, the Board and the Management assume the responsibility of the risk management function. The Management is responsible for designing, implementing and monitoring the risk management and internal control systems. The Management reviews regularly the Group's business and operational activities to identify areas of significant risks, as well as appropriate measures to control and mitigate these risks. The Management reviews significant policies and procedures and highlights significant matters to the AC and the Board. Once the risks are identified, the Management will table the measures and procedures to mitigate the risks to the AC and the Board for consideration and approval of the implementation of such measures and procedures.

Relying on the reports from the IA and the EA, the AC carried out assessments of the effectiveness of key internal controls during the year. Any non-compliance or weaknesses in internal controls or recommendations from the IA and the EA to further improve the internal controls were reported to the AC. The AC will also follow up on the actions taken by the Management and on the recommendations made by both the IA and the EA. The Board has reviewed the adequacy and effectiveness of the Group's system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems and is satisfied that they are adequate to meet the needs of the Group for the type and size of business conducted.

As the Group continues to grow the business, the Board will continue to review and take appropriate steps to strengthen the Group's overall system of risk management and internal controls. The Board and the AC also noted that all internal controls contain inherent limitations and no systems of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

CORPORATE GOVERNANCE REPORT (continued)

The Executive Chairman and President, and the Vice President (Operations) have assured the Board that:

a) The Group's financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

b) The Group's risk management and internal control systems are effective.

In addition, the AC reviews and approves the annual internal audit plans and ensures that the internal audit functions are adequately resourced with competence, and has appropriate standing within the Group to carry out its duties effectively.

Based on the work performed by both the EA and IA, the assurance from the Management and the ongoing review as well as the continuing efforts in enhancing controls and processes which are currently in place, the Board, with the concurrence of the AC, is of the view that, for FY2019, there are adequate and effective internal controls and risk management systems in place for the Group to address financial, operational, compliance and information technology risks of the Group.

AUDIT COMMITTEE

Principle 12: The Board should establish an audit committee with written terms of reference which clearly set out its authority and duties.

The AC comprises three (3) members who are all Independent Directors. The AC comprises:

Tan Cher Liang (Chairman)
Teo Kiang Kok
Seah Seow Kang Steven

The AC is established to assist the Board with discharging its responsibility of safeguarding the Company's assets, maintaining adequate accounting records and develop and maintain effective systems of internal control. The Board is of the opinion that the members of the AC possess the necessary accounting or related financial management qualifications, expertise and experience in discharging their duties. The details of the Board member's qualifications and experience are presented in this Annual Report under the section entitled "Board of Directors".

The AC has written terms of reference, setting out its duties and responsibilities, which include the following:

a) Review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

b) Assess, and challenge, where necessary, the correctness, completeness, and consistency of financial information (including interim reports) before submittal to the Board for approval or made public;

c) Discuss problems and concerns, if any, arising from the interim and final audits, in consultation with the EA and the IA where necessary;

d) Assess the adequacy and effectiveness of the internal controls (including financial, operational, compliance, information technology controls and risk management) systems established by the Management to identify, assess, manage, and disclose financial and non-financial risks (including those relating to compliances with existing legislation and regulation) and report to the Board at least annually;

e) Review and ensure that the assurance has been received from the CEO (or equivalent) and the Chief Financial Officer (or equivalent) in relation to the interim/annual unaudited financial statement;

f) Review the Management's and the IA's reports on the effectiveness of the systems for internal controls, financial reporting, and risk management;

g) Monitor and assess the role and effectiveness of the internal audit function in the overall context of the Company's risk management system;

CORPORATE GOVERNANCE REPORT (continued)

h) In connection with the terms of engagement to the EA, to make recommendations to the Board on the selection, appointment, re-appointment, and resignation of the EA based on a thorough assessment of the EA's functioning, and approve the remuneration and terms of engagement of the EA;

i) Monitor and assess the EA's independence and keep the nature and extent of non-audit services provided by the EA under review to ensure the EA's independence or objectivity is not impaired;

j) Assess, at the end of the audit cycle, the effectiveness of the audit process;

k) Review interested person transactions to consider whether they are on normal commercial terms and are not prejudicial to the interests of the Company or its minority shareholders; and

l) Review the Company's procedures for detecting fraud and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control, or any other matters.

Apart from the duties listed above, the AC is given the task of commissioning investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Company's operating results or financial position, and to review its findings.

The AC has full access to and co-operation of the Management and has full discretion to invite any Director or executive officer to attend the meetings, and has reasonable resources to enable it to discharge its functions. The EA had unrestricted access to the AC. The AC has reviewed and is satisfied with the level of co-operation rendered by the Management to the EA, the adequacy of scope and quality of their audits, and the independence and objectivity of the EA.

The AC is satisfied that the EA, namely Ernst & Young LLP, an auditing firm registered with the Accounting and Corporate Regulatory Authority, is independent and that it had also provided a confirmation of its independence to the AC. The AC had assessed the EA based on factors such as performance, adequacy of resources and experience of its audit engagement partners and audit team assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the AC is satisfied that Rules 712 and 715 of the Catalist Rules have been complied with and has recommended to the Board, the nomination of Ernst & Young LLP for re-appointment as Auditors of the Company at the forthcoming AGM of the Company. No former partner or director of the Company's existing auditing firm has acted a member of the AC.

Annually, the AC will meet with the IA and EA without the presence of the Management as and when necessary to review the adequacy of audit arrangement with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the IA and EA. The AC is kept updated annually or from time to time on any changes to the accounting and financial reporting standards by the EA. This ensures that the AC is kept abreast of changes to accounting standards and issues which have a direct impact on financial statements.

The AC also conducts a review of the independence and objectivity of the EA annually through discussions with the EA, as well as reviewing the non-audit fees paid to them. For FY2019, the AC has reviewed all non-audit services provided by the EA and is satisfied that the nature and extent of such services does not prejudice the independence and objectivity of the EA.

Fees for Ernst and Young LLP[1] services for the financial year ended

30 June 2019	Rp million
Audit services	2,682
Non-audit services	103

1 Including Purwantono, Sungkoro & Surja, a member firm of Ernst & Young Global in Indonesia

The AC considered the key audit matters ("**KAMs**") presented by the EA together with the Management. The AC reviewed the KAMs and concurred and agreed with the EA and the Management on their assessment, judgements and estimates on the KAMs reported by the EA.

CORPORATE GOVERNANCE REPORT (continued)

The Group has a whistle blowing policy whereby channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters of which they become aware, and will be implementing the same whistle blowing policy to include stakeholders, to ensure that:

(i) Independent investigations are carried out in an appropriate and timely manner;

(ii) Appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and

(iii) Administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balance and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle blowing in good faith and without malice.

As of the date of this Annual Report, there were no reports received through the whistle blowing mechanism.

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 Company has outsourced its internal audit functions and has appointed a professional firm, KPMG Services Pte. Ltd ("**KPMG**"), as the IA. KPMG is a member of the Institute of Internal Auditors Singapore ("**IIA**"), a professional internal auditing body affiliated to the Institute of Internal Auditors, Inc. The audit work carried out is guided by KPMG's global internal auditing standards and the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the IIA. The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant experience.

The IA reviews the effectiveness of key internal controls, including financial, operational and compliance controls for selected scope of review annually, as approved by the AC. Procedures are in place for the IA to report independently on their findings and recommendations to the AC for review. The IA has unfettered access to all the Company's documents, records, properties and personal, including access to the AC. The Management will update the AC on the status of the remedial action plans.

The Board recognises that it is responsible for maintaining a system of risk management and internal controls to safeguard shareholders' investments and the Company's businesses and assets while the Management is responsible for establishing and implementing the risk management and internal control procedures in a timely and appropriate manner. The role of the IA is to assist the AC to check that the controls are adequate and effective, to undertake investigations as directed by the AC and to conduct regular in-depth audits of high risk areas. The AC approves the hiring, removal, evaluation and compensation of the internal audit function. The AC is satisfied that the internal audit function has adequate resources to perform its function independent and effectively

The AC reviews the adequacy and effectiveness of the internal audit function of the Company annually.

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITIES

SHAREHOLDER RIGHTS

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

The Company does not practice selective disclosure. In line with continuous obligations of the Company under the Catalist Rules and the Companies Act, 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.

CORPORATE GOVERNANCE REPORT (continued)

Shareholders are informed of general meetings through the announcements released to the SGXNet and notices contained in the annual report or circulars sent to all Shareholders. These notices are also advertised in a national newspaper. Shareholders are also informed on the procedures for the poll voting at the general meetings. All Shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. If any Shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance. The Company's Constitution does not include the nominee and custodial services to appoint more than two proxies.

On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "Relevant Intermediary" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant Intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.

COMMUNICATION WITH SHAREHOLDERS

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.

The Company believes in high standards of transparent corporate disclosure and is committed to disclose to its Shareholders, the information in a timely and fair manner 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.

The information is disseminated and communicated to Shareholders on a timely basis through:

a) Annual report prepared and issued to all Shareholders. The Board ensures that the annual report includes all relevant information about the Company and the Group, including future developments and other disclosures required by the Companies Act and Singapore Financial Reporting Standards;

b) Quarterly announcements containing a summary of the financial information and affairs of the Group for that period;

c) Press releases on major developments of the Group;

d) Notices of explanatory memoranda for AGMs and Extraordinary General Meetings ("**EGM**"). The notice of AGM and EGM are also advertised in a national newspaper; and

e) The Company's website at http://www.wilton.sg at which Shareholders can access financial information, corporate announcements, press releases, annual reports and profile of the Group.

By supplying Shareholders with reliable and timely information, the Company is able to strengthen the relationship with its Shareholders based on trust and accessibility. The Company has occasionally engaged external investor relations ("**IR**") advisers who focus on facilitating the communications with all stakeholders, Shareholders, analysts and media, to attend to their queries or concerns as well as to keep the investors public apprised of the Group's corporate developments and financial performance.

To enable Shareholders to contact the Company easily, the contact details of the Company are set out on page 11, the back cover of this Annual Report as well as on the Company's website. The Company has procedures in place for responding to investors' queries as soon as applicable. The Board regards the AGM as its principal communication channel with Shareholders, where Shareholders can take the opportunity to raise enquiries pertaining to the resolutions tabled for approval and seek updates regarding affairs of the Company and its operations from the Board and the Management.

The Company does not practice selective disclosure. Price-sensitive information is first publicly released through SGXNet, either before the Company meets with any investors or analysts. All Shareholders will receive the notice of general meetings by post and published in the newspaper within the mandatory period.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for the business growth and other factors as the Board may deem appropriate. For FY2019, the Board does not recommend any payment of dividends as the Group is loss-making in FY2019 and will require the existing cash to fund its operating activities.

CORPORATE GOVERNANCE REPORT (continued)

CONDUCT OF SHAREHOLDER MEETINGS

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.

Shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to stay informed of the Group's strategies and growth plans. Notice of the general meetings are despatched to Shareholders, together with explanatory notes or a circular on items of special businesses (if necessary), at least 14 clear calendar days before the meeting. The Board welcomes questions from Shareholders who wish to raise issues, either informally or formally before or during the general meetings. The Company's Constitution does not provide the provision to allow for absentia voting at the general meetings as the integrity of the information and authentication of the identity of Shareholders and other related security issues remain as a concern to the Company.

Each item of special business included in the notice of the general meetings will be accompanied by explanation of the effects of a proposed resolution. Separate resolutions are proposed for each substantially separate issue at general meetings. The Company will make available minutes of general meetings to Shareholders upon their request.

All Directors, including the Chairmen of the AC, NC and RC, are normally present and available to address questions relating to the work of their respective Board Committees at general meetings. Furthermore, the EA is also present to assist the Board in addressing any relevant queries by the Shareholders.

The Company acknowledges that voting by poll in all its general meetings is integral in the enhancement of corporate governance. The Company adheres to the requirements of the Catalist Rules and the Code where all resolutions at the Company's general meetings held on or after 1 August 2015, are put to vote by poll. The detailed results of each resolution are announced via SGXNet after the general meetings. Due to cost considerations, the voting of the resolutions at the Company's general meetings is conducted by manual polling. The detailed results of each resolution are announced via SGXNet after the general meeting on the same day.

(E) DEALINGS IN COMPANY'S SECURITIES

In compliance with Rule 1204(19) of the Catalist Rules, the Company had adopted a code of best practices to provide guidance to its officers on securities transactions by the Company and its officers.

The Company and its officers are not allowed to deal in the Company's shares during the period commencing two (2) weeks before the announcement of the Company's financial results for each of the first three quarters of its financial year, and one (1) month before the announcement of the Company's full-year financial results, and ending on the date of the announcement of the relevant results.

Directors and employees are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or when they are in possession of unpublished price-sensitive information. Directors and employees are not to deal in the Company's securities on short-term considerations.

(F) MATERIAL CONTRACTS

Save for the service agreement between the Company and Mr Wijaya Lawrence (Executive Chairman and President), there were no material contracts of the Company and its subsidiaries involving the interests of the CEO (or equivalent), each Director or controlling shareholder of the Company, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

CORPORATE GOVERNANCE REPORT (continued)

(G) INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and that the transactions are conducted on arm's length basis and on normal commercial terms and are not prejudicial to the Company. All IPTs are subject to review by the AC to ensure compliance with established procedures.

Save as disclosed below and excluding any IPTs below S$100,000 (if any), the Company has not entered into any IPT with any of its interested person during FY2019. The AC has reviewed the following IPT in accordance with its existing procedures.

Name of Interested Person	Aggregate value of all interested person transactions during FY2019 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Wijaya Lawrence Office rental (1)	Rp1,650 million	Nil

Note:

(1) PT Wilton Wahana Indonesia, a subsidiary of the Company, entered into a lease agreement with Mr Wijaya Lawrence (Executive Chairman and President, and controlling shareholder of the Company) for the rental of office premises in Indonesia, commencing from 1 January 2019 up to 31 December 2023, at Rp27.5 million per month.

The Board confirms that the aforementioned IPT was entered into on an arm's length basis and on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

The Company does not have any Shareholders' mandate for interested person transactions.

(H) CATALIST SPONSOR

With reference to Rule 1204(21) of the Catalist Rules, there was no non-sponsorship fees paid to ZICO Capital Pte. Ltd. in FY2019.

CORPORATE GOVERNANCE REPORT (continued)

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Name of Director	Mr Ngiam Mia Je Patrick	Mr Seah Seow Kang Steven
Date of appointment	12 December 2013	12 December 2013
Date of last re-appointment (if applicable)	30 October 2017	27 October 2016
Age	65	64
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Ngiam as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Ngiam's credentials, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Seah as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Seah's credentials, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	No	No
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Non-Executive Director and member of the Nominating Committee	Independent Non-Executive Director, Chairman of the Nominating Committee, and member of the Audit Committee and the Remuneration Committee.
Professional qualifications	Bachelor of Science in Electronics Engineering (First Class Honours) from the University of Essex	(i) Bachelor of Laws (Honours) from the University of Singapore (ii) Diploma in Business Law from the National University of Singapore
Working experience and occupation(s) during the past 10 years	Mr Ngiam is the chairman and chief executive officer of IPC Corporation Ltd since 1992, and executive director and chairman of Essex Bio-Technology Limited since 1999.	Mr Seah is the co-founder and a partner of Seah Ong & Partners LLP since 2002.
Shareholding interest in the listed issuer and its subsidiaries	Mr Ngiam holds 364,150,000 shares in the Company	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Ngiam is the brother-in-law of Mr Wijaya Lawrence, the Executive Chairman and CEO, and a substantial shareholder of the Company.	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

CORPORATE GOVERNANCE REPORT (continued)

Name of Director	Mr Ngiam Mia Je Patrick	Mr Seah Seow Kang Steven
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)	**Present Directorship:** ● Corex Systems (S) Pte. Ltd. ● Dynatech Ventures Pte. Ltd. ● Essex Bio-Technology Ltd ● Essex Bio-Pharmacy Ltd. ● Essex Bio-Investment Ltd. ● Essex Credit Pte. Ltd. ● Essex Electronics (Singapore) Pte. Ltd. ● Essex Holdings Ltd ● Essex Investment (Singapore) Pte. Ltd. ● Hagenuk Pte. Ltd. ● IPC Corporation Limited ● IPC Information and Communication (Pte) Ltd ● IPC Peripherals (Pte) Ltd ● IPC Singapore Pte. Ltd. ● ThinSoft Pte. Ltd. ● Wilton Resources Holdings Pte. Ltd. ● Zhuhai Essex Bio-Pharmaceutical Company Ltd. ● Zhuhai IPC Property Development Co. Ltd **Past Directorship (for the past 5 years):** Nil	**Present Directorship:** Nil **Past Directorship (for the past 5 years):** ● IPC Corporation Limited
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

CORPORATE GOVERNANCE REPORT (continued)

Name of Director	Mr Ngiam Mia Je Patrick	Mr Seah Seow Kang Steven
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

CORPORATE GOVERNANCE REPORT (continued)

Name of Director	Mr Ngiam Mia Je Patrick	Mr Seah Seow Kang Steven
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :— (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

CORPORATE GOVERNANCE REPORT (continued)

Name of Director	Mr Ngiam Mia Je Patrick	Mr Seah Seow Kang Steven
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Yes Mr Ngiam is currently a director of the Company and IPC Corporation Limited.	Yes Mr Seah is currently a director of the Company and was an independent director of IPC Corporation Limited from 2002 to 2016.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.

CORPORATE SOCIAL RESPONSIBILITY

Wilton places high emphasis on its standards of Corporate Social Responsibility ("**CSR**") as the Group pursues its economic goals. CSR is an integral element that is embedded within the Group's overall business strategy as we recognise that our commitment to CSR is imperative to the development of a sustainable growth path for the Group.

Our CSR initiatives are formalised to act as a defence for our people, the environment as well as the local communities in the vicinity which we operate in. We have institutionalised systems that seek to improve health and safety standards for the well-being of our employees. Wilton also carries out its exploration activities in a responsible manner in order to protect and minimise its impact on the environment, while providing employment and making positive contributions to the residents' livelihoods and living conditions.

Safety Policy

The Group seeks to minimise the risk of accidents, injuries and illnesses to its employees by improving health and safety standards and closely monitoring its operations. In this regard, the Group has appointed a Head of Mining Engineering/Kepala Teknik Tambang ("**KTT**") who was approved by the Department of Energy and Mineral Resources of the Regency of Sukabumi.

Headed by the KTT, the Group has developed and is in the process of formalizing and implementing a comprehensive set of occupational health and safety systems and procedures which include the following:

(a) Occupational safety and health administration;

(b) Occupational safety and health training;

(c) Origination of an occupational health and safety fund;

(d) Side slope protection measures;

(e) Safety mining, blasting and transportation procedures and guidance;

(f) Debris flow prevention measures;

(g) Electric shock and lightning strike prevention measures;

(h) Fire prevention measures;

(i) Dust and noise prevention measures;

(j) Placing of safety and hazard signage;

(k) Provision of personal protection equipment to all relevant employees;

(l) Regular medical and physical checks for the employees;

(m) Operational safety guidance for equipment; and

(n) Mechanical maintenance safety guidance.

CORPORATE SOCIAL RESPONSIBILITY (continued)

Environmental Protection and Community Development

Environmental Protection

Each local regency in Indonesia has a local environmental controlling agency (also known as *Badan Lingkungan Hidup Daerah* or "**BLHD**"), which works on Regency (*kabupaten*) level and requires the Production Operations IUP holder to submit an environmental impact report (also known as the Analisa Mengenai Dampak Lingkungan) ("**AMDAL**"). With reference to the Indonesian Law Number 32 of 2009 concerning Protection and Management of the Environment, the AMDAL has to comprise an environmental impact assessment, an environment management plan and an environmental monitoring plan. Accordingly, PT WWI and PT LTC have submitted the AMDALs in respect of the Concession Blocks to the Regent of Sukabumi.
The AMDAL includes the following proposed environmental protection measures:

(a) Proposed measures for controlling and monitoring soil erosion and minimising loss of flora and fauna habitat;

(b) Proposed construction of diversion channels, drainage systems and sedimentation ponds to ensure proper water drainage;

(c) Regular water quality monitoring;

(d) Proposed water treatment and water recycling and processing system;

(e) Oil separators and septic tanks to treat domestic water;

(f) Prevention of dust and gas emission measures including air quality monitoring and maintenance of surface moisture in the ore stockpiles using water sprays;

(g) Prevention of noise emission measures including scheduling of mobile equipment usage and material transportation and liaising with surrounding residents on any potential issue relating to noise emission;

(h) Hazardous materials management operations comprising storage and handling of hydrocarbons (fuels and lubricants) and chemicals;

(i) Waste oil, solid waste as well as sewage and oily wastewater management;

(j) Response plan for managing emergencies; and

(k) Site closure planning and rehabilitation.

On 17 October 2012, PT WWI and PT LTC were included in the 7th batch of companies awarded the "Clean and Clear" status published by the Directorate General of Mineral and Coal. The qualifying criteria to obtain such "Clean and Clear" status are stringent. Such criteria include evidence of full environmental documentation in accordance with the relevant Indonesian environmental laws, evidence of mining plan, reclamation plan and post-mining plan as well as payment evidence of mandatory guarantee to the Indonesian government according to the prevailing Indonesian regulations.

Community Development

As its mining operations will have an impact on the local communities in the Concession Blocks, the Group is mindful of its CSR. In this regard, the Group focuses its CSR efforts on improving the livelihood of these communities.

The Group has improved the infrastructure in the vicinity of the Concession Blocks and, as a result, the local residents now have better access to basic necessities such as electricity, water and paved roads for transportation. The Group has also contributed to the local community by constructing public recreational facilities such as a multi-purpose outdoor field.

The Group also intends to contribute to the improvement of other public facilities and institutions such as local schools and hospitals. The Group also actively organises and sponsors various recreational and festival events for the local community.

The exploration and mining works at the Concession Blocks provides new employment opportunities for the local population. The Group actively engages, supports and provides employment for the local villages and regional communities located nearby.

CORPORATE SOCIAL RESPONSIBILITY (continued)

The various measures to address community developments in the Concession Blocks include:

(a) Undertaking public consultations throughout all phases of the mining activities, including establishing a process to record and respond to public complaints;

(b) Setting local employment/recruitment targets and giving priority to employing local residents, utilising and/or supporting local businesses and undertaking technical skills training programs for local resident employees;

(c) Managing/minimising air and noise impacts, monitoring the quality of the local water supply and monitoring local public health conditions and providing health-related information to the local community; and

(d) Consulting with local residents on site reclamation planning, employing local residents on site closure works and providing training and redeployment support for local resident employees and businesses.

Good relationships with regulatory authorities and local communities

The management team of Wilton has developed good working relationships with the regulatory authorities and the local community over the years. Since the commencement of its operations, the Group has been working closely with the regulatory authorities by providing regular reports to update them on the activities of its mining operations.

Besides actively engaging, supporting and providing employment for the local communities, the Group also holds regular meetings with representatives of the local communities to discuss the progress and implementation of its community assistance programs as well as to address any issues, concerns or complaints that arise. The Group also supports various local businesses by, where suitable, engaging them as suppliers.

Wilton believes that such cordial working relationships with the regulatory authorities and the local communities are achieved by carrying out its mining activities in a responsible manner. In turn, this would minimise incidences of disruptions and optimise the efficiency of its mining operations.

Sustainability Report

As part of the Group's effort to be more transparent and to comply with SGX's sustainability reporting guidelines, the Group has engaged Ernst & Young LLP as consultant. The Group published its first Sustainability Report for FY2018 in April 2019, and is expected to publish the Sustainability Report for FY2019 by November 2019.

DIRECTORS' STATEMENT

The directors hereby present their statement to the members together with the audited consolidated financial statements of Wilton Resources Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 30 June 2019.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(b) 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 as the directors have secured funding from a private investment firm and through a share placement exercise performed subsequent to the financial year end.

Directors

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

Wijaya Lawrence	(Executive Chairman and President)
Ngiam Mia Je Patrick	(Non-Executive Director)
Teo Kiang Kok	(Lead Independent Non-Executive Director)
Tan Cher Liang	(Independent Non-Executive Director)
Seah Seow Kang Steven	(Independent Non-Executive Director)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year 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 or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT (continued)

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest	
Name of directors	**At the beginning of the financial year**	**At the end of the financial year**
Ordinary shares of the Company		
Wijaya Lawrence	582,640,000	582,640,000
Ngiam Mia Je Patrick	364,150,000	364,150,000
Ordinary shares of subsidiaries		
P.T. Wilton Investment		
Wijaya Lawrence	100	100
P.T. Wilton Wahana Indonesia		
Wijaya Lawrence	30	30
P.T. Liektucha Ciemas		
Wijaya Lawrence	3	3

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2019.

By virtue of Section 7 of the Singapore Companies Act, Chapter 50, Wijaya Lawrence is deemed to have interests in shares held by the Company in all of its subsidiaries.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Share options

No options were issued by the Company or its subsidiaries during the financial year.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

As at 30 June 2019, there were no options on the unissued shares of the Company or its subsidiaries which were outstanding.

Audit Committee

The Audit Committee ("AC") carried out its functions specified in the Singapore Companies Act, Chapter 50. The functions performed are detailed in the Corporate Governance Report as set out in the Annual Report of the Company.

DIRECTORS' STATEMENT (continued)

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:

Wijaya Lawrence
Director

Ngiam Mia Je Patrick
Director

Singapore
4 October 2019

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2019

Independent auditor's report to the members of Wilton Resources Corporation Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Wilton Resources Corporation Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 30 June 2019, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards International ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Accounting for the Group's Restructuring Exercise

As disclosed in Note 1.2, the Group completed its acquisition of 96.95% of P.T. Renuka Coalindo Tbk ("Renuka") on 8 February 2019. The Group's Restructuring Exercise was done by Renuka issuing 15,064,000,000 Renuka Rights Shares to Wilton Resources Holdings Pte. Ltd. ("WRH") in return for WRH transferring its entire interest of 99% in P.T. Wilton Investment ("PT WI") and its underlying subsidiaries to Renuka. In Renuka's financial statements, the transaction is treated as a reverse acquisition for accounting purposes as the shareholders of PT WI became the controlling shareholders of Renuka on completion of the transaction. Accordingly, PT WI (being the legal subsidiary in the transaction) is regarded as the accounting acquirer, and Renuka (being the legal parent in the transaction) is regarded as the accounting acquiree.

As part of the Group's Restructuring Exercise, the Group has an obligation to undertake a Mandatory Tender Offer ("MTO") to the existing non-controlling interest ("NCI") shareholders of its subsidiary, Renuka, to purchase their shares in Renuka if these NCI shareholders wish to sell their minority interests to the Group at an exercise price of Rp 250 per share. This obligation to purchase shares held by NCI (the "NCI put") gives rise to a derivative liability.

INDEPENDENT AUDITOR'S REPORT (continued)

For the financial year ended 30 June 2019
Independent auditor's report to the members of Wilton Resources Corporation Limited

Accounting for the Group's Restructuring Exercise (cont'd)

Accounting for the Group's Restructuring Exercise was significant to our audit due to the materiality and complexity of the transaction and the judgement required in the following areas:

- assessing if the acquisition is a purchase of assets or a business combination;
- identifying the acquiree and acquirer for accounting purposes;
- determining the share-based payment made and the resultant acquisition cost recognised arising from the Group's Restructuring Exercise;
- determining the fair value of the derivative liability arising from the MTO.

In auditing the Group's Restructuring Exercise, our procedures included, amongst others:

- reviewing the signed agreements and shareholders' circulars relating to the Group's Restructuring Exercise to obtain an understanding of the key terms of the transaction;
- an assessment of management's basis to treat the transaction as a reverse acquisition undertaken by a subsidiary;
- an evaluation of the methodology and a review of the mathematical accuracy in computing:
  - acquisition costs of Rp 132,670 million in the current year's profit or loss;
  - share-based payment of Rp 146,118 million recorded in equity;
- verifying the underlying information inputs used in computing the acquisition cost and share-based payment made, such as share prices and foreign exchange rates by comparing these inputs with independent data sources;
- reviewing management's basis of accounting for and valuating the NCI put arising from the outstanding MTO obligation;
- an assessment of the adequacy of the disclosures related to the Group's Restructuring Exercise in Note 1.2, Note 14, Note 24, Note 28 and Note 29 to the financial statements.

Impairment assessment of the Group's non-financial assets pertaining to the mining operation and the Company's investment in the related subsidiaries

As at 30 June 2019, the Group's non-financial assets pertaining to the mining operation consists of exploration and evaluation assets, mine properties, property, plant and equipment, intangible assets, prepaid leases and prepayments (collectively, the "non-financial assets pertaining to the mining operation"), which is carried in the books at Rp 509 billion, representing 92.4% of the Group's total assets. The Company's investment in the related subsidiaries are carried in the books at Rp 1,218 billion, representing 99.9% of the Company's total assets as at 30 June 2019.

During the current financial year, management has identified certain facts and circumstances that may indicate a potential impairment of the non-financial assets pertaining to the mining operation and investment in the related subsidiaries. Accordingly, management performed impairment testing on the non-financial assets pertaining to the mining operation as well as on the cost of investment in the related subsidiaries, whereby the recoverable amount of these assets are calculated based on their value-in-use calculations using the discounted cash flow forecast of the mining activities. Based on the outcome of the impairment tests, no impairment charge nor write-back of impairment was required on these assets. The impairment assessment was significant to our audit due to the magnitude of the carrying amounts of the assets and the significant management judgement involved in the impairment assessment. Accordingly, we have identified this as a key audit matter.

INDEPENDENT AUDITOR'S REPORT (continued)

For the financial year ended 30 June 2019

Independent auditor's report to the members of Wilton Resources Corporation Limited

Impairment assessment of the Group's non-financial assets pertaining to the mining operation and the Company's investment in the related subsidiaries (cont'd)

Our audit procedures included, amongst others:

- an evaluation of the Group's policies and procedures to identify events indicating potential impairment of assets;

- an assessment of the valuation methodology used by management;

- an evaluation of the key assumptions used in the impairment analysis, including:

    - testing the reasonableness of management's assumptions in relation to forecasted revenue and budgeted costs. This includes testing the inputs by comparing forecasted gold prices to currently available market data and agreeing the resource amount and gold grade to estimates prepared by an independent external expert engaged by management;

    - assessing the competence, objectivity, and capabilities of the external expert engaged by management to assist them in estimating the above inputs;

    - performing sensitivity analysis on the discount rate, operating costs, gold prices and gold grade;

- an assessment of the adequacy of the disclosures related to the non-financial assets pertaining to the mining operation and investment in the related subsidiaries in Note 3.2(a), Note 3.2(b), Note 10 and Note 14 to the financial statements respectively.

Measurement of the project financing arrangement with Karl Hoffmann Mineral Pte Ltd ("KHM")

The Group has a project financing arrangement with KHM as described in Note 25 to the financial statements. The repayment of the project financing over the tenure of the project financing arrangement is variable as it is dependent on the future profitability of the Group's mining facility. In addition, the project financing arrangement includes embedded derivatives such as an extension, termination and conversion option that the lender may exercise in the event of default.

Since significant management judgment is involved to forecast the future profitability of the Group's mining facility to determine the measurement of the host project financing liability amount and the embedded derivatives, we identified the measurement of the financing arrangement as a key audit matter.

As at 30 June 2019, the project financing liability amounted to Rp 257 billion and the fair value of the options had been assessed to be immaterial.

Our audit procedures included, amongst others:

- an evaluation of the reasonableness of the key assumptions used by management in determining the forecasted future payments, including:

    - testing the inputs of the forecasted profitability of the mining facility by comparing the forecasted gold prices to market available data and agreeing the reserve amount and gold grade to estimates determined by an independent external expert engaged by management;

    - assessing the competence, objectivity, and capabilities of the external expert engaged by management to assist them in estimating the above inputs;

- a re-computation of the interest expense recognised during the year and the ending net present value of the project financing liability based on amortised cost;

- an assessment of the reasonableness of management's assumptions and judgment applied in determining the fair value of the embedded derivatives by considering the default events that could trigger exercise of the options by the lender, the current business outlook, progress of the construction of the mining facility, and its capacity;

- an assessment of the adequacy of the disclosures related to the financing arrangement in Note 3.2(c) and Note 25 to the financial statements.

INDEPENDENT AUDITOR'S REPORT (continued)

For the financial year ended 30 June 2019
Independent auditor's report to the members of Wilton Resources Corporation Limited

Other information

Management is responsible for the other information. The other information comprises information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors 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 Act and SFRS(I), 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT (continued)

For the financial year ended 30 June 2019

Independent auditor's report to the members of Wilton Resources Corporation Limited

Auditor's responsibilities for the audit of the financial statements

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ng Boon Heng.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
4 October 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2019

	Note	2019 Rp million	2018 Rp million
Revenue		4,221	4,326
Cost of sales	20	(3,074)	(2,915)
Gross profit		**1,147**	**1,411**
Other items of income			
Other income		7,963	53
Interest income from loans and receivables		1,499	1,001
Other items of expense			
Other expenses		(133,189)	(4,935)
Other operating expenses	4	(20,431)	(14,205)
Finance costs	5	(61,857)	(15,153)
General and administrative expenses		(59,605)	(46,998)
Loss before tax	**6**	**(264,473)**	**(78,826)**
Income tax expense	8	–	–
Loss net of tax for the year		**(264,473)**	**(78,826)**
Attributable to			
Owners of the Company		(259,961)	(78,826)
Non-controlling interests		(4,512)	–
Loss net of tax for the year		**(264,473)**	**(78,826)**
Other comprehensive income:			
Item that may not be reclassified subsequently to profit or loss			
Re-measurement gain/(loss) on defined benefit plan	7	95	(106)
Other comprehensive income for the year, net of tax		**95**	**(106)**
Total comprehensive income for the year, net of tax		**(264,378)**	**(78,932)**
Attributable to			
Owners of the Company		(259,869)	(78,932)
Non-controlling interests		(4,509)	–
Total comprehensive income for the year		**(264,378)**	**(78,932)**
Loss per share attributable to owners of the Company (Rp per share)			
Basic	9	(106.69)	(32.35)
Diluted	9	(106.69)	(32.35)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 30 June 2019

		Group			Company		
	Note	30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
		Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Non-current assets							
Exploration and evaluation assets	10	261,137	232,416	214,455	–	–	–
Mine properties	11	8,881	8,423	388	–	–	–
Property, plant and equipment	12	180,033	8,715	8,223	–	269	688
Intangible assets	13	657	838	1,011	–	–	–
Investment in subsidiaries	14	–	–	–	1,217,860	584,811	584,811
Inventories	20	–	–	30	–	–	–
Prepaid leases	15	50,719	39,826	43,386	–	–	–
Prepayments	18	2,736	28,724	–	–	–	–
Deposits	17	102	–	–	84	–	–
Long term fixed deposits	16	420	420	250	–	–	–
		504,685	**319,362**	**267,743**	**1,217,944**	**585,080**	**585,499**
Current assets							
Other debtors and deposits	17	352	491	197	31	217	192
Prepaid leases	15	5,104	3,687	3,687	–	–	–
Prepayments	18	3,363	19,297	1,541	264	850	448
Amounts due from subsidiaries	19	–	–	–	–	574,784	374,535
Inventories	20	10,094	2,851	–	–	–	–
Investment securities		10	10	–	–	–	–
Cash and cash equivalents	21	27,723	127,583	96,691	445	40,180	85,055
		46,646	**153,919**	**102,116**	**740**	**616,031**	**460,230**
Total assets		**551,331**	**473,281**	**369,859**	**1,218,684**	**1,201,111**	**1,045,729**
Current liabilities							
Trade payables	22	16,960	5,430	2,084	–	–	–
Other payables and accruals	23	86,213	8,269	4,805	6,461	3,641	2,475
Amount due to a related party	19	847	485	1,937	–	–	–
Amounts due to subsidiaries	19	–	–	–	–	667	608
Derivative liability	24	58,155	–	–	–	–	–
Loans and borrowings	25	25,000	23,214	–	–	–	–
		187,175	**37,398**	**8,826**	**6,461**	**4,308**	**3,083**
Net current (liabilities)/ assets		**(140,529)**	**116,521**	**93,290**	**(5,721)**	**611,723**	**457,147**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS (continued)

As at 30 June 2019

		Group			Company		
	Note	30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
		Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Non-current liabilities							
Loans and borrowings	25	256,798	153,009	–	256,798	153,009	–
Employee benefits liability	7	3,328	2,761	2,006	–	–	–
Provision for rehabilitation	10	420	88	70	–	–	–
		260,546	**155,858**	**2,076**	**256,798**	**153,009**	**–**
Total liabilities		**447,721**	**193,256**	**10,902**	**263,259**	**157,317**	**3,083**
Net assets		**103,610**	**280,025**	**358,957**	**955,425**	**1,043,794**	**1,042,646**
Equity attributable to owners of the Company							
Share capital	26	1,153,516	1,153,516	1,153,516	3,109,639	3,109,639	3,109,639
Accumulated losses		(1,144,938)	(885,069)	(806,137)	(2,154,214)	(2,065,845)	(2,066,993)
Merger reserve	27	13	13	13	–	–	–
Capital reserve	28	160,841	11,565	11,565	–	–	–
Other reserve	29	(58,155)	–	–	–	–	–
		111,277	**280,025**	**358,957**	**955,425**	**1,043,794**	**1,042,646**
Non-controlling interests		**(7,667)**	**–**	**–**	**–**	**–**	**–**
Total equity		**103,610**	**280,025**	**358,957**	**955,425**	**1,043,794**	**1,042,646**
Total equity and liabilities		**551,331**	**473,281**	**369,859**	**1,218,684**	**1,201,111**	**1,045,729**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2019

	Attributable to owners of the Company						
	Share capital (Note 26)	Accumulated losses	Merger reserve (Note 27)	Capital reserve (Note 28)	Other reserve (Note 29)	Non-controlling interests	Total equity
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Group							
At 1 July 2018	**1,153,516**	**(885,069)**	**13**	**11,565**	**–**	**–**	**280,025**
Loss for the year	–	(259,961)	–	–	–	(4,512)	(264,473)
Other comprehensive income							
Re-measurement gain on defined benefit plan, representing total other comprehensive income for the year, net of tax	–	92	–	–	–	3	95
Total comprehensive income for the year, net of tax	–	(259,869)	–	–	–	(4,509)	(264,378)
Changes in ownership of subsidiaries arising from the Group's Restructuring Exercise							
Acquisition of subsidiary	–	–	–	(410)	–	410	–
Dilution of interests in subsidiaries	–	–	–	3,568	–	(3,568)	–
Others							
Share-based payment in respect of the Group's Restructuring Exercise	–	–	–	146,118	–	–	146,118
Outstanding mandatory tender offer obligation arising from the Group's Restructuring Exercise	–	–	–	–	(58,155)	–	(58,155)
At 30 June 2019	**1,153,516**	**(1,144,938)**	**13**	**160,841**	**(58,155)**	**(7,667)**	**103,610**
At 1 July 2017	**1,153,516**	**(806,137)**	**13**	**11,565**	**–**	**–**	**358,957**
Loss for the year	–	(78,826)	–	–	–	–	(78,826)
Re-measurement loss on defined benefit plan, representing total other comprehensive income for the year, net of tax	–	(106)	–	–	–	–	(106)
Total comprehensive income for the year, net of tax	–	(78,932)	–	–	–	–	(78,932)
At 30 June 2018	**1,153,516**	**(885,069)**	**13**	**11,565**	**–**	**–**	**280,025**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY (continued)

For the financial year ended 30 June 2019

	Share capital (Note 26)	Accumulated losses	Total equity
	Rp million	Rp million	Rp million
Company			
At 1 July 2018	**3,109,639**	**(2,065,845)**	**1,043,794**
Loss for the year, representing total comprehensive income for the year, net of tax	–	(88,369)	(88,369)
At 30 June 2019	**3,109,639**	**(2,154,214)**	**955,425**
At 1 July 2017	**3,109,639**	**(2,066,993)**	**1,042,646**
Profit for the year, representing total comprehensive income for the year, net of tax	–	1,148	1,148
At 30 June 2018	**3,109,639**	**(2,065,845)**	**1,043,794**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 30 June 2019

	Note	2019 Rp million	2018 Rp million
Cash flows from operating activities			
Loss before tax		(264,473)	(78,826)
Adjustments for:			
Loss on disposal of property, plant and equipment	6	3	–
Unrealised foreign exchange differences		(4,311)	5,363
Interest expense	25	61,857	15,153
Interest income		(1,499)	(1,001)
Acquisition costs arising from the Group's Restructuring Exercise	6	132,670	–
Depreciation of property, plant and equipment	12	2,247	2,066
Amortisation of intangible assets	13	181	180
Write off of inventories	20	–	30
Amortisation of prepaid leases	4	3,583	3,560
Depletion of mine properties	11	401	–
Increase in employee benefits liability	7	662	649
Operating cash flows before working capital changes		**(68,679)**	**(52,826)**
Increase in prepayments		(199)	(46,480)
Decrease/(increase) in other debtors and deposits		692	(283)
Increase in inventories		(7,243)	(2,851)
Increase in trade payables		11,530	3,346
Increase/(decrease) in amount due to a related party		362	(1,452)
Increase in other payables and accruals		41,736	3,367
Cash flows used in operations		**(21,801)**	**(97,179)**
Interest received		1,499	1,001
Interest paid	25	(1,392)	–
Net cash flows used in operating activities		**(21,694)**	**(96,178)**
Cash flows from investing activities			
Investment in exploration and evaluation assets (Note A)		(29,248)	(25,978)
Investment in intangible assets	13	–	(7)
Investment in investment securities		–	(10)
Purchase of property, plant and equipment		(144,847)	(2,558)
Investment in long term fixed deposits	16	–	(170)
Proceeds from disposal of property, plant and equipment		3	–
Net cash inflow from the Group's Restructuring Exercise	14	46,611	–
Net cash flows used in investing activities		**(127,481)**	**(28,723)**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT (continued)

For the financial year ended 30 June 2019

	Note	2019 Rp million	2018 Rp million
Cash flows from financing activities			
Proceeds from Project Financing Liability, net	25	48,711	130,073
Proceeds from short term bank loan	25	1,786	23,214
Net cash generated from financing activities		**50,497**	**153,287**
Net (decrease)/increase in cash and cash equivalents		(98,678)	28,386
Effect of exchange rate changes on cash and cash equivalents		(1,182)	2,506
Cash and cash equivalents at 1 July		127,583	96,691
Cash and cash equivalents at 30 June	21	**27,723**	**127,583**

Note A

Aggregate cost of exploration and evaluation assets acquired	10	(29,580)	(25,996)
Less: Rehabilitation costs capitalised	10	332	18
Cash payments to acquire exploration and evaluation assets		(29,248)	(25,978)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2019

1. Corporate information

1.1 *The Company*

Wilton Resources Corporation Limited (the "Company" or "WRC") is a limited liability company incorporated and domiciled in Singapore. The Company is a sponsored company listed on Catalist Board ("Catalist") of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 62 Ubi Road 1, #03-10 Oxley Bizhub 2, Singapore 408734.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 14.

1.2 *The Group's Restructuring Exercise (reverse acquisition undertaken by a subsidiary)*

On 8 February 2019, the Group completed its acquisition of 96.95% of P.T. Renuka Coalindo Tbk ("Renuka"), a company listed on the Indonesian stock exchange ("IDX"). The acquisition took place via a Group's Restructuring Exercise whereby Renuka performed a rights issuance exercise (the "Renuka Rights Issue") by issuing and allotting an aggregate of 15,236,391,429 Renuka Rights Shares which comprised of 15,064,000,000 Renuka Rights Shares that were issued to Wilton Resources Holdings Pte. Ltd. ("WRH") and 172,391,429 Renuka Rights Shares that were issued to Renuka's existing shareholders.

Pursuant to the Renuka Rights Issue, WRH transferred its entire interest of 99% in P.T. Wilton Investment ("PT WI") and its underlying subsidiaries to Renuka in satisfaction of the subscription of the Renuka Rights Shares received. The shares subscribed for by Renuka's existing shareholders were paid in cash at the Renuka Rights Issue price of Rp 250 per share.

Accordingly, on completion of the Renuka Rights Issue on 8 February 2019, Renuka became a subsidiary of the Group via WRH's direct interest in 96.95% of Renuka's issued and paid-up capital.

In Renuka's financial statements, the transaction is treated as a reverse acquisition for accounting purposes as the shareholders of PT WI became the controlling shareholders of Renuka on completion of the transaction. Accordingly, PT WI (being the legal subsidiary in the transaction) is regarded as the accounting acquirer, and Renuka (being the legal parent in the transaction) is regarded as the accounting acquiree. Consequently, the consolidated financial statements of Renuka represent a continuation of the consolidated financial statements of PT WI and its subsidiaries.

To the Group, the above transaction is viewed as an acquisition of a subsidiary, being Renuka, in exchange for the dilution of the Group's existing shareholdings in PT WI and its underlying subsidiaries.

Further details on accounting for the Group's Restructuring Exercise is disclosed in Note 14.

As part of the Group's Restructuring Exercise, the Group has an obligation to undertake a Mandatory Tender Offer ("MTO") to the existing non-controlling interest ("NCI") shareholders of its subsidiary, Renuka, to purchase their shares in Renuka if these NCI shareholders wish to sell their minority interests to the Group at an exercise price of Rp 250 per share. Further details on the MTO are disclosed in Note 24.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

For all periods up to and including the year ended 30 June 2018, the Group prepared its financial statements in accordance with Financial Reporting Standards in Singapore ("FRS"). These financial statements for the year ended 30 June 2019 are the first the Group has prepared in accordance with SFRS(I). Refer to Note 2.2 for information on how the Group adopted SFRS(I).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.1 *Basis of preparation (cont'd)*

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Indonesian Rupiah ("IDR" or "Rp") and all values are rounded to the nearest million ("Rp Million") unless otherwise indicated.

Going concern assumption

As at 30 June 2019, the Group and Company's current liabilities exceeded its current assets by Rp 140,529 million and Rp 5,721 million respectively (2018: net current asset of Rp 116,521 million and Rp 611,723 million respectively). Notwithstanding this, the Directors are of the view that the Group and the Company are able to continue as a going concern as the Group has received cash on 9 August 2019 from a repurchase agreement on the shares of its subsidiary, PT Renuka Coalindo Tbk. On 23 August 2019, the Group through its subsidiary, WRH, entered into a loan agreement with a private investment firm to secure additional funding. On 18 September 2019, the Group and the Company have announced a proposed share placement of 125,000,000 ordinary shares at a placement price of S$0.0261 per share, which would result in proceeds from share placement of Rp 33,557 million (equivalent to S$3,212,500). On 3 October 2019, the Group announced that the Group's subsidiary, WRH, had entered into a transfer of shares agreement on 23 September 2019, for the sales of 3,750,000 shares of Renuka. Details of the above subsequent events are described in Note 36.

The proceeds will be used to fund the Group's cash flow requirements to enable the Group and Company to operate as a going concern.

2.2 *First-time adoption of SFRS(I)*

These financial statements for the financial year ended 30 June 2019 are the first the Group and the Company have prepared in accordance with SFRS(I). Accordingly, the Group and the Company have prepared financial statements that comply with SFRS(I) applicable as at 30 June 2019, together with the comparative period data for the financial year ended 30 June 2018, as described in the summary of significant accounting policies. On preparing the financial statements, the Group's and the Company's opening balance sheets were prepared as at 1 July 2017, the Group's and the Company's date of transition to SFRS(I). The adoption of SFRS(I) has no material impact on the financial statements except as described below.

Exemptions applied on adoption of SFRS(I)

SFRS(I) allows first-time adopters exemptions from the retrospective application of certain requirements under SFRS(I). The Group has applied the following exemptions:

- SFRS(I) 3 *Business Combinations* has not been applied to either acquisitions of subsidiaries that are considered businesses under SFRS(I), or acquisitions of interests in associates and joint ventures that occurred before 1 January 2017. The carrying amounts of assets and liabilities at the date of transition to SFRS(I) is the same as previously reported under FRS.

- SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates* has not been applied retrospectively to fair value adjustments from business combinations that occurred before the date of transition to SFRS(I). Such fair value adjustments are treated as assets and liabilities of the parent rather than as assets and liabilities of the acquiree. Therefore, those assets and liabilities are already expressed in the functional currency of the parent or are non-monetary foreign currency items and no further translation differences occur.

- The comparative information does not comply with SFRS(I) 9 *Financial Instruments* or SFRS(I) 7 *Financial Instruments: Disclosures* to the extent the disclosures relate to items within the scope of SFRS(I) 9.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.2 *First-time adoption of SFRS(I) (cont'd)*

New accounting standards effective on 1 July 2018

The accounting policies adopted are consistent with those previously applied under FRS except that in the current financial year, the Group has adopted all the SFRS(I) which are effective for annual financial periods beginning on or after 1 July 2018. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company. The nature of the changes arising from the adoption of SFRS(I) 9 are described below.

SFRS(I) 9 *Financial Instruments*

On 1 July 2018, the Group adopted SFRS(I) 9 Financial instruments, which is effective for annual periods beginning on or after 1 July 2018.

The changes arising from the adoption of SFRS(I) 9 have been applied retrospectively. The Group has elected to apply the exemption in SFRS(I) 1 and has not restated comparative information in the year of initial application. There was no impact to the opening retained earnings upon adoption of SFRS(I). The comparative information was prepared in accordance with the requirements of FRS 39.

<u>Classification and measurement</u>

SFRS(I) 9 requires debt instruments to be measured either at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVPL"). Classification of debt instruments depends on the entity's business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). An entity's business model is how an entity manages its financial assets in order to generate cash flows and create value for the entity either from collecting contractual cash flows, selling financial assets or both. If a debt instrument is held to collect contractual cash flows, it is measured at amortised cost if it also meets the SPPI requirement. Debt instruments that meet the SPPI requirement that are held both to collect the assets' contractual cash flows and to sell the assets are measured at FVOCI. Financial assets are measured at FVPL if they do not meet the criteria of FVOCI or amortised cost.

The assessment of the business model and whether the financial assets meet the SPPI requirements was made as of 1 July 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 July 2018.

The Group's debt instruments have contractual cash flows that are solely payments of principal and interest. Debt instruments that were measured at amortised cost previously are held to collect contractual cash flows, and accordingly measured at amortised cost under SFRS(I) 9. There is no impact arising from measurement of these instruments under SFRS(I) 9.

SFRS(I) 9 requires all equity instruments to be carried at fair value through profit or loss, unless an entity chooses on initial recognition, to present fair value changes in other comprehensive income. For equity securities, the Group continues to measure its quoted equity securities at FVPL. There is no significant impact arising from measurement of this instrument under SFRS(I) 9.

<u>Impairment</u>

SFRS(I) 9 requires the Group to record expected credit losses on all of its financial assets measured at amortised cost. The Group previously recorded impairment based on the incurred loss model when there is objective evidence that a financial asset is impaired.

Upon adoption of SFRS(I) 9 as at 1 July 2018, the Group assessed that no additional impairment on the Group's financial assets is required.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
SFRS(I) 16 *Leases*	1 January 2019
SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to SFRS(I) 9 *Prepayment Features with Negative Compensation*	1 January 2019
Annual Improvements to SFRS(I)s 2015-2017 Cycle	1 January 2019
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 *Definition of Material*	1 January 2020
Amendments to SFRS(I) 3 *Definition of a Business*	1 January 2020
Amendments to References to the Conceptual Framework in SFRS(I) Standards, illustrative examples, implementation guidance and SFRS(I) practice statements	1 January 2020

Except for SFRS(I) 16, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of SFRS(I) 16 are described below.

SFRS(I) 16 *Leases*

SFRS(I) 16 requires lessees to recognise most leases on balance sheets. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. SFRS(I) 16 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability representing the obligation to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group is currently assessing the impact of adopting SFRS(I) 16 and plans to adopt the new standard on the required effective date without restating prior periods' information and recognise any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

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

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(a) *Basis of consolidation (cont'd)*

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) *Business combinations*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquire are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

(c) *Business combinations involving entities under common control*

Business combinations involving common control are accounted for by applying the pooling-of-interest method which involves the following:

- The assets and liabilities of the combining entities are reflected at the carrying amounts reported in the consolidated financial statements of the controlling holding company.
- No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.
- No additional goodwill is recognised as a result of the combination.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(c) *Business combinations involving entities under common control (cont'd)*

– Any difference between the consideration paid/transferred and the equity 'acquired' is reflected within the equity as merger reserve.

– The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination took place.

Comparatives are restated to reflect the combination as if it had occurred from the beginning of the earliest period presented in the financial statements or from the date the entities had come under common control, if later.

2.5 *Foreign currency*

The financial statements are presented in Indonesian Rupiah, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.6 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, all items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Motor vehicles	–	8 years
Electrical and office equipment	–	3 to 8 years
Furniture and fittings	–	3 to 8 years
Renovations	–	3 to 4 years
Electrical installations	–	4 to 8 years
Heavy equipment	–	16 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.7 *Mineral exploration, evaluation and development expenditures*

(a) *Pre-mining rights costs*

Pre-license costs relate to costs incurred before the Group has obtained legal rights to explore in a specific area. Such costs are expensed in the period in which they are incurred.

(b) *Exploration and evaluation costs*

Exploration and evaluation activities involve the search for mineral, the determination of technical feasibility and the 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.

Administration costs that are not directly attributable to a specific exploration area are charged to profit or loss.

License costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised from the commencement of commercial production.

Once the legal right to explore has been acquired, exploration and evaluation expenditures are charged to profit or loss as incurred, unless the director concludes that future economic benefits are more likely than not to be realised. These expenditures include acquisition and renewal of rights to explore; technical feasibility, processing and mining study; management and monitoring; drilling, explosives permitting and other exploration costs paid to contractors and consultants.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:

  (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

  (ii) exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Capitalised exploration and evaluation costs are recorded under "Exploration and evaluation assets" and 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. Where a potential impairment is indicated, an assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash generating unit) to which the exploration is attributed. To the extent that exploration and evaluation costs are not expected to be recovered, these are charged to profit or loss.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, all exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mine under construction, which is a subset of mine properties.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.8 *Mine properties*

Mining properties include assets in production and in development, and assets transferred from exploration and evaluation assets. Mining properties in development are not amortised until production commences.

Upon transfer of "Exploration and evaluation assets" into "Mines under construction" in "Mine properties", all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalised in "Mines under construction". Development expenditure is net of proceeds from the sale of ore extracted during the development phase. The "Mines under construction" is not amortised until it is completed and the production stage is commenced, and the assets are transferred into "Producing mines" in "Mine properties".

When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development.

The accumulated costs of producing mines are amortised on the unit-of-production basis over the economically recoverable reserves of the mine concerned.

2.9 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Software

Software are amortised over the estimated useful life of 8 years and assessed for impairment whenever there is an indication that the software asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

2.10 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.11 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.12 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.12 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

Subsequent measurement (cont'd)

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

<u>Investments in equity instruments</u>

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.12 *Financial instruments (cont'd)*

(c) *Derivatives*

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

2.13 *Impairment of financial assets*

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.14 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.15 *Inventories*

Inventories typically comprise of stockpiles of unprocessed ore and processed gold which are measured at the lower of cost and net realisable value. The cost comprises all actual costs incurred during pre-production stage to deliver ore to stockpiles and subsequently to process them to gold. Stockpiles are classified as a non-current asset where the stockpile is expected to be processed more than 12 months after the end of the reporting period.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.16 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 *Employee benefits*

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme.

(b) *Defined benefit plans*

The Group also provides additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as required under the Indonesian Labour Law No.13/2003 (the "Labour Law"). The said additional provisions, which are unfunded, are estimated by actuarial calculations using the projected unit credit method.

The estimated liability for employee benefits is the aggregate of the present value of the defined benefit obligations at the end of the reporting period.

Defined benefit obligation comprises of the following:

– Service costs

– Net interest on the net defined benefit liability; and

– Re-measurements of the net defined benefit liability

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability is the change during the period in the net defined benefit liability that arises from the passage of time which is determined by applying the discount rate to the net defined benefit liability. Net interest on the net defined benefit liability is recognised as expense or income in profit or loss.

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the consolidated statement of comprehensive income in the period in which they arise. Re-measurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.17 *Employee benefits (cont'd)*

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.18 *Leases*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.19 *Revenue*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) *Sale of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the buyer, usually on delivery of goods as the performance obligation is determined to have been satisfied.

The Group's revenue pertains to the sale of gold dore.

(b) *Interest income*

Interest income is recognised using the effective interest method.

2.20 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.20 *Taxes (cont'd)*

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

2. Summary of significant accounting policies (cont'd)

2.20 ***Taxes (cont'd)***

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

2.21 ***Segment reporting***

The Group operates as a gold mining group in Indonesia, which management considers as a single reportable segment. Accordingly, separate information on other operating segments have not been presented. As the Group has recently commenced trading activity, the Group does not have any reliance on any major customer.

2.22 ***Share capital and share issue expenses***

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.23 ***Borrowing costs***

Borrowing costs 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. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 ***Judgments made in applying accounting policies***

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Impairment of non-financial assets pertaining to mining operation

The Group's non-financial assets pertaining to mining operation include exploration and evaluation assets, mine properties, property, plant and equipment, intangible assets, prepaid leases and prepayments. The carrying amount of these assets is dependent on the successful development and commercial exploitation of the Group's mines. These assets are assessed for impairment if sufficient data exists to determine the technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

3. Significant accounting judgments and estimates (cont'd)

3.1 *Judgments made in applying accounting policies (cont'd)*

Impairment of non-financial assets pertaining to mining operation (cont'd)

The Group's non-financial assets pertaining to mining operation are tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale as supported by ore reserve and mineral estimates (Note 3.2(a)).

Management has assessed that certain facts and circumstances above exist and accordingly, have assessed the exploration and evaluation assets for impairment.

3.2 *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets pertaining to mining operation

In determining whether the Group's non-financial assets pertaining to mining operation is impaired requires an estimation of value in use. The value in use calculation requires the management to estimate future cash flows and a suitable discount rate in order to calculate the present value of cash flows.

The key assumptions used in value in use calculation are as follows:

(a) Gold prices of USD 1,410/oz – USD 1,516/oz (30 June 2018: USD 1,220/oz – USD 1,300/oz, 1 July 2017: USD 1,250/oz)

(b) Gold grade of 7.71 g/t (30 June 2018: 3.00 - 7.71 g/t, 1 July 2017: 3.00 – 8.00 g/t)

(c) Average operating expenses of USD 363/oz (30 June 2018: USD 305 - 569/oz, 1 July 2017: USD 500 – 736/oz)

(d) Remaining capital expenditure of USD 48 million (30 June 2018: USD 84 million, 1 July 2017: USD 93 milion)

(e) Discount rate of 18% (30 June 2018: 18%, 1 July 2017: 18%)

(f) Maintenance capital expenditure of 1.3% of revenue (30 June 2018: 2.0% of revenue, 1 July 2017: 5.0% of revenue)

The value in use calculation is most sensitive to discount rate and operating expenses. If discount rate was to increase by 4% and operating expenses increased by 55% with all other factors remaining constant, an impairment loss of Rp 18 billion would have been recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

3. Significant accounting estimates and judgments (cont'd)

3.2 *Key sources of estimation uncertainty (cont'd)*

(b) Impairment of investment in subsidiaries

The Company's subsidiary, WRH, is the penultimate holding company of Renuka, a company listed on the IDX, which in turn is the holding company of PT WWI and PT LTC which hold the mining licences. The carrying amount of the investment in subsidiaries as at 30 June 2019 is Rp 1,217,860 million (30 June 2018: Rp 584,811 million, 1 July 2017: Rp 584,811 million).

Investment in subsidiaries is 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 investment 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 life of the mine.

If the value in use 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. Management has assessed that the carrying amount of the investment falls within the range of their value in use calculation and accordingly no impairment loss is recognised in the current financial year and previous financial year.

The key assumptions are consistent with the disclosure in Note 3.2(a).

The value in use calculation is most sensitive to discount rate and operating expenses. If discount rate was to increase by 4% with all other factors remaining constant, an impairment loss of Rp 46 billion would have been recognised. If operating expenses increased by 15% with all other factors remaining constant, an impairment loss of Rp 23 billion would have been recognised.

(c) Accounting for the project financing arrangement with Karl Hoffmann Mineral Pte Ltd ("KHM")

The carrying amount of the Group's loans and borrowings with KHM as at 30 June 2019 is Rp 256,798 million (30 June 2018: Rp 153,009 million, 1 July 2017: Nil).

At initial recognition, management estimated the effective interest rate of the project financing liability based on the forecasted future payments over the project financing arrangement tenure. Management assesses the carrying amount of the project financing liability based on the forecasted repayment amounts which is a function of the profitability of the Group's mining facility. Changes in estimate of the Group's mining facility profitability will impact the forecasted repayment owing to KHM and thus will have an effect on the carrying amount of the project financing liability.

The Group bases its forecasted repayment on the detailed cash flow forecast prepared for the Group's mining facility. The key assumptions are consistent with the disclosure in Note 3.2(a) and the project financing arrangement terms and is applied over the project financing arrangement tenure of 10 years.

Management has also applied judgement in assessing the value of the embedded derivatives by considering the probability that an event of default will occur based on the Group's current business outlook and progress of the construction of the mining facility. Based on that, they have assessed that the fair value of the derivatives as at 30 June 2019 was immaterial (30 June 2018: Nil, 1 July 2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

4. Other operating expenses

	Group	
	2019	2018
	Rp million	Rp million
Amortisation of prepaid leases	3,583	3,560
Site expenses	16,848	10,645
	20,431	14,205

5. Finance costs

	Group	
	2019	2018
	Rp million	Rp million
Interest expense on:		
- Project Financing Liability	60,465	15,153
- Bank overdrafts carried at amortised cost	1,392	–
	61,857	15,153

6. Loss before tax

The following items have been included in arriving at loss before tax:

	Group	
	2019	2018
	Rp million	Rp million
Auditor's remuneration		
- Ernst & Young LLP, Singapore	1,255	1,229
- Purwantono, Sungkoro & Surja, Indonesia[1]	1,427	1,275
Non-audit fee paid to		
- Ernst & Young LLP, Singapore	103	369
Depreciation of property, plant and equipment (Note 12)	2,247	2,066
Loss on disposal of property, plant and equipment	3	–
Amortisation of intangible assets (Note 13)	181	180
Depletion of mine properties (Note 11)	401	–
Employee benefits expense (Note 7)	23,848	21,877
Write off of inventory (Note 20)	–	30
Foreign exchange (gain)/loss	(7,754)	4,484
Operating lease expense (Note 31)	755	652
Acquisition costs arising from the Group's Restructuring Exercise (Note 14)	132,670	–

[1] A member firm of Ernst & Young Global

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

7. Employee benefits

	Group	
	2019	2018
	Rp million	Rp million
Employee benefits expense (including directors):		
- Salaries and bonuses	19,780	18,249
- Short term employee benefits	2,265	2,007
- Post employment benefits	662	649
- Contributions to defined contribution plans	1,141	972
	23,848	21,877

Employee defined benefit plan

The Group has recorded provisions for employee service entitlements to meet the minimum benefits required to be paid to the qualified employees, under the Indonesian Labour Law. The amounts of such additional provisions were determined based on actuarial computations prepared by an independent actuary using the "Projected Unit Credit" method. As at 30 June 2019, 30 June 2018 and 1 July 2017, the balance of the related actuarial liability for employee benefits is presented as "Employee benefits liability" in the consolidated balance sheets.

The following tables summarises the components of net benefit expense recognised in profit or loss and other comprehensive income and balance sheet:

	Group	
	2019	2018
	Rp million	Rp million
At 1 July	2,761	2,006
Recognised in profit of loss		
Current service costs	495	532
Interest cost	167	117
	662	649
Recognised in other comprehensive income		
Actuarial (gain)/loss recognised during the year	(95)	106
At 30 June	3,328	2,761

The key assumptions used in the actuarial calculations in 30 June 2019, 30 June 2018 and 1 July 2017 are as follows:

(a) Annual discount rate: 7.8% (30 June 2018: 8.36%, 1 July 2017: 7.44%)

(b) Annual salary increase: 7% (30 June 2018: 7%, 1 July 2017: 7%)

(c) Retirement age: 55 years old (30 June 2018: 55 years old, 1 July 2017: 55 years old)

(d) Mortality rate reference: Indonesian Mortality Table TMI 3 (2011) (30 June 2018: Indonesian Mortality Table TMI 3 (2011), 1 July 2017: Indonesian Mortality Table TMI 3 (2011))

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

7. Employee benefits (cont'd)

Employee defined benefit plan (cont'd)

Sensitivity analysis to the principal assumptions used in determining employee benefits liability is as follows:

		Quantitative sensitivity analysis		
		2019	**2018**	**2017**
	Increase/ (decrease)	**(Decrease)/increase in employee benefit liability**		
		Rp million	Rp million	Rp million
Annual discount rate	1%/(1%)	(105)/125	(90)/107	(68)/81
Future annual salary increase	1%/(1%)	126/(107)	107/(91)	81/(69)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit liability as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The Group is not expected to contribute (30 June 2018: Nil, 1 July 2017: Nil) to the defined benefit plan in the financial year ended 30 June 2019.

The average duration of the defined benefit plan at the end of the reporting period is 11.63 years (30 June 2018: 12.32 years, 1 July 2017: 12.23 years).

8. Income tax expense

(a) Relationship between tax expense and accounting loss

The reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 30 June 2019 and 2018 are as follows:

	Group	
	2019	**2018**
	Rp million	Rp million
Loss before tax	(264,473)	(78,826)
Tax at the domestic rates applicable to profits in the countries where the Group operates	(47,565)	(17,454)
Adjustments:		
Non-deductible expenses	37,712	9,357
Income not subject to taxation	(867)	(7,590)
Deferred tax assets not recognised	10,720	15,687
Income tax expense recognised in profit or loss	–	–

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction. The domestic tax rate in Singapore and Indonesia is 17% and 25% respectively.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

8. Income tax expense (cont'd)

(b) Unrecognised tax losses

At the end of the financial year, the Group has temporary differences amounting to Rp 3,083 million (2018: Rp 2,421 million) and unused tax losses that are available for offset against future taxable profits of the companies in which the unused tax losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The amounts of unutilised tax losses and the expiry dates are set out below:

	Group			
	2019		2018	
	Amount	**Expiry Date**	**Amount**	**Expiry Date**
	Rp million		Rp million	
	11,590	30 June 2021	11,590	30 June 2021
	13,561	30 June 2022	13,561	30 June 2022
Unrecognised tax losses	45,747	30 June 2023	45,747	30 June 2023
	24,542	30 June 2024	21,750	No expiry
	47,744	No expiry		

The use of these tax losses is subject to the agreement of the tax authorities of respective countries in which the companies operate.

9. Loss per share

The basic and diluted loss per share are calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2019	**2018**
	Rp million	Rp million
Loss for the year attributable to owners of the Company	(259,961)	(78,826)

	Group	
	No. of shares	**No. of shares**
Weighted average number of ordinary shares for basic loss per share computation	2,436,700,286	2,436,700,286
Weighted average number of ordinary shares for diluted loss per share computation	2,436,700,286	2,436,700,286

For FY2018, the weighted average number of shares for the year is calculated based on actual number of ordinary shares of the Company outstanding during the financial year, being 2,436,700,286 shares from 1 July 2017 to 30 June 2018.

For FY2019, the weighted average number of shares for the year is calculated based on actual number of ordinary shares of the Company outstanding during the financial year, being 2,436,700,286 shares from 1 July 2018 to 30 June 2019.

The diluted loss per share was the same as the basic loss per share as there were no outstanding convertible securities for the financial years ended 30 June 2019 and 30 June 2018.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

10. Exploration and evaluation assets

	Group		
	30 June 2019	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million
At 1 July	232,416	214,455	196,430
Additions	29,580	25,996	18,025
Transfer to mines under construction (Note 11)	(859)	(8,035)	–
At 30 June	261,137	232,416	214,455

Included in additions is an amount of Rp 332 million (30 June 2018: Rp 18 million, 1 July 2017: Rp 70 million) which relates to provision for rehabilitation costs.

Impairment of non-financial assets pertaining to mining operation

During the current financial year, the recoverable amount of the Group's non-financial assets pertaining to mining operation, comprising exploration and evaluation assets, mine properties, property, plant and equipment, intangible assets, prepaid leases and prepayments have been determined based on their value in use. The discount rate in measuring value in use was 18% (30 June 2018: 18%, 1 July 2017: 18%) per annum. Management has assessed that the recoverable amount exceeds the carrying amount and no impairment was recorded.

11. Mine properties

	Group		
	30 June 2019	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million
Mines under construction			
At 1 July	8,423	388	388
Depletion of mine properties	(401)	–	–
Transferred from exploration and evaluation assets (Note 10)	859	8,035	–
At 30 June	8,881	8,423	388

During the current financial year, Rp 859 million of exploration and evaluation expenditures were transferred to mine properties (30 June 2018: Rp 8,035 million, 1 July 2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

12. Property, plant and equipment

	Motor vehicles	Electrical and office equipment	Furniture and fittings	Reno-vations	Electrical installations	Heavy equipment	Construction in progress	Total
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Group								
Cost								
At 1 July 2017	5,934	1,696	1,502	929	57	2,365	–	12,483
Additions	1,370	148	–	1,040	–	–	–	2,558
Disposals	–	(20)	–	–	–	–	–	(20)
At 30 June 2018 and 1 July 2018	7,304	1,824	1,502	1,969	57	2,365	–	15,021
Additions	718	962	–	2,059	–	–	169,832	173,571
Disposals	–	(99)	–	–	–	–	–	(99)
At 30 June 2019	8,022	2,687	1,502	4,028	57	2,365	169,832	188,493
Accumulated depreciation								
At 1 July 2017	1,812	997	855	538	31	27	–	4,260
Charge for the year	857	285	395	368	13	148	–	2,066
Disposals	–	(20)	–	–	–	–	–	(20)
At 30 June 2018 and 1 July 2018	2,669	1,262	1,250	906	44	175	–	6,306
Charge for the year	1,002	316	252	522	7	148	–	2,247
Disposals	–	(93)	–	–	–	–	–	(93)
At 30 June 2019	3,671	1,485	1,502	1,428	51	323	–	8,460
Net carrying amount								
At 1 July 2017	4,122	699	647	391	26	2,338	–	8,223
At 30 June 2018	4,635	562	252	1,063	13	2,190	–	8,715
At 30 June 2019	4,351	1,202	–	2,600	6	2,042	169,832	180,033

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

12. Property, plant and equipment (cont'd)

	Electrical and office equipment	Furniture and fittings	Total
	Rp million	Rp million	Rp million
Company			
Cost			
At 1 July 2017, 30 June 2018, 1 July 2018 and 30 June 2019	110	1,331	1,441
Accumulated depreciation			
At 1 July 2017	88	685	773
Charge for the year	24	395	419
Disposals	(20)	–	(20)
At 30 June 2018 and 1 July 2018	92	1,080	1,172
Charge for the year	18	251	269
At 30 June 2019	110	1,331	1,441
Net carrying amount			
At 1 July 2017	42	646	688
At 30 June 2018	18	251	269
At 30 June 2019	–	–	–

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

13. Intangible assets

	Software
	Rp million
Group	
Cost	
At 1 July 2017	1,436
Additions	7
At 30 June 2018, 1 July 2018 and 30 June 2018	1,443
Accumulated amortisation	
At 1 July 2017	425
Charge for the year	180
At 30 June 2018 and 1 July 2018	605
Charge for the year	181
At 30 June 2019	786
Net carrying amount	
At 1 July 2017	1,011
At 30 June 2018	838
At 30 June 2019	657

The intangible assets have an average remaining amortisation period of 4 years (30 June 2018: 5 years, 1 July 2017: 6 years). The amortisation of software is included in the "General and administrative expenses" line item in profit or loss.

14. Investment in subsidiaries

		Company	
	30 June 2019	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million
Shares, at cost	2,232,811	2,232,811	2,232,811
Amounts due from subsidiaries	633,049	–	–
Impairment losses	(1,648,000)	(1,648,000)	(1,648,000)
	1,217,860	584,811	584,811

During the year, the Company entered into an arrangement with its subsidiaries whereby the repayment of amounts due from subsidiaries is at the sole discretion of the subsidiaries. Accordingly, these amounts are classified as a part of the Company's net investment in subsidiaries. These amounts are denominated in SGD and USD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

14. Investment in subsidiaries (cont'd)

Movements in allowance for impairment are as follows:

	Company		
	2019	**2018**	**2017**
	Rp million	Rp million	Rp million
At 1 July	1,648,000	1,648,000	–
Charge for the year	–	–	1,648,000
At 30 June	1,648,000	1,648,000	1,648,000

During the current financial year, management performed an impairment test for the investment in Wilton Resources Holdings Pte. Ltd. ("WRH"), a wholly-owned subsidiary of the Company. No impairment loss was recognised for the current financial year and the previous financial year. In the financial year ended 30 June 2017, the Company wrote down the investment in WRH to its recoverable amount based on its value in use at the end of the reporting period and an impairment loss of Rp 1,648 billion was recognised.

The Group has the following investment in subsidiaries:

Name (Country of incorporation and place of business)	**Principal activities**	**Proportion (%) of ownership interest**		
		30 June 2019	**30 June 2018**	**1 July 2017**
		%	%	%
Held by the Company				
Wilton Resources Holdings Pte. Ltd.[#] (Singapore)	Investment holding	100	100	100
Subsidiary held by Wilton Resources Holdings Pte. Ltd.				
P.T. Renuka Coalindo Tbk[##] (Indonesia) ("Renuka")	Investment holding	96.95	–	–
Subsidiary held by P.T. Renuka Coalindo Tbk				
P.T. Wilton Investment[##] (Indonesia) ("PT WI")	Gold mining	96.98[(1)]	100[(1)]	100[(1)]
Subsidiary held by P.T. Wilton Investment				
P.T. Wilton Wahana Indonesia[##] (Indonesia) ("PT WWI")	Mining, general trading, transportation, industry, construction, real estate, logging, farming, plantation, forestry, electrical, mechanical, computer, workshop, printing and services	96.98[(2)]	100[(2)]	100[(2)]

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

14. Investment in subsidiaries (cont'd)

Name (Country of incorporation and place of business)	Principal activities	Proportion (%) of ownership interest 30 June 2019 %	30 June 2018 %	1 July 2017 %
Subsidiary held by P.T. Wilton Wahana Indonesia				
P.T. Liektucha Ciemas## (Indonesia) ("PT LTC")	Mining, general trading, transportation, industry, construction, real estate, logging, farming, plantation, forestry, electrical, mechanical, computer, workshop, printing and services	96.98(3)	100(3)	100(3)

(1) 1% shareholding of PT WI is held by Wijaya Lawrence ("WL"), in compliance with Indonesian law which requires a minimum of 2 shareholders in a limited liability company. WL has executed a power of attorney in favour of WRH for the assignment to WRH of dividends and voting rights in respect of his 1% shareholding interests in PT WI. Accordingly, the effective equity held by the WRH in PT WI is 96.98%.

(2) 1% shareholding of PT WWI is held by WL, in compliance with Indonesian law which requires a minimum of 2 shareholders in a limited liability company. WL has executed a power of attorney in favour of the PT WI for the assignment to PT WI of dividends and voting rights in respect of his 1% shareholding interests in PT WWI. Accordingly, the effective equity held by PT WI in PT WWI is 96.98%.

(3) 1% shareholding of PT LTC is held by WL, in compliance with Indonesian law which requires a minimum of 2 shareholders in a limited liability company. WL has executed a power of attorney in favour of the PT WWI for the assignment to PT WWI of dividends and voting rights in respect of his 1% shareholding interests in PT LTC. Accordingly, the effective equity held by PT WWI in PT LTC is 96.98%.

\# Audited by Ernst & Young LLP, Singapore

\## Audited by Purwantono, Sungkoro & Surja, member firm of Ernst & Young Global in Indonesia

<u>Acquisition of subsidiary</u>

As disclosed in Note 1.2, the Group completed its acquisition of 96.95% of Renuka on 8 February 2019. The Group's Restructuring Exercise was done by Renuka issuing 15,064,000,000 Renuka Rights Shares to WRH in return for WRH transferring its entire interest of 99% in PT WI and its underlying subsidiaries to Renuka. In Renuka's financial statements, the transaction is treated as a reverse acquisition for accounting purposes as the shareholders of PT WI became the controlling shareholders of Renuka on completion of the transaction.

PT WI is deemed to have issued equity shares as purchase consideration for the assets and liabilities of Renuka using the accounting principles in SFRS(I) 2 Share-based Payment, as Renuka's operation did not constitute a business under SFRS(I) 3 Business Combinations at the time of completion of the Reverse Acquisition.

In the consolidated financial statements, the purchase consideration arising from the Group's Restructuring Exercise was determined using the fair value of the issued equity of Renuka before the acquisition, being 301,200,000 shares at Rp 366 per share, which represents the market value of Renuka based on the quoted and trade price of the shares as at 8 February 2019, plus the cash received from the shares issued to Renuka's existing shareholders and excluding any share issuance expenses incurred. This share-based payment in respect of the Group's Restructuring Exercise has been recognised in capital reserve.

The difference between the purchase consideration and the identifiable net assets of Renuka, amounting to Rp 132,670 million has been recognised in the consolidated statement of comprehensive income as acquisition costs arising from the Group's Restructuring Exercise in accordance with SFRS(I) 2 Share-based Payment.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

14. Investment in subsidiaries (cont'd)

The fair value of the identifiable assets and liabilities of Renuka as at the Group's Restructuring Exercise date were:

	Fair value on 8 February 2019
	Rp million
Assets	
Cash and cash equivalents	46,611
Other receivables	588
Prepayments	2,496
Non-current deposits	24
	49,719
Liabilities	
Amount due to a related party	(25,146)
Other payables and accruals	(11,125)
	(36,271)
Total identifiable net assets at fair value	13,448
Non-controlling interest measured at the non-controlling interest's proportionate share of Renuka's net identifiable assets	410
<u>Acquisition costs arising from the Group's Restructuring Exercise</u>	
Share-based payment in respect of the Group's Restructuring Exercise	146,118
Total identifiable net assets at fair value	(13,448)
Acquisition costs arising from the Group's Restructuring Exercise	132,670

<u>Disposal of ownership interest in subsidiaries, without loss of control</u>

As part of the Group's Restructuring Exercise, the Group had a deemed disposal of 3.02% equity interest in PT WI, PT WWI and PT LTC. Following the deemed disposal, as there is no loss of control, the transaction has been accounted for as an equity transaction with non-controlling interest. The non-controlling interest's proportionate share of PT WI, PT WWI and PT LTC is a loss of Rp 3,568 million.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

15. Prepaid leases

	Group		
	30 June 2019	30 June 2018	1 July 2017
	Rp million	Rp million	Rp million
Current	5,104	3,687	3,687
Non-current	50,719	39,826	43,386
	55,823	43,513	47,073

In the current financial year, the Group has prepaid for the lease of 1 additional plot of land for future mining activities in the Ciemas Sukabumi region, Republic of Indonesia, which amounted to Rp 15,893 million (Rp 15,893 million reclassified from "Prepayment"). During the previous financial year, there were no additional prepaid land lease. Prepaid land lease which amounted to Rp 55,823 million (30 June 2018: Rp 43,513 million, 1 July 2017: Rp 47,073 million) will be amortised over the lease period. Rp 3,583 million (30 June 2018: Rp 3,560 million) has been amortised as an expense in the profit and loss in the current year.

	Group		
	30 June 2019	30 June 2018	1 July 2017
	Rp million	Rp million	Rp million
Amount to be amortised:			
Within one year	5,104	3,687	3,687
After one year but not more than five years	19,908	14,239	14,239
More than five years	30,811	25,587	29,147
	55,823	43,513	47,073

16. Long term fixed deposits

Long term fixed deposits are pledged as collateral to the Ministry of Energy and Mineral Resources of the Republic of Indonesia on the estimated provision for reclamation and rehabilitation costs. Long term fixed deposits bear interest of 4.25% (30 June 2018: 4.75%, 1 July 2017: 4.75%) per annum.

17. Other debtors and deposits

	Group			Company		
	30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Deposits (non-current)	102	–	–	84	–	–
Deposits (current)	9	117	106	6	114	104
Other debtors	343	374	91	25	103	88
Other debtors and deposits (current)	352	491	197	31	217	192

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

18. Prepayments

	Group			Company		
	30 June 2019	**30 June 2018**	**1 July 2017**	**30 June 2019**	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Current	3,363	19,297	1,541	264	850	448
Non-current	2,736	28,724	–	–	–	–
	6,099	48,021	1,541	264	850	448

At the end of the previous financial year, management was in the process of negotiating an agreement to rent a parcel of land for future mining activities and the Group made a down-payment of Rp 15,893 million for the land to an agent, and the amount has been included in "Prepayments" in current assets as at 30 June 2018. In the current financial year, the agreement was finalised and put into effect, and accordingly, the amount of Rp 15,893 million has been reclassified to prepaid leases (Note 15).

The non-current prepayments pertain to a down-payment of Rp 2,736 million made to a vendor to purchase an ore-processing equipment (30 June 2018: Rp 28,724 million, 1 July 2017: Nil).

19. Amounts due from/(to) subsidiaries and to a related party

Subsidiaries

Amounts due from/(to) subsidiaries are non-trade in nature, interest-free, repayable on demand, denominated in SGD and USD and are expected to be settled in cash.

During the year, the Company entered into an arrangement with its subsidiaries whereby the repayment of amounts due from subsidiaries is at the sole discretion of the subsidiaries. Accordingly, these amounts are classified as a part of the Company's net investment in subsidiaries in Note 14.

Related party

Amount due to a related party is due to the Executive Chairman of the Group. The amount is non-trade in nature, interest-free, repayable on demand, denominated in IDR and is expected to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

20. Inventories

	Group		
	30 June 2019	30 June 2018	1 July 2017
	Rp million	Rp million	Rp million
Balance sheet:			
Current asset			
Finished goods (at cost)	10,094	2,851	–
Non-current asset			
Raw materials (at cost)	–	–	30
	10,094	2,851	30
Income statement:			
Inventories recognised as an expense in cost of sales	3,074	2,915	–
Inclusive of the following charge:			
- Write off of inventories	–	30	–

21. Cash and cash equivalents

	Group			Company		
	30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Fixed deposits	25,000	53,808	–	–	28,808	–
Cash at banks and on hand	2,723	73,775	96,691	445	11,372	85,055
	27,723	127,583	96,691	445	40,180	85,055

Cash and cash equivalents denominated in foreign currencies at 30 June are as follows:

	Group			Company		
	30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Singapore Dollar	1,612	3,257	15,969	225	1,612	4,733
United States Dollar	250	98,368	80,356	220	38,568	80,322
Australian Dollar	9	80	78	–	–	–
Renminbi	18	21	20	–	–	–

In the current financial year, fixed deposits bear interest at 5.0% per annum (30 June 2018: 2.4% to 5.0% per annum, 1 July 2017: 1.0% to 1.2% per annum) and are made for a period of 3 months (30 June 2018: 3 months, 1 July 2017: 3 months).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

22. Trade payables

	Group		
	30 June 2019	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million
Third party payables	16,960	5,430	2,084

Trade payables are non-interest bearing, normally settled on 30 to 90 days' terms (30 June 2018: 30 to 90 days, 1 July 2017: 30 to 90 days) and are denominated in IDR.

23. Other payables and accruals

	Group			Company		
	30 June 2019	**30 June 2018**	**1 July 2017**	**30 June 2019**	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Other payables						
- external party	1,293	842	627	1,198	729	110
Accruals	84,925	7,427	4,178	5,263	2,912	2,365
	86,213	8,269	4,805	6,461	3,641	2,475

Other payables and accruals denominated in foreign currencies at 30 June are as follows:

	Group			Company		
	30 June 2019	**30 June 2018**	**1 July 2017**	**30 June 2019**	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Singapore Dollar	6,647	3,795	2,627	6,461	3,641	2,475
Australian Dollar	–	204	248	–	–	–
United States Dollar	25,414	–	–	–	–	–

Other payables

These amounts are non-interest bearing and have a payment term of 3 months (30 June 2018: 3 months, 1 July 2017: 3 months).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

24. Derivative liability

As a result of the Group's Restructuring Exercise as disclosed in Note 1.2 and Note 14, the Group has an obligation to undertake a Mandatory Tender Offer ("MTO") to the existing non-controlling interest ("NCI") shareholders of its subsidiary, Renuka, to purchase their shares in Renuka if these NCI shareholders wish to sell their minority interests to the Group at an exercise price of Rp 250 per share. The number of minority interest shares that qualify for the MTO amounts to 232,620,869 shares. This obligation to purchase shares held by NCI (the "NCI put") gives rise to a derivative liability.

On initial recognition, the derivative liability is recognised at the present value of the amount payable upon exercise of the NCI put, with the corresponding debit made to other reserve as disclosed in Note 29. All subsequent changes in the carrying amount of the derivative liability that result from the re-measurement of the present value of the amount payable upon exercise of the NCI put are recognised in the profit or loss attributable to the owners of the Company. Management has exercised judgment in estimating the expected number of shareholders that will exercise the NCI put to determine the fair value of the derivative liability. As such, the derivative liability is classified under Level 3 of the fair value hierarchy.

If the NCI put is exercised, the Group accounts for an increase in its ownership interest as an equity transaction. Consequently, the derivative liability, as remeasured immediately before the transaction, is extinguished by payment of the exercise price and the NCI purchased is de-recognised against the equity attributable to owners of the Company. If the NCI put expires unexercised, the derivative liability is reclassified to other reserve.

The MTO period commenced on 24 September 2019 as disclosed in Note 36.

25. Loans and borrowings

		Group			Company		
	Maturity	**30 June 2019**	**30 June 2018**	**1 July 2017**	**30 June 2019**	**30 June 2018**	**1 July 2017**
		Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Current liabilities							
Bank overdrafts, secured	On demand	25,000	23,214	–	–	–	–
Non-current liabilities							
Project Financing Liability	10 years from the start of operations	256,798	153,009	–	256,798	153,009	–
		281,798	176,223	–	256,798	153,009	–

Bank overdrafts, secured

Bank overdrafts are denominated in IDR, bear interest at 1.0% above the fixed deposits used as collateral and are secured by fixed deposits of Rp 25,000 million (Note 21) (30 June 2018: Rp 25,000 million, 1 July 2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

25. Loans and borrowings (cont'd)

Project Financing Liability

On 26 October 2017, the Group secured a project financing arrangement of US$13.5 million with Karl Hoffmann Mineral Pte. Ltd. ("KHM") to build a 500 tonnes per day flotation and carbon-in-leach mineral processing facility ("the Facility") at the Group's Ciemas Gold Project located in West Java, Indonesia ("the Project Financing Liability"). In the current financial year, the Group has drawn down US$3.5 million (30 June 2018: US$10.0 million, 1 July 2017: US$Nil). The Project Financing Liability is recorded at amortised cost.

Repayment

The repayment amount for the project financing over the tenure of the arrangement is variable as it is dependent on the future profitability of the Group's mining facility. The repayments are repayable on a semi-annual basis until maturity and are denominated in USD. The repayment of the Project Financing Liability will commence, for a period of 10 years, once the Facility has operated at the designed capacity and processed no less than 500 tonnes per day of gold ore for a continuous period of no less than 7 days. The Facility is expected to commence operations in FY2020.

The fixed repayment of the project financing is US$1.6 million per annum. The variable repayment of the project financing is dependent on the profitability of the Facility. If there are subsequent changes to the forecasted future payments, the carrying amount of the Project Financing Liability will be adjusted to reflect the present value of the revised estimated future payments at the Project Financing Liability's original effective interest rate. Any consequent adjustment is recognised immediately in profit or loss as interest expense.

Embedded derivatives

The project financing arrangement carries an option for the holder to extend the tenure of the project financing arrangement if the Facility delays commencement of operations or does not maintain the minimum production volume agreed upon. In an event of default, the project financing arrangement carries an option for the holder to terminate the arrangement and settle on an amount defined in the contract. If the Group is unable to settle in cash, the holder has the option to convert the outstanding project financing liability into shares of the Company.

The Company identified that the options feature are embedded derivatives that should be recognised separately and through profit or loss measured at fair value at each reporting date. As at 30 June 2019, the Company made an assessment of the fair value considering the probability of occurrence of the above trigger events and determined the fair value of the derivatives to be immaterial (30 June 2018: Nil, 1 July 2017: Nil)

A reconciliation of liabilities arising from financing activities is as follows:

	2018	Cash flows			Non-cash changes		2019
		Proceeds	Repayment	Commission fee	Accretion of interests	Foreign exchange movement	
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Bank overdrafts, secured	23,214	1,786	(1,392)	–	1,392	–	25,000
Project Financing Liability	153,009	51,258	–	(2,547)	60,465	(5,387)	256,798
	176,223	53,044	(1,392)	(2,547)	61,857	(5,387)	281,798

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

25. Loans and borrowings (cont'd)

Project Financing Liability (cont'd)

	2017	Cash flows		Non-cash changes		2018
		Proceeds	Commission fee	Accretion of interests	Foreign exchange movement	
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Bank overdrafts, secured	–	23,214	–	–	–	23,214
Project Financing Liability	–	136,900	(6,827)	15,153	7,783	153,009
	–	160,114	(6,827)	15,153	7,783	176,223

26. Share capital

	Group		Company	
	No. of shares	Rp million	No. of shares	Rp million
Issued and fully paid:				
At 1 July 2017, 30 June 2018, 1 July 2018 and 30 June 2019	2,436,700,286	1,153,516	2,436,700,286	3,109,639

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. The ordinary shares have no par value. The share capital of the Group and the Company differ due to the acquisition of Wilton Resources Holdings Pte Ltd and its subsidiaries by the Company which had been completed and accounted for as a reverse acquisition in the financial year ended 2013.

27. Merger reserve

Merger reserve represents the difference between the consideration paid and the equity acquired under common control.

28. Capital reserve

Capital reserve of Rp 149,276 million represents the share-based payment and changes in ownership of subsidiaries arising from the Group's Restructuring exercise that are accounted for as equity transactions.

Capital reserve of Rp 11,565 million represents the additional capital injected by the Executive Chairman to indemnify the WRH Group against any liabilities, till such date the Reverse Acquisition by WRH Group has been completed. The reverse acquisition transaction was previously completed on 12 December 2013.

29. Other reserve

Other reserve represents the present value of the amount payable upon exercise of the NCI put arising from the Group's MTO obligation as disclosed in Note 24.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

30. Significant related party transactions

(a) *Sale and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year.

	Group	
	2019	**2018**
	Rp million	Rp million
Rental expense paid to a director for the rental of office premises	283	236

(b) *Compensation of key management personnel*

	Group	
	2019	**2018**
	Rp million	Rp million
Salaries and bonuses	12,107	12,752
Short term employee benefits	1,622	1,548
Central Provident Fund contributions	321	381
Directors' fees	2,223	2,138
	16,273	16,819
Comprise amounts paid to:		
Directors of the Company	8,716	9,525
Other key management personnel	7,557	7,294
	16,273	16,819

(c) *Transactions with key management personnel*

At the end of the financial year, a net amount of Rp 847 million (30 June 2018: Rp 485 million, 1 July 2017: Rp 1,937 million) was due to WL, classified as amount due to a related party on the consolidated balance sheet.

The Company's subsidiary, PT WWI entered into rental agreement with WL for the office building occupied by the PT WWI and its subsidiary which is valid until 31 December 2023 and can be extended upon agreement by both parties (Note 30(a)).

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

31. Commitments and contingencies

Operating lease commitments - as lessee

Group as lessee

The Group has entered into commercial property leases for the rental of the office premises. These non-cancellable leases have remaining lease terms ranging from 10 months to 54 months (30 June 2018: 6 months, 1 July 2017: 18 months).

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 30 June 2019 amounted to Rp 755 million (30 June 2018: Rp 652 million).

Future minimum lease payments under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2019	**2018**
	Rp million	Rp million
Within one year	921	366
After one year but not more than five years	1,241	–
	2,162	366

32. Fair values of financial instruments

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Long term fixed deposits (Note 16), other debtors and deposits (Note 17), amount due to a related party (Note 19), amounts due from/(to) subsidiaries (Note 19), cash and cash equivalents (Note 21), trade payables (Note 22), other payables and accruals (Note 23) and loans and borrowings (Note 25).

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short term nature or because they are re-priced frequently.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

32. Fair values of financial instruments (cont'd)

Classification of financial instruments

	Group			Company		
	30 June 2019	**30 June 2018**	**1 July 2017**	**30 June 2019**	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
Financial assets						
Long term fixed deposits	420	420	250	–	–	–
Non-current deposits	102	–	–	84	–	–
Other debtors and deposits	352	491	197	31	217	192
Amounts due from subsidiaries	–	–	–	–	574,784	374,535
Cash and cash equivalents	27,723	127,583	96,691	445	40,180	85,055
Total financial assets carried at amortised cost	28,597	128,494	97,138	560	615,181	459,782
Financial liabilities						
Trade payables	16,960	5,430	2,084	–	–	–
Other payables and accruals	86,213	8,269	4,805	6,461	3,641	2,475
Amount due to a related party	847	485	1,937	–	–	–
Amounts due to subsidiaries	–	–	–	–	667	608
Loans and borrowings	281,798	176,223	–	256,798	153,009	–
Total financial liabilities carried at amortised cost	385,818	190,407	8,826	263,259	157,317	3,083

33. Financial risk management objectives and policies

The Group and Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include liquidity risk and foreign currency risk. The board of directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process. The Group does not trade in derivative financial instruments.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) ***Liquidity risk***

Liquidity risk is the risk that the Group and/or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

In the management of liquidity risk, the Group and Company monitor and maintain a level of cash and cash equivalents, deemed adequate by management to finance the Group's and Company's operations and mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

33. Financial risk management objectives and policies (cont'd)

(a) ***Liquidity risk (cont'd)***

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted payments.

	30 June 2019			
Group	**1 year or less**	**1 to 5 years**	**Over 5 years**	**Total**
	Rp million	Rp million	Rp million	Rp million
Financial assets				
Long term fixed deposits	–	–	420	420
Other debtors and deposits	352	102	–	454
Investment securities	10	–	–	10
Cash and cash equivalents	27,723	–	–	27,723
Total undiscounted financial assets	28,085	102	420	28,607
Financial liabilities				
Trade payables	16,960	–	–	16,960
Other payables and accruals	86,213	–	–	86,213
Amount due to a related party	847	–	–	847
Derivative liabilities	58,155	–	–	58,155
Loans and borrowings	85,128	705,196	1,042,052	1,832,376
Total undiscounted financial liabilities	247,303	705,196	1,042,052	1,994,551
Total net undiscounted financial liabilities	(219,218)	(705,094)	(1,041,632)	(1,965,944)

	30 June 2018			
Group	**1 year or less**	**1 to 5 years**	**Over 5 years**	**Total**
	Rp million	Rp million	Rp million	Rp million
Financial assets				
Long term fixed deposits	–	–	420	420
Other debtors and deposits	491	–	–	491
Investment securities	10	–	–	10
Cash and cash equivalents	127,583	–	–	127,583
Total undiscounted financial assets	128,084	–	420	128,504
Financial liabilities				
Trade payables	5,430	–	–	5,430
Other payables and accruals	8,269	–	–	8,269
Amount due to a related party	485	–	–	485
Loans and borrowings	53,469	548,042	762,010	1,363,521
Total undiscounted financial liabilities	67,653	548,042	762,010	1,377,705
Total net undiscounted financial assets/(liabilities)	60,431	(548,042)	(761,590)	(1,249,201)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

33. Financial risk management objectives and policies (cont'd)

(a) ***Liquidity risk (cont'd)***

Analysis of financial instruments by remaining contractual maturities (cont'd)

Group	1 July 2017 1 year or less	 More than 1 year	 Total
	Rp million	Rp million	Rp million
Financial assets			
Long term fixed deposits	–	250	250
Other debtors and deposits	197	–	197
Cash and cash equivalents	96,691	–	96,691
Total undiscounted financial assets	96,888	250	97,138
Financial liabilities			
Trade payables	2,084	–	2,084
Other payables and accruals	4,805	–	4,805
Amount due to a related party	1,937	–	1,937
Total undiscounted financial liabilities	8,826	–	8,826
Total net undiscounted financial assets	88,062	250	88,312

Company	30 June 2019 1 year or less	 1 to 5 years	 Over 5 years	 Total
	Rp million	Rp million	Rp million	Rp million
Financial assets				
Other debtors and deposits	31	84	–	115
Cash and cash equivalents	445	–	–	445
Total undiscounted financial assets	476	84	–	560
Financial liabilities				
Other payables and accruals	6,461	–	–	6,461
Loans and borrowings	60,128	705,196	1,042,052	1,807,376
Total undiscounted financial liabilities	66,589	705,196	1,042,052	1,813,837
Total net undiscounted financial liabilities	(66,113)	(705,112)	(1,042,052)	(1,813,277)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

33. Financial risk management objectives and policies (cont'd)

(a) ***Liquidity risk (cont'd)***

Analysis of financial instruments by remaining contractual maturities (cont'd)

	30 June 2018			
Company	**1 year or less** Rp million	**1 to 5 years** Rp million	**Over 5 years** Rp million	**Total** Rp million
Financial assets				
Other debtors and deposits	217	–	–	217
Amounts due from subsidiaries	574,784	–	–	574,784
Cash and cash equivalents	40,180	–	–	40,180
Total undiscounted financial assets	615,181	–	–	615,181
Financial liabilities				
Other payables and accruals	3,641	–	–	3,641
Amount due to subsidiaries	667	–	–	667
Loans and borrowings	30,255	548,042	762,010	1,340,307
Total undiscounted financial liabilities	34,563	548,042	762,010	1,344,615
Total net undiscounted financial assets/(liabilities)	580,618	(548,042)	(762,010)	(729,434)

	1 July 2017	
Company	**1 year or less** Rp million	**Total** Rp million
Financial assets		
Other debtors and deposits	192	192
Amounts due from subsidiaries	374,535	374,535
Cash and cash equivalents	85,055	85,055
Total undiscounted financial assets	459,782	459,782
Financial liabilities		
Other payables and accruals	2,475	2,475
Amounts due to subsidiaries	608	608
Total undiscounted financial liabilities	3,083	3,083
Total net undiscounted financial assets	456,699	456,699

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

33. Financial risk management objectives and policies (cont'd)

(b) ***Foreign currency risk***

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's cash and short-term deposits, other payables and accruals and loans and borrowings are denominated in foreign currencies. As at the end of the reporting period, such foreign currency balances are mainly in SGD and United States Dollars ("USD").

Sensitivity analysis for foreign currency risk

As at 30 June 2019, if SGD and USD had strengthened/weakened against IDR with all other variables held constant, the effects arising from the net financial position on the Group's loss before tax will be as follows:

		Group	
		Loss before tax	
		Increase/(decrease)	
		2019	2018
		Rp million	Rp million
SGD	- strengthened 3% (2018: 3%)	151	16
	- weakened 3% (2018: 3%)	(151)	(16)
USD	- strengthened 4% (2018: 4%)	1,007	(3,935)
	- weakened 4% (2018: 4%)	(1,007)	3,935

34. Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and stage of development of the Group's mining activities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2019 and 30 June 2018.

As at the end of the financial year, the Group's capital is the equity of the Group.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

35. Segment information

The Group principally operates a gold mining business which management considers a single operating segment.

The breakdown of non-current assets by geographical information is as follows:

Geographical information

Non-current assets

	Group		
	30 June 2019	**30 June 2018**	**1 July 2017**
	Rp million	Rp million	Rp million
Singapore	84	269	688
Indonesia	504,601	319,093	267,055
	504,685	319,362	267,743

Non-current assets information provided above consists of exploration and evaluation assets, mine properties, property, plant and equipment, intangible assets, inventories, prepaid leases, prepayments, deposits and long term fixed deposits as presented in the consolidated balances sheets.

Revenue

	Group	
	2019	**2018**
	Rp million	Rp million
Singapore	–	–
Indonesia	4,221	4,326
	4,221	4,326

36. Events occurring after the reporting period

On 14 August 2019, the Group announced that its subsidiary, WRH, on 9 August 2019, had disposed of 50,000,000 shares in Renuka at Rp 200 per share under the repurchase agreement. As a result, the Group's effective shareholding in Renuka decreased from 96.65% to 96.63%.

On 23 August 2019, the Group through its subsidiary, WRH, entered into a loan agreement with a private investment firm to secure additional funding.

On 12 September 2019, the Company entered into two separate placement agreements with Pheim Asset Management Sdn Bhd and Pheim Asset Management (Asia) Pte Ltd respectively (collectively, the "Placees"), pursuant to which the Placees have agreed to subscribe, in aggregate, 125,000,000 new ordinary shares in the capital of the Company at a placement price of S$0.0261 for each Placement Share. As of 30 September 2019, the Group has received proceeds from the Placement amounting to Rp 33,557 million (S$3,262,500). These proceeds will be used for working capital requirements and to fund the final stages of the infrastructure, civil works and other supporting facilities of the Group's 500 Tonnes Processing Facility.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 30 June 2019

36. Events occurring after the reporting period (cont'd)

On 23 September 2019, the Group's subsidiary, Renuka, announced that WRH being the controlling shareholder of Renuka, will be undertaking a mandatory tender offer to the existing minority interest shareholders of Renuka to purchase their shares in Renuka at a price of Rp 250 per share for each of the minority interests of 232,620,869 Renuka Shares. The mandatory tender offer period will be from 24 September to 23 October 2019 and the payment date will be on 4 November 2019.

On 3 October 2019, the Group announced that the Group's subsidiary, WRH, had entered into a transfer of shares agreement on 23 September 2019, for the sales of 3,750,000 shares of Renuka. As a result, the Group's effective shareholding in Renuka decreased from 96.63% to 96.61%.

37. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2019 were authorised for issue in accordance with a resolution of the directors on 4 October 2019.

STATISTICS OF SHAREHOLDINGS

As at 19 September 2019

Issued and fully paid-up capital	:	**S$391,397,793.62**
Number of shares	:	**2,436,700,286**
Class of shares	:	**Ordinary share**
Voting rights	:	**One vote per ordinary share**
Number of treasury shares and pecentage	:	**Nil**
Number of subsidiary holdings and percentage	:	**Nil**

SUBSTANTIAL SHAREHOLDERS

	Direct interests		Deemed interests	
	No. of shares	**%**	**No. of shares**	**%**
Wijaya Lawrence[1]	582,640,000	23.91	–	0.00
Ngiam Mia Je Patrick[2]	364,150,000	14.94	–	0.00
Seah Cheong Leng & Ng Suk Sian[3]	205,395,600	8.43	–	0.00
Winstedt Chong Thim Pheng	196,306,005	8.06	–	0.00
Lauw Hui Kun	189,358,000	7.77	–	0.00

Notes:

(1) Mr. Wijaya Lawrence has a direct interest in the 582,640,000 shares held under Raffles Nominees (Pte.) Limited.

(2) Mr. Ngiam Mia Je Patrick has a direct interest in the 182,075,000 shares held under DBS Nominees (Private) Limited.

(3) Mr. Seah Cheong Leng & Ms. Ng Suk Sian have a direct interest in 71,741,300 shares held under Bank Julius Baer & Co. Ltd., 68,654,300 shares under BNP Paribas Singapore (Wealth Management) and 65,000,000 shares held under UBS AG (Singapore).

DISTRIBUTION OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	101	8.94	2,339	0.00
100 - 1,000	67	5.93	45,373	0.00
1,001 - 10,000	149	13.19	940,971	0.04
10,001 - 1,000,000	751	66.46	104,648,418	4.29
1,000,001 AND ABOVE	62	5.48	2,331,063,185	95.67
TOTAL	**1,130**	**100.00**	**2,436,700,286**	**100.00**

STATISTICS OF SHAREHOLDINGS (continued)

As at 19 September 2019

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	RAFFLES NOMINEES (PTE.) LIMITED	685,309,498	28.12
2	DBS NOMINEES (PRIVATE) LIMITED	317,974,033	13.05
3	CHONG THIM PHENG	196,306,005	8.06
4	LAUW HUI KUN	189,358,000	7.77
5	NGIAM MIA JE PATRICK	182,075,000	7.47
6	CITIBANK NOMINEES SINGAPORE PTE LTD	159,549,532	6.55
7	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	68,654,300	2.82
8	LIAN SENG INVESTMENT PTE LTD	68,449,012	2.81
9	CHOW BON TONG	52,047,336	2.14
10	NICCO INVESTMENT PTE. LTD.	37,000,000	1.52
11	NGIAM MIA HAI BERNARD	34,622,500	1.42
12	NGIAM MIA HONG ALFRED	34,622,500	1.42
13	CHUA LEONG HAI @CHUA LEANG HAI	25,080,667	1.03
14	LI JICHENG	24,266,666	1.00
15	CHEONG CHOONG KONG	23,437,500	0.96
16	MAYBANK KIM ENG SECURITIES PTE. LTD.	20,038,897	0.82
17	TAN LIM HUI	17,654,447	0.72
18	TAY SHU CHIN (ZHENG SHUQIN)	14,712,956	0.60
19	OCBC SECURITIES PRIVATE LIMITED	13,604,593	0.56
20	LUM TUCK SENG	9,870,000	0.41
	TOTAL	**2,174,633,442**	**89.25**

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information available to the Company as at 19 September 2019, approximately 28.35% of the total number of issued ordinary shares of the Company (excluding treasury shares) was held in the hands of public as defined in the Singapore Exchange Securities Trading Limited Listing Manual Section B: Catalist Rules ("Catalist Rules"). Accordingly, Rule 723 of the Catalist Rules is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2019 Annual General Meeting ("**AGM**") of Wilton Resources Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") will be held at Casuarina Room, Serangoon Gardens Country Club, 22 Kensington Park Road, Singapore 557271 on Wednesday, 30 October 2019 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 June 2019 together with the Auditors' Report thereon. **Resolution 1**

2. To approve the payment of Directors' fees of S$210,000 for the financial year ending 30 June 2020, to be payable quarterly in arrears. (2019: S$210,000) **Resolution 2**

3. To re-elect each of the following directors of the Company ("Directors") retiring pursuant to Regulation 91 of the Constitution of the Company, and who, being eligible, offered himself for re-election, as a Director:

   Mr Ngiam Mia Je Patrick **Resolution 3**
   Mr Seah Seow Kang Steven **Resolution 4**

   [See Explanatory Note (i)]

4. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

5. To transact any other ordinary business which may properly be transacted at an AGM of the Company.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as ordinary resolutions, with or without any modifications:

6. **Authority to allot and issue shares**

   That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors be and are hereby authorised and empowered to:

   (a) (i) allot and 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

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

   (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and Instruments to be issued other than on a *pro rata* basis to existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING (continued)

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments) that may be issued under sub-paragraph (1) above, the percentage of issued Shares and Instruments shall be based on the number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time this Resolution is passed;

(b) (where applicable) new Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided that such share options or awards (as the case may be) were granted in compliance with the Catalist Rules; and

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

(3) 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), all applicable legal requirements under the Companies Act and the Company's Constitution for the time being in force; and

(4) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments. **Resolution 6**

[See Explanatory Note (ii)]

By Order of the Board

Chew Kok Liang
Teo Chia Hui
Company Secretaries
Singapore, 14 October 2019

Explanatory Notes:

(i) Mr Ngiam Mia Je Patrick will, upon re-election as a Director, remain as a Non-Executive Director of the Company and a member of the Nominating Committee.

Mr Seah Seow Kang Steven will, upon re-election as a Director, remain as an Independent Non-Executive Director, Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee. Mr Seah Seow Kang Steven has no relationship (including immediate family relationships) with the rest of the Directors, the Company, its related corporation, its 10% shareholders or its officers. The Board considers Mr Seah Seow Kang Steven to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Further detailed information on the abovementioned Directors can be found under the sections entitled "Board of Directors", "Corporate Governance Report" and "Directors' Statement" of the Company's 2019 Annual Report.

(ii) Ordinary Resolution 6 proposed in item 6 above, if passed, will empower the Directors from the date of the 2019 AGM until the date of the next AGM, or the date by which the next AGM 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, make or grant Instruments convertible into Shares, and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), of which up to fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) may be issued other than on a pro rata basis to shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING (continued)

For the purpose of determining the aggregate number of Shares and Instruments that may be issued, the percentage of the aggregate number of Shares and Instruments will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time when this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes:

1. A member of the Company (other than a Relevant Intermediary*) is entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

2. A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number and class of shares shall be specified).

3. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 62 Ubi Road 1, Oxley Bizhub 2, #03-10, Singapore 408734 not less than forty-eight (48) hours before the time appointed for holding the AGM.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and/or representatives appointed for the AGM and/or any adjournment thereof and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM and/or any adjournment thereof, and in order for the Company (or its agent) 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), 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) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result 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, ZICO Capital Pte. Ltd. ("**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

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WILTON RESOURCES CORPORATION LIMITED
(Company Registration No. 200300950D)
(Incorporated in the Republic of Singapore)

IMPORTANT:
1. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF Investors and/or SRS Investors who are unable to attend the 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 Investor and/or SRS Investor shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF Investors and/or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

ANNUAL GENERAL MEETING
PROXY FORM
(Please see notes overleaf before completing this form)

I/We, ______________________ (Name) ______________ (NRIC / Passport No.)

of ____ (Address)

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

Name	**NRIC/Passport No.**	**Proportion of shareholdings**	
		No. of Shares	**(%)**
Address			

*and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of shareholdings**	
		No. of Shares	**(%)**
Address			

or failing either or both of the persons referred to above, the Chairman of the Annual General Meeting of the Company (the "**Meeting**"), as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Meeting to be held at Casuarina Room, Serangoon Gardens Country Club, 22 Kensington Park Road, Singapore 557271 on Wednesday, 30 October 2019 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 Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion.

No.	**Resolutions relating to:**	**No. of Votes 'For'****	**No. of votes 'Against'****
Ordinary Business			
1	Adoption of the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 June 2019 together with the Auditors' Report thereon		
2	Approval of Directors' fees of S$210,000 for the financial year ending 30 June 2020, to be payable quarterly in arrears		
3	Re-election of Mr Ngiam Mia Je Patrick as a Director of the Company		
4	Re-election of Mr Seah Seow Kang Steven as a Director of the Company		
5	Re-appointment of Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration		
Special Business			
6	Authority to allot and issue shares in the capital of the Company		

*** Voting will be conducted by poll. If you wish to exercise all your votes 'For' or 'Against', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this __________ day of ______________ 2019

Total number of Shares Held

____
Signature of Shareholder(s)
and/or, Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company (other than a Relevant Intermediary*), entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member (other than a Relevant Intermediary*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).

5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. 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. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 62 Ubi Road 1, Oxley Bizhub 2, #03-10, Singapore 408734 not less than 48 hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

9. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF Investors and/or SRS Investors who are unable to attend the 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 Investor and/or SRS Investor shall be precluded from attending the Meeting.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

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 Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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 as set out in the Notice of Annual General Meeting dated 14 October 2019.

UNLOCKING POTENTIAL

Wilton Resources Corporation Limited

62 Ubi Road 1
Oxley Bizhub 2 #03-10
Singapore 408734
Tel : (65) 6732 4889
Fax : (65) 6732 4882
Email : email@wilton.sg

www.wilton.sg