ABTERRA LTD.
(Registration No. 199903007C)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL

Abterra Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") had been placed on the watch-list of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") with effect from 5 June 2018, pursuant to Rule 1311(1) and 1311 (2) of the Listing Manual of the SGX-ST (the "**Listing Manual**"). In accordance with Rule 1313 (2) of the Listing Manual, the Board of Directors (the "**Board**") of the Company would like to provide the following quarterly update in respect of the three months ended 31 December 2020 ("**4Q2020**").

Update on Unaudited Financial Performance and Financial Situation

The Group has on 4 March 2021 released its unaudited financial statements for the financial year ended 31 December 2020 (the "**FY2020 Announcement**").

The Group's revenue decreased from S$78.5 million in the year ended 31 December 2019 to S$10.8 million in the year ended 31 December 2020. The revenue was mainly generated from ship chartering services business by Abterra Resources Pte. Ltd. and the sales of coke and coal by the subsidiary Tianjin Belong Faith Energy Minerals Co., Ltd（天津博朗信国际贸易有限公司）("**BLX**"). Additionally, the cost of sales decreased from S$76.2 million to S$8.9 million, mainly due to the drop in sales which resulted from the COVID-19 pandemic.

The Group's net assets increased from S$1.81 million as at 31 December 2019 to S$1.84 million as at 31 December 2020. Cash and cash equivalents decreased from S$0.78 million as at 31 December 2019 to S$0.27 million as at 31 December 2020. The Group used S$1.08 million in its operating activities.

Shareholders should refer to the FY2020 Announcement for further details.

Update on Abterra Australia Pty Limited

The Company has also received a letter from Mr Ahmad Zeidan ("**Mr Zeidan**"), the liquidator of its subsidiary, Abterra Australia Pty Limited (In Liquidation) ("**Abterra Australia**") (the "**Update Letter**"). The Update Letter contained significant updates in relation to the property at 73 Tallarook Road, Cowra (the "**Mining Property**") and the mining lease in relation to the Property (the "**Mining Lease**").

In the Update Letter, Mr Zeidan informed the Company of, *inter alia*, the following:

(a) he has written to the NSW Resources Regulator and requested that it delay consideration of the proposed revocation of the Mining Lease; and

(b) he has written to the Environmental Protection Agency (EPA) and requested that it delay consideration of the revocation of the licence it had previously granted, and the EPA had granted an extension until 30 November 2020; and

(c) he has written to the Australian Securities and Investments Commission (ASIC) to request it delay the deregistration of the Company from the register of companies in Australia, as such deregistration would result in the Mining Property, the farmland at 73 Tallarook Road, Cowra

and any other property owned by the Company in Australia to be vested in the ASIC. In the event that the Company is deregistered from the register of companies in Australia by ASIC, the Company has been advised by Mr Zeidan that an application would need to be made to the Supreme Court of New South Wales or the Federal Court of Australia for a reinstation of its registration.

The Company will make further announcements to update shareholders as and when there are any material developments in relation to Abterra Australia.

Update on Future Direction

The Group is currently affected by the COVID-19 pandemic during FY2020 and as a result, the Company's businesses were not operating normally then.

The Group remains engaged in the business of trading of coal products, the success of which depends largely on coal price stability and overcoming the key challenge from the fluctuation of foreign exchange rate. To reach profitability, the Group will continue boost the volume of trade and increase revenue.

The Company will continue to make efforts and consider various options, including the exploration of new business activities and opportunities to increase the revenue streams to the Company, so that it would be able to meet the requirements of Rule 1314 of the Listing Manual pursuant to the financial exit criteria.

The Company will make further announcements to update shareholders of the Company as and when there are any material developments in this matter.

BY ORDER OF THE BOARD

Cai Suirong
Director and Chief Executive Officer
5 March 2021