



NEWS RELEASE

Resources Prima achieves major milestone with the award of second “borrow-use” permit

- Second “borrow-use” permit (“**IPPKH2**”) covers an area of 897.56 ha, more than double the current operating area of 308.54 ha
- Based on outcrop data, IPPKH2 is expected to produce coal with a higher calorific value than the current operating area
- Company shall commence further exploration, forestry land clearance and ramp up production as soon as possible

SINGAPORE – 14 July 2016 – Resources Prima Group Limited (“**Resources Prima**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) (stock code: 5MM), a coal mining company with integrated operations including coal mining facilities in Indonesia, is pleased to inform that the Head of the Investment Coordinating Board of the Republic of Indonesia, for and on behalf of the Minister of Environment and Forestry of the Republic of Indonesia, has today granted a second “borrow-use” permit No.50/1/IPPKH/PMDN/2016 (“**IPPKH2**”) to the Company’s subsidiary, PT Rinjani Kartanegara (“**Rinjani**”), for an area covering 897.56 hectares (“**ha**”). IPPKH2 is more than double the size of the existing “borrow-use” permit for the current operating area of 308.54 ha (“**IPPKH1**”).

As announced on 8 January 2016, Rinjani had initially received the in-principle approval (“**In-Principle IPPKH2**”) for IPPKH2 for an area covering 899.49 ha. The issuance of the In-Principle IPPKH2 was a critical final step for the issuance of the IPPKH2. The non-material difference of 1.93 ha in the area between the In-Principle IPPKH2 and the IPPKH2 resulted from the further verification of the area’s boundaries.

Executive Chairman and Chief Executive Officer, Mr. Agus Sugiono says, “I am extremely pleased with this latest development which represents a major milestone for the Group. We have been working extremely hard to secure IPPKH2 as it will pave the way for management to commence further exploration which could lead to an increase in the Group’s coal reserves and coal resources. We are also excited about the fact that, based on independently provided outcrop data, IPPKH2 is expected to produce coal with a higher calorific value than IPPKH1, and barring unforeseen circumstances, may lead to an improvement in the average unit price received for the Group’s coal. Once the exploration work and forestry land clearance are completed, we intend to ramp up production as soon as possible as the existing coal mining facilities including coal hauling road, coal stockpile, coal crushers,

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conveyor system and jetty facilities can support higher output from both IPPKH1 and IPPKH2.

I would like to thank everyone who has been involved in helping the Company to achieve this significant milestone. The Company will provide updates as to exploration and development activities in respect of IPPKH2 when appropriate.”

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About Resources Prima Group Limited

Resources Prima Group Limited (“**Resources Prima**”, and together with its subsidiaries, the “**Group**”) is a mine owner and primarily engages in the business of coal exploration and coal mining, currently, in East Kalimantan, Indonesia.

The Group, through its Indonesia-incorporated subsidiary PT Rinjani Kartanegara (“**Rinjani**”), has been granted a Production Operation IUP which is valid for an initial term of 12 years until 24 November 2021 (extendable for up to two (2) additional ten (10)-year tenures) to carry out coal mining operations in an area covering approximately 1,933 hectares (“**ha**”) in the District of Loa Janan and Loa Kulu, Kutai Kartanegara Regency, Province of East Kalimantan, Indonesia (“**Mining Concession Area**”). In December 2011, Rinjani was issued a “borrow-use” permit by the Indonesian Minister of Forestry in respect of an area covering 308.54 ha of the Mining Concession Area. The Group, through Rinjani, commenced mining operations in June 2012 with first sales in November 2012. In July 2016, Rinjani was issued a second “borrow-use” permit in respect of an area covering 897.56 ha of the Mining Concession Area.

The Group also derives additional income through the provision of coal mining facilities (such as coal stockpile, coal crushers, coal conveyor system and jetty facilities) to a third party mine owner as the Group may from time to time have excess capacity in respect of such coal mining facilities.

The Group’s competitive strengths, including the location of the mine, supply chain advantages, supportive vendors, strong relationships with local government and a committed management team, will allow it to fulfil its economic potential. This potential is expected to be achieved through both organic growth via an expansion to the existing mining area and future mergers and acquisitions transactions.

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This news release may contain predictions, estimates or other information that may be considered forward-looking statements. Actual results may differ materially from those currently expected because of a number of factors. These factors include (without limitation) changes in general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, changes in operating expenses, including employee wages and raw material prices, governmental and public policy changes, social and political turmoil and major health concerns. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management of future events. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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

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