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 30 September 2020 ("**3Q2020**").

Update on Unaudited Financial Performance and Financial Situation

The Group has today released its unaudited financial statements for 3Q2020 (the "**3Q2020 Announcement**").

The Group did not generate revenue in the three months ended 30 September 2020 due to disruption to businesses caused by the COVID-19 pandemic. As a result, revenue for the nine months ended 30 September 2020 has decreased significantly compared to the nine months ended 30 September 2019. There was also a corresponding decrease in cost of sales.

The Group's net assets decreased from S$1.81 million as at 31 December 2019 to S$0.76 million as at 30 September 2020. Cash and cash equivalents decreased from S$0.78 million as at 31 December 2019 to S$0.28 million as at 30 September 2020. The Group used $0.99 million in its operating activities as at 30 September 2020.

Shareholders should refer to the 3Q2020 Announcement for further details.

Update on Abterra Australia Pty Limited

The Company has, on 1 September 2020, 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) the Resources Regulator of the New South Wales Government had advised, by way of a letter dated 14 August 2020, that it is agreeable to defer its decision on cancelling the Mining Lease for a period of three months, and will recommence such cancellation process if no offer to purchase the Mining Property and the Mining Lease is received by Mr Zeidan by the expiration of the abovementioned three-month period;

(b) following a notice issued by the Environmental Protection Authority ("**EPA**") indicating that the EPA intends to consider revoking the EPA licence for the Mining Property after 30 September 2020, Mr Zeidan had applied for, and the EPA had granted, an extension of time until 14 November 2020 for final consideration of such revocation, so that Mr Zeidan would be able to determine whether a purchaser can be identified for the Mining Property and the Mining Lease; and

(c) there are currently three parties considering a possible purchase of the Mining Property and the Mining Lease, all of whom have executed confidentiality agreements with Mr Zeidan and are in the process of conducting due diligence.

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 and as a result, the Company's businesses are not operating normally. After the stabilisation of global COVID-19 conditions, the Company's businesses may take up to 6 months to fully resume operations and run normally.

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
12 November 2020