NEWS RELEASE

GEAR SUCCESSFULLY BROADENS RESOURCES PORTFOLIO DESPITE PANDEMIC-STRICKEN ENVIRONMENT IN FY2020

- ***Group turns in record Revenue of US$1.2 billion and a 4.8% increase in Net Profit to US$34.5 million***

SINGAPORE, 1 March 2021 **—** Golden Energy and Resources Limited ("**GEAR**" or the "**Group**"), an international energy and resources company, today announced its full year results for the financial year ended 31 December 2020 ("**FY2020**").

Mr. Fuganto Widjaja, Executive Chairman of GEAR, said: "FY2020 was a transformational year for GEAR, characterised by corporate actions which enabled the Group to further diversify into metallurgical coal and gold. The strategic increase in stake of Stanmore Coal and acquisition of Ravenswood Gold evolved out of rational forecasts of long term business prospects and their valuations in recent times when we had opportunities to invest. Last year was a turning point as we rode the peaks and troughs of the markets, realising investment gains and securing other strategic investments which put us in good stead for the long term."

"Today, the logic behind our diversified business model is simple and compelling – we produce resources which are not only essential, but also have distinct financial and cyclical characteristics and needs. Our fundamental strength comes from the geographically diversified nature of our various operating units and product portfolio. This balance steadies us not only for the short term annual results, but also for our long term development."

In FY2020, GEAR made meaningful progress on its priorities despite a difficult macro-environment caused by the Covid-19 pandemic:

Strategic expansion of product portfolio to include resources with no direct substitutes – metallurgical coal and gold

A 75.33%[1] stake in Stanmore Coal Limited ("**Stanmore Coal**") and 50% joint venture with EMR Capital in Ravenswood Resources Limited ("**Ravenswood Gold**") have enabled the Group to effectively expand its suite of resources. Both metallurgical coal and gold serve as diversifiers to the Group's core resource of energy coal, enabling it to diversify earnings streams and reduce dependence on energy coal.

Today, GEAR has an expanded suite of products with mining concessions that are geographically distributed across different sovereign jurisdictions in Indonesia and Australia, thereby providing diversification at several levels.

Achieving lowest production cost for its core resource – energy coal to maintain profitability

FY2020 cash costs of US$21.04 per metric tonne was one of the lowest achieved since FY2017. This allowed the Group to remain profitable especially against the backdrop of the lowest pricing environment witnessed for energy coal. Strict controls on cash cost through mine planning and cost optimisation resulting in lower strip ratios and contractor rates ensured continued profitability. GEAR out did itself by ramping up production volume to 33.5 million tonnes in FY2020, an 8.5% increase to FY2019's production volume of 30.8 million tonnes, and also exceeded GEAR's target of 31.0 million tonnes for FY2020.

[1] *GEAR's effective interest in Stanmore Coal is 60.0%*

Adding metallurgical coal into product mix for potential revenue and margin uplift over the longer term

Stanmore Coal produces metallurgical coal owning and operating projects in the Bowen Basin and Surat Basin regions of Queensland, Australia. Metallurgical coal is used in primary steel-making process and historically has been relatively less affected by market dynamics than energy coal. Stanmore Coal has coal resources estimates of 1.7 billion tonnes, and a coal handling preparation plant capacity of up to 3.5 million tonnes per annum.

The addition of metallurgical coal into GEAR's product mix serves to potentially increase the Group's top and bottom line over the longer term.

Leverage prior experience in gold mining with substantial investment in a second gold mining asset

Ravenswood Gold in Queensland, Australia marked the Group's second investment in gold. Ravenswood Gold has gold resources estimates of 3.9 million ounces, gold reserves estimates of 2.6 million ounces and a gold processing facility of 5.0 million tonnes per annum. Plans are underway for the expansion of Ravenswood Gold mine's processing facilities to increase production from 60,000 ounces to over 200,000 ounces per annum, paving the way for it to be a leading gold producer in Queensland.

Importantly, gold serves as a counter-cyclical resource which helps to balance the Group's portfolio, remaining relatively resilient despite the volatile macroeconomic environment. GEAR had earlier made an investment in its first gold mining asset through a minority stake in ASX-listed Westgold Resources (**"Westgold"**) in December 2017, which it has since fully divested at a profit in FY2020.

Staying nimble, seizing opportunities amid volatile capital and financial markets

GEAR is highly responsive to change, and has strongly demonstrated its ability to make swift decisions in its corporate actions taken in the course of 2020. The Group was also able to ride the peaks and troughs of counter cyclicals -- by divesting its stake in Westgold Resources for profits when gold prices were buoyant, and using the proceeds to acquire a 50% stake in Ravenswood Gold.

Maintains good credit standing

Despite global uncertainties and significant acquisitions made in the course of the year, GEAR was reaffirmed a "B1" rating with Stable Outlook by Moody's and a "B+" rating with Outlook Stable by Fitch Ratings in May 2020.

Continue to build and empower a world-class team

GEAR intends to hone its deep and broad knowledge in mining operations across different resources to further build technical expertise and operational best practices.

Financial Highlights:

US$'000	FY2020	FY2019	% Change
Revenue	**1,162,687**	1,115,815	4.2
Gross Profit	**376,611**	364,491	3.3
Net Profit After Tax	**34,468**	32,888	4.8
Net Profit attributable to Owners of GEAR	**8,085**	9,947	(18.7)
EPS (US cents)	**0.34**	0.42	(19.0)

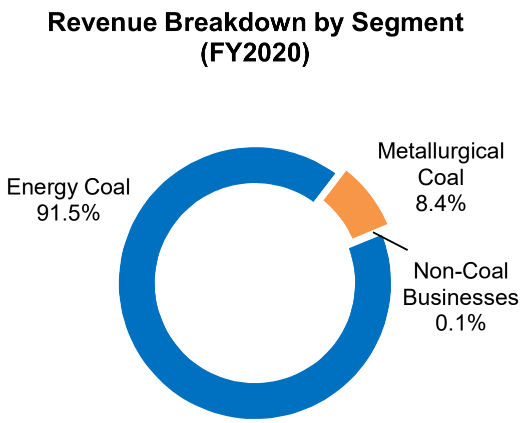
As a result of the increase in stake of Stanmore Coal from 31.35% to 75.33% (completed on 18 May 2020), Stanmore Coal became a subsidiary of the Group and results of Stanmore Coal are consolidated in the Group with effect from that date. To better reflect the consolidated performance, the Group has changed its reportable segments into Energy Coal, Metallurgical Coal and Non-Coal Businesses. This compares to Coal Mining, Coal Trading and Non-Coal Businesses previously reported in FY2019. The Energy Coal segment includes coal mining and coal trading of energy coal.

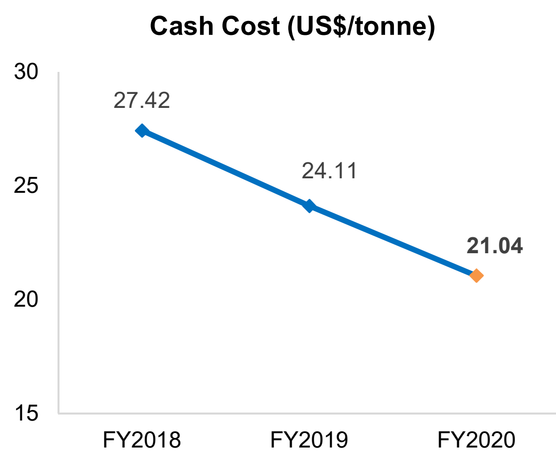
In the year under review, revenue grew 4.2% in FY2020 to hit a record high of US$1.2 billion, mainly due to the revenue contribution of the Group's Metallurgical Coal segment from the consolidation of Stanmore Coal. This was partially offset by a decrease in revenue from the Energy Coal segment and Non-Coal Businesses segment.

The Group's Energy Coal segment reported revenue of US$1.1 billion in FY2020, a decrease of 4.5% from FY2019, mainly due to a decrease in average selling price of 11.3% to US$31.03 per metric tonne in FY2020, from US$34.99 per metric tonne in FY2019, which was partially offset by increase in sales volume to 34.0 million tonnes in FY2020, from 31.1 million tonnes in FY2019. The Group's energy coal production volume increased to 33.5 million tonnes in FY2020, an 8.5% increase from 30.8 million tonnes in FY2019, and also exceeded the Group's target of 31.0 million tonnes for FY2020.

As a result of the consolidation of Stanmore Coal, the Group reported revenue of US$97.2 million from its Metallurgical Coal segment in FY2020.

Revenue from the Non-Coal Businesses segment is derived from plywood sales and consultancy services. In FY2020, the Group reported revenue of US$1.2 million from the Non-Coal Businesses segment, a decline from US$1.5 million in FY2019, mainly due to no consultancy services rendered during the year.





Coal production costs increased as a result of coal production ramp up from the Energy Coal segment and consolidation of Stanmore Coal's cost of sales. The Group reported cost of sales of US$786.1 million in FY2020, a 4.6% increase from US$751.3 million in FY2019. Average cash cost (excluding royalty) of the Energy Coal segment was significantly lower at US$21.04 per metric tonne in FY2020, a cost reduction of US$3.07 per metric tonne from the average cash cost of US$24.11 per metric tonne in FY2019. This reduction was achieved from strict controls on cash cost through mine planning and cost optimisation resulting in lower strip ratios and contractor rates.

In line with the increase in sales volume in FY2020, the Group reported selling and distribution expense of US$201.4 million, representing an 8.6% increase from US$185.4 million in FY2019, mainly due to the consolidation of results of Stanmore Coal and an increase in barging and trucking expenses.

Administrative expenses stood at US$79.3 million in FY2020, up 7.1% from US$74.1 million in FY2019, mainly due to the consolidation of results of Stanmore Coal.

In FY2020, the Group also reported share of loss of a joint venture (net of tax) amounting to US$4.9 million in FY2020 pertaining to investment in Ravenswood Gold.

In view of the above, GEAR recorded a net profit of US$34.5 million, representing a 4.8% increase from US$32.9 million reported in FY2019.

As at 31 December 2020, the Group maintains a robust balance sheet with cash and cash equivalents of US$262.8 million.

Outlook

- According to the International Energy Agency, based on assumption of a recovery in world economy, global coal demand is forecasted to grow by 2.6% in 2021:
  - Demand driven by higher electricity demand and industrial output;
  - Demand for thermal and metallurgical coal should rise to 7,432 million tonnes in 2021, from 7,243 million tonnes in 2020;
  - China, India and Southeast Asian economies to account for most of the growth.

Energy Coal

- China thermal coal imports likely to remain strong moving into 2021 on robust demand, high utilisation at domestic suppliers and exceptionally high local prices:
  - China coal imports surged to 39.08 million tonnes in December 2020 from 2.77 million tonnes a year earlier;
- Amid China's political tensions with its second-largest supplier Australia, Indonesian coal miners are deemed to be the beneficiaries of strong Chinese imports;
- Indonesia 4,200kcal/kg coal index rose to US$45.00/metric tonne in January 2021, from an average of US$26.00/metric tonne in the seven months to November 2020;
- Southeast Asia remains one of few regions where coal-fired generation has been expanding, with close to 20 Gigawatts of new coal-fired generating capacity under construction mostly in Indonesia, Vietnam and the Philippines;
- Indonesia is expected to remain at its position as the world's top thermal coal exporter post-pandemic:
  - In November 2020, the Indonesian Coal Mining Association and China Coal Transportation and Distribution Association signed a cooperation agreement to increase the coal exports from Indonesia to China. Under the agreement, China will purchase US$1.47 billion worth of thermal coal from Indonesia in 2021, which will further support Indonesia exports.

Metallurgical Coal

- Demand for metallurgical coal impacted by lower steel production brought by disruptions due to the Covid-19 pandemic:
  - Global crude steel production reaching 1,860.0 million tonnes in 2020, down by 0.9% compared to 2019;
- The S&P Global Platts Premium Low-Vol Hard Coking Coal benchmark stood at US$139/metric tonne FOB Australia on 30 September 2020, up from US$116/metric tonne on 30 June 2020, with prices falling to as low as US$105.50/metric tonne in the July-September quarter before recovering strongly on improved demand as global steelmakers restored production;
- In 2019, India surpassed Japan as the world's second largest steel producer with crude steel production of 111.2 million tonnes and steel consumption grew at a CAGR of 5.2% during FY2016-2020 to reach 100 million tonnes;
- India's coal imports have also revived in recent months to close to pre-pandemic levels as it imported 17.56 million tonnes of thermal and metallurgical coal in January 2021.

"Our primary objective will continue to be the maximization of shareholder value. We will manage our Group's business to generate earnings growth and improved returns over the long term. We intend to continue investing our resources in projects and investments that strategically augment and leverage our operations. We will seek investments where the long term cash returns on invested capital exceed the overall cost of capital", Mr Widjaja added.

GEAR remains cautiously optimistic on the near to medium term outlook recovery for energy and metallurgical coal demand and prices.

End

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ABOUT GOLDEN ENERGY AND RESOURCES LIMITED

Golden Energy and Resources Limited ("**GEAR**") principally engages in the exploration, mining and marketing of metallurgical coal and gold in Australia, as well as energy coal in Indonesia.

As at 31 December 2020, the Group's subsidiary, Stanmore Coal Limited ("**Stanmore Coal**"), has coal resources estimates of 1.7 billion tonnes, marketable coal reserves estimates of 130.0 million tonnes and a coal handling preparation plant capacity of up to 3.5 million tonnes per annum.

Its Indonesia subsidiary, PT Golden Energy Mines ("**GEMS**"), has more than 2.9 billion tonnes of energy coal resources and more than 1 billion tonnes of coal reserves as of 31 December 2020.

The Group has also extended its product suite to include gold via its 50% joint venture with EMR Capital in Ravenswood Gold. As of 31 December 2020, Ravenswood has 3.9 million ounces of gold resources and 2.6 million ounces of gold reserves.

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This release contains forward-looking statements, including quotes from management and statements concerning GEAR's future growth, operating and financial results and prospects. Statements using words such as "believe" and "expect" and similar words and expressions are intended to identify forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Forward-looking statements are based only on current beliefs, assumptions and expectations of management regarding the Company's future growth, coal production volume, coal selling price and operating and financial results and potential acquisitions. Because forward-looking statements relate to the future, they are inherently subject to significant known and unknown business, economic and competitive uncertainties, risks and contingencies, many of which are beyond the Group's control and difficult to predict, which could cause actual results to differ materially from those suggested by the forward-looking statements. These include fluctuations in demand for coal and coal prices, competition, changes to arrangements with customers, the availability and performance of third-party mining contractors, execution of GEAR's growth strategy, fuel prices, changes in governmental policies and regulations, unauthorized mining operations, public opposition to mining and other risks, uncertainties and factors. Readers of this release are cautioned not to place undue reliance on forward-looking statements herein, which speak only as of the date hereof. GEAR undertakes no obligation to publicly update or release any revisions to these forward-looking statements, except as required by law.