

UNITED FIBER SYSTEM LIMITED

(Incorporated in the Republic of Singapore)

Company Registration Number: 199508589E

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

(A) RECEIPT OF APPROVAL-IN-PRINCIPLE FROM SGX-ST

(B) EXTENSION OF LONG-STOP DATE

Capitalised terms used herein shall have the definitions ascribed to them in the RTO Announcements and the DSS EGM Announcements (each as defined below), unless otherwise stated or the context otherwise requires.

1. INTRODUCTION

The Board of Directors ("**Board**") of United Fiber System Limited ("**UFS**" or "**Company**") refers to the announcements released by the Company on 16 July 2013 ("**SPA Announcement**") and 7 July 2014 ("**SPA Supplemental Announcement**") in relation to the Proposed DSS Acquisition (collectively, "**RTO Announcements**"), and on 30 October 2014, 27 November 2014, 4 December 2014 and 18 December 2014 in relation to the DSS shareholders' meeting to approve the Proposed DSS Acquisition (collectively, "**DSS EGM Announcements**").

2. APPROVAL-IN-PRINCIPLE FROM THE SGX-ST

The Board wishes to announce that the Company has, on 21 January 2015 (as supplemented by the letter dated 22 January 2015), obtained the in-principle approval ("**Approval-in-principle**") from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in respect of, *inter alia*, the listing and quotation of the new UFS Shares to be issued pursuant to or in connection with the Proposed DSS Acquisition.

The Approval-in-principle is subject to the key conditions set out in Appendix A and is valid for 3 months from the date of issue. Additionally, the Enlarged Group is allowed up to one (1) month from the date of suspension of UFS Shares following the completion of the Proposed DSS Acquisition, to complete the Post-Completion Placement to fulfil the free float requirement, to comply with Rule 210(1)(a) of the Listing Manual prior to the trading of the Enlarged Group's securities.

Please note that the Approval-in-principle is not to be taken as an indication of the merits of the Proposed DSS Acquisition, the new UFS Shares, the Enlarged Group, the Company and/or its subsidiaries. Further, the Approval-in-principle is subject to any changes to SGX-ST's policies and/or listing requirements and SGX-ST has further reserved the right to impose further terms and conditions, or withdraw or amend the Approval-in-principle at any time in its sole and absolute discretion without reason.

3. EXTENSION OF LONG-STOP DATE

As announced in the DSS EGM Announcements, the approval of DSS shareholders for the Proposed DSS Acquisition, which was obtained on 31 December 2013, has lapsed on 30 December 2014 and a further DSS shareholders' meeting which was scheduled to obtain approval of the Proposed DSS Acquisition has been postponed until further notice.

To accommodate the satisfaction of the remaining Conditions Precedent, including the DSS Shareholders' Approval, the Company has on, 23 January 2015, entered into a supplemental agreement ("**2nd Extension Agreement**") with DSS to, *inter alia*, extend the Acquisition Long-Stop Date to 3 June 2015 and amend such other terms in the Share Purchase Agreement that are affected by the extended timeline for the Proposed DSS Acquisition ("**SPA Amendments**"). For further details of the SPA Amendments, please refer to Appendix B of this Announcement.

The Company and DSS are working towards the satisfaction of the remaining Conditions Precedent for the purpose of effecting the DSS Completion within 3 months from the Approval-in-principle, but in any event no later than 3 June 2015 (being the Acquisition Long-Stop Date).

4. CIRCULAR

A notice of extraordinary general meeting of Shareholders to approve, *inter alia*, the Proposed DSS Acquisition, together with the Circular containing details of the Proposed DSS Acquisition, recommendations of the Directors and the independent financial adviser to the Company in relation to the Proposed DSS Acquisition, will be issued in due course. Shareholders are advised to refrain from taking any action in relation to their shares, which may be prejudicial to their interests until they have considered the information and the recommendations set out in the Circular.

5. FURTHER INFORMATION

A copy of the 2nd Extension Agreement will be made available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this Announcement.

6. CAUTION IN TRADING

Shareholders are advised to continue exercising caution in trading their shares as the Proposed DSS Acquisition remain subject to various outstanding Conditions Precedent, including in relation to UFS Shareholders' Approval, DSS Shareholders' Approval and the Proposed Compliance Placement, and there is no certainty or assurance as at the date of this Announcement that all of the Conditions Precedent will be satisfied or that the Proposed DSS Acquisition will be completed. Shareholders are advised to read this Announcement together with all other existing and future announcements by the Company in relation to the Proposed DSS Acquisition carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

7. RESPONSIBILITY STATEMENT

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

BY ORDER OF THE BOARD
UNITED FIBER SYSTEM LIMITED

Pauline Lee
Acting CEO
23 January 2015

APPENDIX A

KEY CONDITIONS OF THE APPROVAL-IN-PRINCIPLE OF SGX-ST

SGX-ST's Approval-in-principle is subject to, *inter alia*, the following key conditions:

- (a) compliance with SGX-ST's listing requirements;
- (b) shareholders' approval being obtained for the Proposed DSS Acquisition and for all other necessary and relevant proposals to be put forth at the forthcoming extraordinary general meeting of the Company;
- (c) compliance with the shareholding spread requirements and distribution guidelines under Listing Rules 210(1)(a) and 1015(3)(c) of the Listing Manual (in determining the minimum spread required, the market capitalization will be computed by multiplying the number of issued shares comprised in the enlarged share capital with the compliance placement price);
- (d) compliance with Listing Rules 113(2) and 210(5)(a) of the Listing Manual which require that:
 - (i) for two years after listing or such other time frame imposed by SGX-ST, the Company must prominently include a statement that the reverse take-over of its shares was sponsored by DMG & Partners Securities Pte Ltd ("**Financial Adviser**") in all announcements made by it (on SGXNET or otherwise) and in all information documents issued by it to shareholders; and
 - (ii) as a pre-quotation disclosure requirement, the Company must release a statement via SGXNET or in the prospectus, offering memorandum or introductory document identifying for each director, whether the person has prior experience (and what) or, if the director has no prior experience as a director of a listed company, whether the person has undertaken training in the roles and responsibilities of a director of a listed company.
- (e) Submission of the following documents:
 - (i) a written undertaking from the Enlarged Group that reviews by the Board of Directors or the relevant committee of the Enlarged Group's key financial, operational and compliance risk areas and the outcome of these reviews must be disclosed in the Annual Report or where the findings are material, immediately announced via SGXNET;
 - (ii) a written undertaking by the Enlarged Group of the following:-
 - (I) the commissioning of an annual internal controls audit by a suitable and qualified professional accounting firm until such time the Audit Committee is satisfied that the Enlarged Group's internal controls are robust and effective enough to mitigate the Enlarged Group's internal control weaknesses. Prior to the decommissioning of this annual audit, the Board is required to report to the SGX-ST on how the key internal control weaknesses have been rectified, and the basis for the decision to decommission the annual internal controls audit;
 - (II) thereafter, such audits may be initiated by the Audit Committee as and when it deems fit to satisfy itself that the Enlarged Group's internal controls remain robust and effective;
 - (III) upon completion of the internal controls audit, appropriate disclosure must be made via SGXNET on any material, price-sensitive internal controls weaknesses and any follow-up to be taken by the Board;
 - (iii) a written confirmation from the Enlarged Group that Rules 735 and 736 of the Listing Manual have been complied with;
 - (iv) a written undertaking from the Enlarged Group that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Compliance Placement (if any) and where proceeds are to be used for working capital purposes, the Enlarged Group will disclose a breakdown with specific details on the use of proceeds for working capital in the Enlarged Group's announcements on use of proceeds and in the annual report;

- (v) a written undertaking from each of the Enlarged Group's directors in the form set out in Appendix 1 to the Approval-in-principle and an undertaking from the Enlarged Group to procure the same written undertaking from any new director appointed to the Enlarged Group's board after the Enlarged Group's listing;
- (vi) a written undertaking from the Enlarged Group that (i) it will seek board approval on the policy for entering into any foreign exchange hedging transactions, (ii) it will put in place adequate procedures which must be reviewed and approved by the Audit Committee, and (iii) the Audit Committee will monitor the implementation of the policy, including reviewing the instruments, processes and practices in accordance with the policy approved by the Board;
- (vii) a written confirmation from by the Financial Adviser that the signed moratorium agreements with the relevant parties pursuant to Rule 227 of the Listing Manual are in accordance with the requirements of Rules 228 and 229 of the Listing Manual;
- (viii) a written confirmation from by the Financial Adviser that Rules 232, 233, 234 and 240 of the Listing Manual have been complied with, where applicable;
- (ix) a written confirmation from by the Financial Adviser that Rules 210(4)(a) and 210(4)(b) of the Listing Manual have been complied with;
- (x) documents stipulated in Rule 248 (before the date of issue of the circular), Rule 249 (by the date of allotment of the shares) and Rule 250 (market day before the trading suspension is lifted) of the Listing Manual, where applicable; and
- (xi) a duly signed undertaking in the format set out in Appendix 2.3.1 of the Listing Manual.

APPENDIX B

KEY AMENDMENTS TO THE SHARE PURCHASE AGREEMENT

1. Extension of 31 March 2015 to 3 June 2015

All references to “31 March 2015” shall be amended to “3 June 2015” in the following definitions:

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

2. Adjustment to the limit of the Maximum NTL Requirement

The limit of the Maximum NTL Requirement, as referred to in Section 3.6 and paragraph 7(b) of Appendix A of the SPA Announcement, shall be amended from US\$66,000,000 to US\$77,000,000.

3. UFS’s aggregate liabilities to the Subscribers

The condition precedent referred to in paragraph 2 of Appendix A of the SPA Supplemental Announcement shall be amended such that UFS shall, within 30 days from the date of the 2nd Extension Agreement instead of 30 days from 5 July 2014, enter into a supplemental MCB Subscription Agreement with each Subscriber to (a) extend the Cut-Off Date for the closing of the Bonds Issue to a date no later than the completion of the Proposed DSS Acquisition; and (b) limit UFS’s aggregate liabilities to the Subscribers up to and including 3 June 2015 instead of 31 March 2015 under the Subscription Agreement (including any accrued interest payable under the Mandatory Convertible Bonds) to no more than S\$46.5 million, which shall constitute full and final settlement of all claims against UFS by the Subscribers in respect of the Corporate Guarantees.

4. Deeds of undertaking and standstill

The condition precedent referred to in paragraph 2 of Appendix B of the SPA Announcement shall be amended such that UFS shall obtain deeds of undertaking from:

- (i) ASM, within 30 calendar days from the date of the 2nd Extension Agreement;
- (ii) ASF, no later than 7 calendar days before DSS Completion; and
- (iii) RBI, within 30 calendar days from the date of the 2nd Extension Agreement,

in favour of UFS and DSS, (a) expressing their respective support for the Proposed DSS Acquisition; (b) providing a standstill undertaking in respect of their claims against the UFS Group to be effective up to and including 3 days after completion of the Post-Completion Placement; (c) waiving any applicable default interest payable by UFS under the outstanding loans to UFS; and (d) approving the Disposal of PLC Companies (if required).