GOLDEN ENERGY AND RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Registration no. 199508589E)

Unaudited Financial Statements for the Period Ended 30 September 2016

Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, & Q3), HALF YEAR AND FULL YEAR RESULTS

(1)(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Notes	Group 3 Months Ended			Group 9 Months Ended		
		30.09.2016	Restated 30.09.2015	+/(-) %	30.09.2016	Restated 30.09.2015 [1]	+/(-) %
		US$'000			US$'000		
Revenue	1	**97,631**	82,697	18.1	**284,608**	250,952	13.4
Cost of sales		**(58,193)**	(56,754)	2.5	**(191,123)**	(159,341)	19.9
Gross profit		**39,438**	25,943	52.0	**93,485**	91,611	2.0
Other income	2	**3,700**	1,482	149.7	**10,097**	4,002	152.3
Selling and distribution expenses		**(13,808)**	(13,910)	(0.7)	**(40,964)**	(48,982)	(16.4)
Administrative expenses		**(7,010)**	(8,830)	(20.6)	**(23,965)**	(27,486)	(12.8)
Other operating expenses		**(1,073)**	(4,889)	(78.1)	**(2,401)**	(9,601)	(75.0)
Finance costs	3	**(4,549)**	(3,889)	17.0	**(14,060)**	(7,510)	87.2
Profit/(Loss) before tax	4	**16,698**	(4,093)	508.0	**22,192**	2,034	991.1
Income tax expense	5	**(5,078)**	(1,408)	260.7	**(8,841)**	(4,662)	89.6
Profit/(Loss) for the period		**11,620**	(5,501)	311.2	**13,351**	(2,628)	608.0
Other comprehensive income to be reclassified to profit or loss:							
Foreign currency translation		**564**	491	14.9	**(488)**	695	(170.2)
Total comprehensive income for the period		**12,184**	(5,010)	343.2	**12,863**	(1,933)	765.4
Profit/(Loss) attributable to:							
Owners of the Company		**6,766**	(4,768)	241.9	**7,278**	(3,771)	293.0
Non-controlling interests		**4,854**	(733)	762.2	**6,073**	1,143	431.3
		11,620	(5,501)	311.2	**13,351**	(2,628)	608.0
Total comprehensive income attributable to:							
Owners of the Company		**7,302**	(4,374)	266.9	**6,849**	(3,163)	316.5
Non-controlling interests		**4,882**	(636)	867.6	**6,014**	1,230	388.9
		12,184	(5,010)	343.2	**12,863**	(1,933)	765.4

n.m. : denotes not meaningful

Note (1): In accordance with FRS 103 Business Combinations, the comparative figures presented in the consolidated statement of comprehensive income include (i) the results of GEMS Group from 1 January 2015 to 30 September 2015; and (ii) the results of GEAR Group from 1 May 2015 to 30 September 2015.

Notes to the Statement of Comprehensive Income

		Group 3 Months Ended			Group 9 Months Ended		
		30.09.2016	Restated 30.09.2015	+/(-) %	30.09.2016	Restated 30.09.2015 [1]	+/(-) %
		US$'000			US$'000		
1	**Revenue**						
	Coal Mining	**87,111**	70,774	23.1	**229,818**	219,194	4.8
	Coal Trading	**8,218**	9,265	(11.3)	**48,029**	26,920	78.4
	Forestry	**1,922**	2,658	(27.7)	**5,348**	4,838	10.5
	Others	**380**	-	n.m.	**1,413**	-	n.m.
		97,631	82,697	18.1	**284,608**	250,952	13.4
2	**Other Income**						
	Foreign exchange gain, net	**446**	-	n.m.	**2,675**	-	n.m.
	Interest income	**1,637**	1,070	53.0	**3,935**	2,900	35.7
	Compensation income	**501**	350	43.1	**501**	395	26.8
	Port income	**-**	-	n.m.	**-**	157	(100.0)
	Reversal of prior year withholding tax provision	**-**	-	n.m.	**1,851**	-	n.m.
	Miscellaneous income	**1,116**	62	1700.0	**1,135**	550	106.4
		3,700	1,482	149.7	**10,097**	4,002	152.3
3	**Finance costs**						
	Interest expenses	**3,450**	2,585	33.5	**10,673**	4,215	153.2
	Trade financing charges	**1,028**	1,181	(13.0)	**2,936**	2,898	1.3
	Amortisation of discounted loans and borrowings	**32**	93	(65.6)	**221**	176	25.6
	Others	**39**	30	30.0	**230**	221	4.1
		4,549	3,889	17.0	**14,060**	7,510	87.2

Notes to the Statement of Comprehensive Income (cont'd)

		Group			Group		
		3 months ended			9 Months Ended		
		30.09.2016	Restated 30.09.2015	+/(-) %	30.09.2016	Restated 30.09.2015 [1]	+/(-) %
		US$'000			US$'000		
4	**Profit/(Loss) before tax is arrived after charging the following:**						
	Freight and stockpile	**12,398**	12,267	1.1	**37,039**	43,545	(14.9)
	Royalty fees	**8,191**	6,758	21.2	**21,770**	19,209	13.3
	Mining services and overheads	**20,924**	35,765	(41.5)	**83,625**	90,990	(8.1)
	Depreciation of property, plant and equipment	**1,259**	1,749	(28.0)	**3,698**	4,595	(19.5)
	Amortisation expenses	**7,258**	6,425	13.0	**19,742**	14,103	40.0
	Foreign exchange (gain)/loss, net	**(446)**	4,044	(111.0)	**(2,675)**	7,491	(135.7)
	Expenses in connection with DSS acquisition	**-**	7	(100.0)	**-**	41	(100.0)
	Reversal of inventories written down	**(160)**	-	n.m.	**(828)**	-	n.m.
	Inventories recognised as an expense in cost of sales	**7,282**	1,811	302.1	**51,140**	19,904	156.9
	Inventories written down to net realisable value	**(12)**	17	(170.6)	**32**	44	(27.3)
5	**Income tax expenses can be analysed as follows:**						
	Current Income Tax	**5,271**	2,140	146.3	**7,625**	6,407	19.0
	Deferred Income Tax Expense/(Benefit)	**(193)**	(732)	(73.6)	**1,348**	(1,745)	(177.2)
		5,078	1,408	260.7	**8,973**	4,662	92.5
	Overprovision in respect of previous years:						
	Deferred Income Tax	**-**	-	n.m.	**(132)**	-	n.m.
		5,078	1,408	260.7	**8,841**	4,662	89.6

n.m. : denotes not meaningful

Note (1): In accordance with FRS 103 Business Combinations, the comparative figures presented in the consolidated statement of comprehensive income include (i) the results of GEMS Group from 1 January 2015 to 30 September 2015; and (ii) the results of GEAR Group from 1 May 2015 to 30 September 2015.

(1)(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at **30.09.2016**	**Restated** As at **31.12.2015**	As at **30.09.2016**	As at **31.12.2015**
	US$'000		US$'000	
Non-Current Assets				
Forestry assets	**4,034**	3,766	**-**	-
Property, plant and equipment	**57,297**	59,727	**11**	5
Mining properties	**85,626**	63,524	**-**	-
Intangible assets	**12,331**	12,709	**-**	-
Goodwill on consolidation [(i)]	**105,965**	98,562	**-**	-
Investment in subsidiaries	**-**	-	**1,273,401**	1,228,755
Other investments	**14**	14	**-**	-
Deferred tax assets	**7,535**	8,538	**-**	-
Asset exploration and evaluation	**426**	-	**-**	-
Trade and other receivables	**281**	710	**-**	-
Restricted funds	**102**	299	**-**	-
Other non-current assets	**30,751**	47,369	**-**	-
	304,362	295,218	**1,273,412**	1,228,760
Current Assets				
Inventories	**8,368**	16,543	**-**	-
Amounts due from subsidiaries	**-**	-	**378**	239
Trade and other receivables	**87,820**	90,550	**160**	158
Advances	**63,601**	45,366	**-**	-
Other current assets	**1,493**	1,330	**141**	39
Cash and cash equivalents	**41,833**	44,487	**1,521**	183
	203,115	198,276	**2,200**	619
Current Liabilities				
Trade and other payables	**73,344**	87,437	**11,123**	10,722
Amounts due to subsidiaries	**-**	-	**1,822**	1,787
Provision for taxation	**4,769**	589	**-**	-
Loans and borrowings [(ii)]	**81,859**	20,645	**79,433**	16,368
	159,972	108,671	**92,378**	28,877
Net Current Assets/(Liabilities)	**43,143**	89,605	**(90,178)**	(28,258)
Non-Current Liabilities				
Trade and other payables	**601**	109	**-**	-
Loans and borrowings [(ii)]	**47,625**	104,883	**-**	56,778
Deferred tax liabilities	**10,642**	3,368	**-**	-
Post-employment benefits	**2,389**	1,907	**-**	-
Provision for mine closure	**1,426**	1,396	**-**	-
	62,683	111,663	**-**	56,778
Net Assets	**284,822**	273,160	**1,183,234**	1,143,724
Represented by:				
Equity attributable to equity holders of the Company				
Share capital	**232,076**	232,076	**1,546,171**	1,546,171
Reserves	**(34,152)**	(41,001)	**(362,937)**	(402,447)
	197,924	191,075	**1,183,234**	1,143,724
Non-controlling interests	**86,898**	82,085	**-**	-
Total Equity	**284,822**	273,160	**1,183,234**	1,143,724

Note (i) Goodwill on consolidation comprises:

	As at **30.09.2016** US$'000
Goodwill from GEMS Group	**8,098**
Goodwill arising from completion of acquisition	**97,867**
Total	**105,965**

Note (ii) Comprises loans and borrowings and interest accrued thereon.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debts securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand [(1)]				**Amount repayable after one year [(2)]**			
As at 30.09.2016		**Restated As at 31.12.2015**		**As at 30.09.2016**		**Restated As at 31.12.2015**	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US$'000		US$'000		US$'000		US$'000	
76,072	**5,787**	15,330	5,315	**47,625**	**-**	104,883	**-**

[(1)] These represent aggregate balances of short term loans and borrowings.

[(2)] These represent aggregate balances of long term loans and borrowings.

Details of any collateral

The following sets out the details of the collateral for the Group's borrowings :

(a) Charge on the land and the woodchip mill erected thereon of a subsidiary; and
(b) Pledge on the entire issued and paid-up share capital of certain subsidiaries; and
(c) Pledge on the trade receivables and/or inventories for a minimum amount and a fixed margin deposit of a subsidiary; and
(d) The collaterals include certain property and equipment, and pledge of shares of a subsidiary and related company; and corporate guarantee from related company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group 3 Months Ended		Group 9 Months Ended	
	30.09.2016	Restated 30.09.2015	30.09.2016	Restated 30.09.2015 (1)
	US$'000		US$'000	
Cash flows from operating activities:				
Profit/(Loss) before tax	**16,698**	(4,093)	**22,192**	2,034
Adjustments for:				
Provision for mine closure	**10**	101	**30**	309
Depreciation of property, plant and equipment	**1,259**	1,749	**3,698**	4,595
Loss on disposal of property, plant and equipment	**-**	-	**-**	22
Defined post-employment benefit expense	**121**	120	**363**	378
Amortisation of mining properties	**6,017**	5,592	**17,146**	11,838
Amortisation of software	**65**	80	**194**	297
Amortisation of land exploitation	**1,050**	626	**2,023**	1,757
Amortisation of intangible assets	**126**	127	**379**	211
Amortisation of discounted loans and borrowings	**32**	93	**221**	176
Reversal of inventories written down	**(160)**	-	**(828)**	-
Inventories written down to net realisable value	**(12)**	17	**32**	44
Interest and other financial charges	**4,478**	3,752	**13,609**	7,113
Interest income	**(1,637)**	(1,070)	**(3,935)**	(2,900)
Expenses in connection with DSS acquisition	**-**	7	**-**	41
Net exchange differences	**(49)**	3,188	**(2,441)**	7,084
Operating cash inflows before changes in working capital	**27,998**	10,289	**52,683**	32,999
(Increase)/Decrease in inventories	**(1,599)**	(6,014)	**9,411**	(2,325)
Increase in trade and other receivables, advances and other current assets	**(2,322)**	(5,580)	**(13,192)**	(1,289)
Increase/(Decrease) in trade and other payables	**241**	171	**(14,974)**	(1,578)
Cash flows generated from/(used in) operations	**24,318**	(1,134)	**33,928**	27,807
Interest and other financial charges paid	**(2,286)**	(1,815)	**(7,293)**	(4,563)
Interest income received	**1,696**	371	**3,547**	2,332
Income taxes paid	**(1,234)**	(1,232)	**(2,901)**	(4,636)
Net cash flows generated from/(used in) operating activities	**22,494**	(3,810)	**27,281**	20,940
Cash flows from investing activities				
Net cash inflow on completion of the Acquisition	**-**	-	**-**	1,451
Net cash outflow on acquisition of subsidiaries	**(37,026)**	-	**(37,026)**	-
Additions to forestry assets	**(157)**	(382)	**(707)**	(866)
Decrease/(Increase) in mining properties	**1,297**	(1,669)	**(1,928)**	(11,082)
Purchase of property, plant and equipment	**(287)**	(1,712)	**(1,222)**	(4,151)
Payment for mines under construction	**-**	(25)	**(7)**	(74)
Receipts from/(Payments for) loan to third parties	**4**	(29,983)	**5**	(29,973)
Decrease/(Increase) in other non-current assets	**13,647**	(1,593)	**13,505**	(24,620)
Changes in restricted funds	**-**	475	**203**	1,048
Net cash flows used in investing activities	**(22,522)**	(34,889)	**(27,177)**	(68,267)
Cash flows from financing activities				
Payment of dividend	**-**	(495)	**-**	(2,024)
Payment of dividend to NCI of subsidiaries	**(1,201)**	(21)	**(1,201)**	(52)
Payment of expenses for DSS acquisition	**-**	(206)	**-**	(206)
Proceeds from loans and borrowings	**1,564**	32,670	**16,523**	55,066
Repayment of loans and borrowings	**(12,729)**	(856)	**(19,251)**	(7,496)
Net cash flows (used in)/generated from financing activities	**(12,366)**	31,092	**(3,929)**	45,288
Net decrease in cash and cash equivalents	**(12,394)**	(7,607)	**(3,825)**	(2,039)
Effect of exchange rate changes on cash and cash equivalents	**315**	(996)	**1,171**	(2,359)
Cash and cash equivalents at beginning of the period	**53,912**	67,423	**44,487**	63,218
Cash and cash equivalents at end of the period	**41,833**	58,820	**41,833**	58,820

Note (1): In accordance with FRS 103 Business Combinations, the comparative figures presented in the consolidated statement of cash flows include (i) the cash flow movement of GEMS Group from 1 January 2015 to 30 September 2015; and (ii) the cash flow movement of GEAR Group from 1 May 2015 to 30 September 2015.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

(i) Statement of Comprehensive Income for the 9 months ended 30 September 2016 and 30 September 2015

	Group 9 Months Ended		Company 9 Months Ended	
	30.09.2016	Restated 30.09.2015	30.09.2016	Restated 30.09.2015
	US$'000		US$'000	
Profit/(Loss) for the period	**13,351**	(2,628)	**(2,035)**	(847)
Other comprehensive income to be reclassified to profit & loss:				
Foreign currency translation	**(488)**	695	**41,545**	(64,080)
Total comprehensive income for the period	**12,863**	(1,933)	**39,510**	(64,927)
Total comprehensive income attributable to:				
Owners of the Company	**6,849**	(3,163)	**39,510**	(64,927)
Non-controlling interests	**6,014**	1,230	**-**	-
	12,863	(1,933)	**39,510**	(64,927)

(ii) Consolidated statement of changes in equity for the 9 months ended 30 September 2016 and 30 September 2015

	<---------- Attributable to owners of the Company ---------->						
	Share Capital	Foreign Currency Translation	Other Reserves	Retained earnings	Total Reserves	Non-controlling Interests	Total Equity
GROUP	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Balance as at 1 January 2016, restated	**232,076**	**(50,046)**	**1,270**	**7,775**	**(41,001)**	**82,085**	**273,160**
Profit for the period	-	-	-	7,278	7,278	6,073	13,351
Other comprehensive income							
Foreign currency translation	-	(429)	-	-	(429)	(59)	(488)
Total comprehensive income for the period	-	(429)	-	7,278	6,849	6,014	12,863
Contributions by and distributions to owners							
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	(1,201)	(1,201)
Total contributions by and distributions to owners	-	-	-	-	-	(1,201)	(1,201)
Balance as at 30 September 2016	232,076	(50,475)	1,270	15,053	(34,152)	86,898	284,822
Balance as at 1 Januarv 2015 [(1)]	**294,085**	**(75,826)**	**1,927**	**27,156**	**(46,743)**	**716**	**248,058**
Loss for the period, restated	-	-	-	(3,771)	(3,771)	1,143	(2,628)
Other comprehensive income, restated							
Foreign currency translation, restated	-	608	-	-	608	87	695
Total comprehensive income for the period, restated	-	608	-	(3,771)	(3,163)	1,230	(1,933)
Difference arising from disposal of subsidiary	-	-	13	-	13	(13)	-
Effects of Reverse Acquisition in accordance with FRS 103, restated	(62,009)	25,023	(641)	(7,962)	16,420	80,628	35,039
Dividends paid	-	-	-	(2,024)	(2,024)	(59)	(2,083)
Balance as at 30 September 2015	232,076	(50,195)	1,299	13,399	(35,497)	82,502	279,081

Note (1): In accordance with FRS 103 Business Combinations, the comparative figures presented in the consolidated statement of changes in equity include (i) the changes in equity of GEMS Group from 1 January 2015 to 30 September 2015; and (ii) the movement of reserves of GEAR Group from 1 May 2015 to 30 September 2015.

(iii) Statement of changes in equity of the Company for the 9 months ended 30 September 2016 and 30 September 2015

	<---------- Attributable to owners of the Company ---------->						
	Share Capital	Foreign Currency Translation	Other Reserves	Share Based Reserves	Accumulated Losses	Total Reserves	Total Equity
COMPANY	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Balance as at 1 January 2016	**1,546,171**	**(8,029)**	**5,826**	**1,003**	**(401,247)**	**(402,447)**	**1,143,724**
Loss for the period	-	-	-	-	(2,035)	(2,035)	(2,035)
Other comprehensive income							
Foreign currency translation	-	41,545	-	-	-	41,545	41,545
Total comprehensive income for the period	-	41,545	-	-	(2,035)	39,510	39,510
Balance as at 30 September 2016	1,546,171	33,516	5,826	1,003	(403,282)	(362,937)	1,183,234
Balance as at 1 January 2015	257,956	46,631	5,826	-	(398,611)	(346,154)	(88,198)
Loss for the period, restated	-	-	-	-	(847)	(847)	(847)
Other comprehensive income, restated							
Foreign currency translation, restated	-	(64,080)	-	-	-	(64,080)	(64,080)
Total comprehensive income for the period, restated	-	(64,080)	-	-	(847)	(64,927)	(64,927)
Issuance of ordinary shares	1,288,387	-	-	-	-	-	1,288,387
Share issuance expenses	(172)	-	-	-	-	-	(172)
Total transactions with owners in their capacity as owners	1,288,215	-	-	-	-	-	1,288,215
Balance as at 30 September 2015	1,546,171	(17,449)	5,826	-	(399,458)	(411,081)	1,135,090

(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Nil.

(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.09.2016	As at 31.12.2015
Total number of issued shares	2,170,120,082	2,170,120,082

(d)(iv) A statement showing all the sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which standard or practice.

The figures have not been audited nor reviewed by the Company's auditor.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation are consistent with those applied by the Group and the Company and as adopted in the financial statements for the year ended 31 December 2015.

On 20 April 2015, the Company completed the reverse acquisition ("RTO" or the "Acquisition") of PT Golden Energy Mines Tbk ("GEMS") and its subsidiaries (the "GEMS Group") as set out in the circular to Shareholders dated 30 January 2015 ("Circular") and the Company announcement dated 20 April 2015.

Following the completion of the RTO and the disposal of Poh Lian Construction (Pte.) Ltd. (In Liquidation) on 20 April 2015, the core business of the Company and its subsidiaries is that of the GEMS Group, which is in the business of coal mining and coal trading. Since 20 April 2015, the Group are principally engaged in coal mining, coal trading and forestry.

Basis of preparation of the financial statements

At Group Level

Accounting for the Reverse Acquisition

The acquisition of the GEMS Group was accounted for as a reverse acquisition in accordance with FRS 103 Business Combinations. GEMS Group was identified to be the accounting acquirer and the Company was deemed to be the accounting acquiree. Accordingly, the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheets, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows of the Group (comprising the Company and GEMS Group) for the financial period ended 30 September 2015 has been presented as a continuation of GEMS Group's financial statements.

Since the comparative financial position for the financial period ended 30 September 2015 and financial position as at 31 December 2015 of the Group represent a continuation of the finanical statements of GEMS Group:-

- the assets and liabilities of the Company and its subsidiaries were recognised and measured in the consolidated balance sheets at their fair values on completion date;

- the comparative consolidated statement of comprehensive income of 9M2015 reflects the comparative 9 month results of GEMS Group together with the post-acquisition results of GEAR and its subsidiaries from May 2015.

At Company Level

Reverse acquisition accounting applies only to the consolidated financial statements at the Group level. At the Company's level, for accounting purposes, the investments in the legal subsidiaries are accounted for at cost.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Nil.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

		Group		Group	
		3 Months Ended		9 Months Ended	
		30.9.2016	Restated 30.09.2015	30.9.2016	Restated 30.09.2015
Profit/(Loss) net of tax for the year attributable to owners of the Company used in the computation of basic and diluted loss per share:					
(i)	Basic earnings (loss) per share (US cents) :-	**0.13**	(0.11)	**0.14**	(0.09)
	- Weighted average number of ordinary shares ('000)	**5,143,806**	4,308,205	**5,143,806**	4,308,205
(ii)	Diluted earnings (loss) per share (US cents) :-	**0.13**	(0.11)	**0.14**	(0.09)
	- Adjusted weighted average number of ordinary shares ('000)	**5,143,806**	4,308,205	**5,143,806**	4,308,205

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	30.9.2016	Restated 31.12.2015	30.9.2016	Restated 31.12.2015
Net assets value per share (US cents)	9.12	8.80	54.52	52.70
Number of shares ('000)	**2,170,120**	2,170,120	**2,170,120**	2,170,120

8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Revenue

The Group's revenue comprises revenue generated from Coal Mining, Coal Trading and Forestry Divisions. Revenue from the Group increased from US$82.70 million in 3Q15 to US$97.63 million in 3Q16. The increase was mainly due to:

Coal Mining Division

The Group's Coal Mining Division reported an increase in revenue from US$70.77 million in 3Q15 to US$87.11 million in 3Q16. The increase was mainly due to higher sales volume as compared to the corresponding reporting period. Average realised selling price increased marginally from US$33.07 per metric ton in 3Q15 to US$33.12 per metric ton in 3Q16. The average Indonesia Coal Index 4 ("ICI4") in 3Q16, a better proxy for the majority of the Group's coal quality, was US$32.15 per metric ton.

Coal Trading Division

Revenue generated by the Group's Coal Trading Division decreased from US$9.27 million in 3Q15 to US$8.22 million in 3Q16. The decrease was mainly due to higher sales volume, offset by lower average sales realisation price as compared to the corresponding reporting period.

Forestry Division

Forestry revenue decreased from US$2.66 million in 3Q15 to US$1.92 million in 3Q16 due to lower log demand.

Cost of Sales

The Group reported an increase in cost of sales from US$56.75 million in 3Q15 to US$58.19 million in 3Q16. This was mainly due to higher sales activities, increase in amortisation expenses in accordance with the life of the mines, and offset by a price adjustment from the mining services contractors in 3Q16.

Gross profit

The Group's gross profit increased from US$25.94 million in 3Q15 to US$39.44 million in 3Q16. The increase in gross profit was mainly due to the above factors.

Other income

The Group's other income increased from US$1.48 million in 3Q15 to US$3.70 million in 3Q16, mainly due to increase of (1) foreign exchange gain of US$0.45 million recorded in 3Q16 as a result of stronger IDR and SGD against USD; (2) US$0.57 million interest income from loan granted to a third party; and (3) miscellaneous income of US$1.11 million.

Expenses

Selling and distribution expenses

The Group's selling and distribution expenses remained relatively stable.

Administrative expenses

The Group's administrative expenses decreased from US$8.83 million in 3Q15 to US$7.01 million in 3Q16, mainly due to lower professional fee, and salaries and benefit expenses incurred during the period under review.

Other operating expenses

The Group's other operating expenses decreased from US$4.89 million in 3Q15 to US$1.07 million in 3Q16 mainly due to absence of foreign exchange loss as a result of stronger IDR and SGD against USD.

Finance costs

The Group's finance costs increased from US$3.89 million in 3Q15 to US$4.55 million in 3Q16, mainly due to (1) utilisation of term loan facility in the second and third quarter of 2015; and (2) finance costs payable to the Company's secured and unsecured lenders.

Income tax expenses

Income tax expenses increased from US$1.41 million in 3Q15 to US$5.08 million in 3Q16, as a result of higher taxable profits during the current reporting period. Effective corporate tax rate of the Group in 3Q15 was higher as compared to 3Q16, mainly due to losses arising from the Company and its subsidiaries which could not be set-off against the profits of the profitable subsidiaries.

Profit/(Loss) after tax

Due to the factors above, the Group reported a net profit of US$11.62 million in 3Q16 as compared to a net loss of US$5.50 million in 3Q15.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Statement of Financial Position

Assets and liabilities

Total assets and total liabilities remained relatively stable as compared to the corresponding reporting period.

Non-current assets

- Mining properties increased by US$22.1 million primarily on account of mining properties from the acquisition of new subsidiaries, offset by amortisation during the period under review.

- The decrease in deferred tax assets of US$1.00 million was due to the utilisation of prior years' deferred tax benefits.

- The increase in asset exploration and evaluation was due to the acquisition of new subsidiaries during the current reporting period.

- The decrease in trade and other receivables of US$0.43 million was due to receivables collection by the end of September 2016.

- The decrease in restricted funds of US$0.20 million was mainly due to the fulfillment of reclamation activities.

- The decrease in other non-current assets of US$16.62 million was mainly due to lower (1) tax refund and (2) guarantee deposits on mining services.

Current assets

- The decrease in inventories of US$8.18 million was mainly due to lower coal inventory volume as compared to 31 December 2015.

- The increase in advances and other current assets of US$18.40 million was mainly due to advance payment of US$17.81 million to coal suppliers during the period under review.

Current liabilities

- Trade and other payables decreased by US$14.09 million, mainly due to lower purchase of coal inventories as of September 2016 as compared to December 2015.

- Provision for taxation increased by US$4.18 million as a result of the increase in taxable profit during the period under review.

- Loans and borrowings increased by US$61.21 million as a result of reclassification of long term loans and borrowings to current and interest accrued in the period under review, offset by the amortisation of loans and borrowings.

Non-current liabilities

- The increase in trade and other payables was due to the acquisition of new subsidiaries during the current reporting period.

- Post-employment benefits increased by US$0.48 million mainly due to higher employees benefit liability during the current reporting period.

- Loans and borrowings decreased by US$57.26 million mainly due to the reclassification of loans and borrowings to current liabilities.

- Deferred tax liabilities increased by US$7.27 million mainly due to the acquisition of new subsidiaries during the current reporting period.

As at 30 September 2016, the Group has net current assets of US$43.14 million and the Company has net current liabilities of US$90.18 million. The Group has loans and borrowings totalling US$129.48 million out of which US$81.86 million are due within the next 12 months.

Review of Statement of Cash Flows

For 3Q16, the Group had net cash ouflows of US$12.39 million mainly due to the following:

Net cash generated from operating activities of US$22.49 million which comprised operating cash inflow before working capital changes of US$28.00 million, net working capital outflow of US$3.68 million and income tax paid and interest and other financial charges paid of US$1.23 million and US$2.29 million respectively and interest income received of US$1.70 million.

The net working capital outflow of US$3.68 million in 3Q2016 was mainly due to an increase in (1) inventories of US$1.6 million and (2) trade and other receivables, advances and other current assets of US$2.32 million, offset by an increase in trade and other payables of US$0.24 million.

Net cash flows used in investing activities of US$22.52 million was mainly due to the net cash outflow on acquisition of subsidiaries of US$37.03 million, and the additions of (1) property, plant and equipment of US$0.29 million; and (2) forestry assets of US$0.16 million, offset by decrease in (1) other non-current assets of US$13.65 million; and (2) mining properties of US$1.30 million.

Net cash flows used in financing activities of US$12.37 million was due to repayment of loans and borrowings of US$12.73 million and payment of dividend to non-controlling interests of subsidiaries of US$1.20 million, offset with proceeds received from loans and borrowings of US$1.56 million.

Statutory compliance placement to comply with the shareholding spread and distribution requirements under the Listing Rules of SGX-ST

The Board refers to the Company's announcements dated 22 May 2015, 23 June 2015, 27 August 2015, 4 May 2016 and 11 July 2016 relating to the extension of the placement period till 31 December 2016.

The Board wishes to update Shareholders that the advanced discussions with the certain potential investors as mentioned in the Company's unaudited financial statements announcement for the period ended 30 June 2016 are still on-going. In addition, during the past few months, the Company has actively initiated and engaged discussions with various global commodities companies and regional boutique funds regarding their potential participation in the Post-Completion Placement.

Barring unforeseen circumstances which are beyond the control of the Company, the Company will continue to take steps to expedite the process with a view to completing the Post-Completion Placement as soon as practicable.

The Company will make such announcement(s) as may be necessary and/or appropriate in relation to the Post-Completion Placement in due course.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.
Not applicable.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Coal Mining and Coal Trading Divisions

During 3Q2016, the coal prices improved from the previous quarter.

The NEWC index was US$78.95 as at end September 2016, against US$55.32 and US$51.18 as at the end of June 2016 and March 2016. The ICI4 index, a better proxy for the majority of the Group's coal quality, stood at US$36.89 in September 2016 as compared to US$27.96 and US$26.64 in June 2016 and March 2016 respectively.

In September 2016, China's government ordered miners to boost thermal coal output by 1 million tonnes per day. However, this will take months before new supplies from the recent reopening of mines hits the market. In addition, new rules on trucking have caused logjams in deliveries and transportation price spikes while suppliers at home and abroad are digging in for ever-higher prices.[1]

China will allow coal mines in areas with short supply to increase their production so as to cope with an expected increase in demand for heating and power during winter and spring season, the state planner said. China had already ordered major coal mines to raise thermal coal output by 1 million tonnes per day, as part of concerted efforts by the government to boost supplies to its electric utilities ahead of the winter.[2]

Back in January 2016, when coal prices under NEWC index reached an all-time low of US$48.80/MT, many analysts were quick to herald the end of an era. The fall in price was attributed to three main factors: the successful development of the shale-gas industry in the US, ample (over) production in China, and stringent environmental policies aimed at curbing carbon emissions. The consequences for US coal producers were dire, with as many as 26 companies going out of business. Peabody (OTCPK:BTUUQ) and Arch (NYSE: ARCH), the two largest US coal producers, accounting for 22.6% of total US output, filed for Chapter 11 protection, sending shockwaves around the world. However, the recovery in the price of coal was as dramatic as was the fall. According to the latest figures, coal is up 74% from its trough, largely thanks to the Chinese 'National Development and Reform Commission' having committed to reducing annual coal production by 250 million tonnes. Figures showed that the Chinese coal industry has already cut production by 95 million tonnes, or 39% of its target as of the end of July 2016. With state-owned-enterprises being encouraged to meet their targets by November this year, a market price of coal sustained at-or-near current levels is expected. But that's just one side of the story. On the demand side, coal's resurgence has been driven by a whole host of developments: France, which relies on nuclear power generation for almost 75% of its total needs, has been undertaking routine testing on 12 of its reactors resulting in output hitting a near three decade low. And for Germany, it has been replacing its nuclear reactors not just with renewables but also with coal fired plants.[3]

The Group continues to commit in its programs in maximizing long-term and sustainable returns and maximize the capacity to get more productivity.

Extracted from:-

1. "China's utilities beg for coal as supply expansions yet to kick in" Commodity News, dated Oct. 24, 2016, Source from: Reuters (Josephine Mason and Meng Meng)

2. "China to allow coal output hike to meet winter demand state planner" Commodity News, dated Oct. 24, 2016, Source from: Reuters (Nick Heath, Fang Cheng and Meng Meng)

3. "Coal 2.0: Cleaner? Conceivably; Crucial? Certainly" André Breedt, dated Oct. 20, 2016: [http://seekingalpha.com/article/4013572-coal-2_0-cleaner-conceivably-crucial-certainly]

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

***(b) (i)* Amount per share…… cents.**

None.

***(b) (ii)* Previous corresponding period …... cents**

None.

(c) Whether the dividend is before tax, net of tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the financial period ended 30 September 2016.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Rule 920(1)(a)(ii) - An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate (if any) for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705 within the time required for the announcement of such report. The disclosure must be in the form set out in Rule 907.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (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 during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	9 Months Ended	9 Months Ended
	30.09.2016 US$'000	30.09.2016 US$'000
Sales :		
PT Indah Kiat Pulp & Paper Tbk	-	59,053
PT Lontar Papyrus Pulp and Paper Industry	-	18,430
PT Sinar Mas Agro Resources & Technology Tbk	-	2,458
PT Ekamas Fortuna	-	448
PT Pabrik Kertas Tjiwi Kimia Tbk	-	406
PT SOCI Mas	-	279
Hainan Jinhai Trading (Hong Kong) Co,. Ltd **	3,870	-
PT Ivo Mas Tunggal	959	-
PT Energi Sejahtera Mas	55	-
Interest income :		
PT Bank Sinarmas Tbk	-	57
Purchases :		
PT Rolimex Kimia Nusamas	-	35
Rental expenses :		
PT Royal Oriental	-	686
Repair and maintenance:		
PT Wirakarya Sakti	-	769
Insurance expenses :		
PT Kalibesar Raya Utama	-	47
PT Asuransi Sinar Mas	-	581
Interest expenses :		
PT Dian Swastatika Sentosa Tbk	-	37
Asia Star Fund Ltd @	5,393	-

@ US$35.00 million loan facility granted by Asia Star Fund Ltd on 12 January 2011 and utilised in FY 2011.
** The contracts were reviewed and entered into with the Group and the customer in late December 2015 and goods were delivered in January 2016.

14 Negative confirmation by the Board pursuant to Rule 705(5)

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render for financial results for the period ended 30 September 2016 to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers.

BY ORDER OF THE BOARD
Fuganto Widjaja
Executive Director, Chief Executive Officer
11 November 2016

RHB Securities Singapore Pte. Ltd. (formerly known as DMG & Partners Securities Pte Ltd) was the financial adviser to the Company for the acquisition of 66.9998% of the issued and paid-up share capital of PT Golden Energy Mines Tbk (the "Financial Adviser"). The Financial Adviser has not reviewed this announcement and assumes no responsibility for the contents of this announcement.