Resources Prima Group Limited
(Company Registration No: 198602949M)

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Tay Sim Yee, at 1 Robinson Road #21-00, AIA Tower, Singapore 048542, telephone (65) 6232-3210.

Unaudited Second Quarter Financial Statements for the Financial Period Ended 30 June 2018

INTRODUCTION

Resources Prima Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") makes reference to its announcements dated:

- 13 September 2018, Update Pursuant To Rule 704(22) Of The Catalist Rules
- 13 September 2018, Update On The Group's Coal Hauling Operations,
- 28 September 2018, Application For Further Extensions Of Time In Relation To (I) Submission Of The Group's Resumption Of Trading Proposal And (Ii) Rule 704(7) Of The Catalist Rules, and
- 1 October 2018, Entry Into Memorandum Of Understanding In Relation To A Proposed Acquisition

and provides the following update.

(A) Group's future direction and other material developments that may have a significant impact on the Group's financial situation

Ongoing Operations:
As previously announced, PT Energy Indonesia Resources ("**EIR**") recommenced coal hauling operations in October 2017, prior to the contracted start date of 1 November 2017, under a coal hauling service agreement ("**Coal Hauling Agreement**") with PT Coalindo Adhi Nusantara ("**CAN**"). Commencement of coal hauling operations prior to the contracted start date was at the request of CAN.

As announced on 13 September 2018, in August 2018, the operations of EIR continued to be negatively affected by, inter alia, the rainfall and maintenance of the coal hauling road as a result thereof, as well as CAN's stockpile being full due to problems experienced by CAN with its mother vessel loading and shipping schedule. As a result, EIR only hauled a total of 22,924 tonnes of coal in August 2018.

As also announced on 13 September 2018, EIR was advised by CAN that all coal hauling activities will be shut down from 5 September 2018 to 17 September 2018. This is due to CAN's stockpile being full and sporadic fires had broken out within the stockpile due to the highly volatile nature of the coal. As such, CAN requires time to clear the stockpile, isolate the burning coal and extinguish the fires. As a result, EIR only hauled a total of 23,875 tonnes of coal for September. The average quantity of coal hauled of 33,796 tonnes per month for the 11-months November 2017 through September 2018 therefore continues to be significantly lesser than the 100,000 tonnes per month as set out in the Company's announcement dated 6 October 2017.

The management has had a number of discussions with CAN on possible recourse resulting from the above disruptions during August and September. With regard to the August disruption, the Company has agreed with CAN on the compensation payable to EIR amounting to approximately US$51,500. The compensation amount is based on a coal hauling shortfall of 30,000 tonnes and is net of the cost of fuel. Management is currently negotiating with CAN in respect of EIR's compensation for the September 2018 disruption. Management continues to explore how EIR can be protected against such disruptions in the future through changes to the CAN contract terms as well as reviewing the economics of moving EIR's coal hauling operations to an alternative coal mining company.

In view of the compensation for August, EIR's profit from operations and cashflows for the month of August 2018 will be positive.

The Company will continue to update shareholders via SGXNET in respect of the above and other matters concerning the Group through its monthly update pursuant to Rule 704(22) of the Catalist Rules.

Cashflow analysis and resumption of trading:
As a result of the Rinjani situation (including without limitation the loss of control of Rinjani), the Group has been operating under severe cashflow constraints as there was no operating cashflows for the period from July to October 2017. The severe underperformance of the coal hauling agreement with CAN as set out above added more uncertainty to the cash flows that can be generated by the Group. The Board also announced on 28 June 2017 that the Board is of the view that the Company is currently unable to demonstrate its ability to continue as a going concern or reasonably assess its financial position. As such the Board recommended that in the best interests of the Company, the trading halt of the Company's shares be converted to a trading suspension of the shares with immediate effect. Since 29 June 2017, the Board and Management have been concurrently working towards submitting a trading resumption proposal to the Singapore Exchange Securities Trading Limited (the "**SGX-ST"**) on or before 28 June 2018.

On 5 July 2018, the Company announced that it was informed by the SGX-ST that, having considered the financial position of the Company, SGX-ST, is of the view that a time extension will be in the interest of shareholders and in this regard SGX-ST has agreed to grant the Company a 3-month extension till 28 September 2018 for the Company to submit its resumption proposal.

Having regard of the deadline imposed by the SGX-ST, the Company announced on 6 August 2018, the entry of an investment agreement ("**Investment Agreement**") with Mr Ang Liang Kim ("**Investor**"), a substantial shareholder of the Company. The Investor has, pursuant to the Investment Agreement, committed not less than S$4 million of investment in the Company by way of a convertible loan (of up to S$2 million) and a rights issue. These funds are for the purpose of general working capital (excluding salary and fees of Management and Directors) and where necessary, capital expenditures (including but not limited to potential business opportunities). As such, and as announced on 6 April 2018, the Management and Directors will continue, as an interim measure, not to take any fees or remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation. The Company will be holding a general meeting to seek shareholders' approval for the convertible loan in due course.

Following the ongoing efforts in seeking the injection of a sustainable business, the Company, on 1 October 2018 announced entry into a memorandum of understanding ("**MOU**") with Hing Chung Group (International) Limited in relation to the proposed acquisition of 100% equity interest in ChongQing HuangYang Property Development Limited by the Company. As a result of entry into the MOU the Company, through its sponsor has on 5 October 2018, made an application for (i) a further 6-month extension of time to 28 March 2019 to submit its resumption of trading proposal and (ii) a further 6-month extension to 28 March 2019 to fill the vacancy in its Audit and Risk Management Committee (the "**Further Extensions**").

(B) Bankruptcy proceedings – PT Rinjani Kartanegara ("Rinjani")

Further to the announcements dated 22 January 2018 in relation to the update pursuant to Rule 704(22) of the Catalist Rules ("**January 2018 monthly update**") and dated 6 April 2018 for updates on this matter, the Company received an invitation from the curators on 17 October 2018 to attend a creditors meeting on 18 October 2018 to discuss the going concern of Rinjani.

Due to the late receipt of the invitation, the Company was not formally represented at the meeting but the Company has been advised that the curators have received and are reviewing a number of proposals for the recommencement of mining operations in Rinjani mine concession area. Creditors will be invited to a future meeting to further discuss the proposals. No date has been set for the follow up creditor meeting.

(C) State of negotiations between the Company and its principal bankers or trustee

The Company currently has no credit lines or facilities with its bankers or trustee.

(D) Litigation

The Company refers to its announcement dated 9 February 2018 and advises that the Group's subsidiary, PT Pilar Mas Utama Perkasa ("**Pilar Mas**"), received a notice dated 24 January 2018 from the State Court of West Jakarta, Indonesia (the "**Notice**") in relation to a statement of claim filed by a former shareholder of PT Rinjani Kartanegara ("**Rinjani**"), being Ruznie Oms., S.H. M.Hum ("**Ruznie**"). The statement of claim is filed against, Pilar Mas, Agus Sugiono, the Group's Executive Chairman and Chief Executive Officer ("**Defendant II**"), Rinjani ("**Defendant III**"), Nordiansyah Nasrie, the Group's Chief Operating Officer ("**Defendant IV"**) and other third parties (collectively, the "**Defendants**").

The statement of claim against the Defendants, claims, *inter alia*, losses arising from events and transactions pertaining to the sale and purchase of Rinjani's shares from its original shareholders prior to the reverse takeover back in 2014, one of which being Ruznie. The amount being claimed of Rp665 billion (approximately US$50 million), represents, amongst others, Ruznie's loss of rights from the sale of Rinjani's shares and loss of opportunity to profit from the sale of Rinjani coal.

Following a decision of the West Jakarta District Court to exclude Rinjani from the mediation process due to its bankruptcy and unwillingness to participate, the mediation process recommenced with the first mediation hearing scheduled on 3 July 2018. The mediation hearing was before a panel of 3 judges and included Ruznie, Pilar Mas, and Defendants II and IV amongst others.

At the 3 July 2018 mediation hearing, no agreement was reached between the parties and as such an initial hearing was set for 10 July 2018 during which Pilar Mas and Defendants II and IV submitted their response to Ruznie's statement of claim. Following a number of hearings, the latest of which was held on 23 October 2018, at which Ruznie presented his final witness the next hearing has been set for 13 November 2018 at which both Pilar Mas and Defendants II and IV have been requested to present their witnesses, if any, in respect of the claim. Following completion of the mediation and hearing process and the presentation of witnesses, the panel of judges shall then decide either in favour of Ruznie or Pilar Mas and Defendants II and IV.

The Company will make further announcements on the matter as necessary.

Other than as set out above, the Company has not been or is not a party in any other legal proceedings.

As previously announced, with effect from 9 October 2017, all litigation matters and decisions with respect to the legal proceedings against Rinjani will be handled by the curators appointed by the Commercial Court Jakarta.

(E) Board and board committee changes

Further to the changes and appointments to the Company's Board and Board Committees noted in the Company's announcement dated 11 May 2018, the Company will still be unable to meet the minimum number of members under Catalist Rule 704(7) in respect of the ARMC.

Although the Company has endeavoured to fill the vacant position within the 3 months from 13 February 2018, the Company makes reference to the announcement dated 6 April 2018, wherein it advised that due to the Group's financial position, the independent directors, the executive chairman cum chief executive officer, the executive director, the chief operating officer and the chief financial officer have all agreed not to take any fees or remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation. Hence, it would be challenging for the Group to attract suitable candidates and an appointment of an additional independent director could potentially stretch the Group's financial resources.

Having regard to the above the Company refers to its announcements dated:

- 1 June 2018 wherein it was announced that SGX-ST had no objection to granting a 3-month extension till 10 August 2018 to appoint the additional (third) committee member of the ARMC, and
- 27 August 2018 wherein it was announced that based on the information provided by the Company, the SGX-ST has no objection to granting the Company a further 1.5-month extension, till 28 September 2018, to fill the vacancy in the ARMC.

As noted above under item A the Company, through its sponsor has on 5 October 2018, made an application to SGX-ST for, *inter alia*, a further 6-month extension to 28 March 2019 to fill the vacancy in its Audit and Risk Management Committee.

(F) Trading resumption

Please refer to Note (A) above for details.

The Company will continue to update shareholders via SGXNET when there are material developments in respect of any matters concerning the Group pursuant to Rule 704(7) of the Catalist Rules.

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GOING CONCERN

As set out in (A) above, the Company on 6 August 2018 announced the entry into an Investment Agreement with Mr Ang Liang Kim, a substantial shareholder of the Company (the "**Investor**") pursuant to which the Investor has committed not less than S$4 million of investment in the Company by way of a convertible loan (of up to S$2 million) and a rights issue. Following execution of the Investment Agreement, there is now more certainty on the cashflows of the Company to ensure it can meet its debts and obligations (excluding salary and fees of Management and Directors) as they fall due for the 12-month period from 30 June 2018 (the reporting date).

In view of the above, the Company has updated its profitability and cashflow analysis for the 12-month period from the reporting date up to 30 June 2019 and the analysis confirms that the Company is able to meet all of its debts and obligations during the forecast period.

The Board is therefore of the view that the Company is currently able to demonstrate that it can continue as a going concern and as such the second quarter financial statements of the Company and Group for the financial period ended 30 June 2018 have been prepared on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENTS – PRESENTATION AND PREPARATION

Financial Reporting Standard 110 – Consolidated financial statements ("**FRS 110**") establishes the principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. Based on FRS 110 and the Indonesian bankruptcy law, the Company has concluded that it lost its control over PT Rinjani Kartanegara ("**Rinjani**"), a subsidiary of the Company held through PT Pilar Mas Utama Perkasa ("**Pilar Mas**"), on 24 August 2017, which was the date:

- the application for suspension of payment was approved by the Commercial Court in Jakarta, and
- two administrators were appointed by the Commercial Court in Jakarta to administer the affairs of Rinjani to protect the interest of Rinjani's creditors.

Since the approval of the suspension of payment on 24 August 2017, the Management and Board of Directors of Rinjani no longer had sole authority to administer or represent Rinjani or exercise any management or ownership decisions over the assets and operations of Rinjani. As such, the Company no longer had control over Rinjani, was no longer entitled to any returns from its investment in Rinjani, and was unable to affect the amount of returns from its investment in Rinjani.

Due to the Company's loss of control over Rinjani and the suspension of operations of RPG Trading Pte. Ltd. ("**RPG Trading**") and EIR during the financial year ended 31 December 2017 due to the cessation of coal production from Rinjani, the Company's income statement for the financial period ended 30 June 2017 presents the results of Rinjani, RPG Trading and EIR as discontinued operations ("**Discontinued Operations**") in accordance with 'FRS 105 – Non Current Assets Held for Sale and Discontinued Operations'. However, following the recommencement of EIR's operations in October 2017, after entering into a coal hauling service agreement with CAN, EIR's results together with those of the Company, RPG Trading, Energy Prima Pte Ltd ("**Energy Prima**") and Pilar Mas, for the financial period ended 30 June 2018 are presented under continuing operations ("**Continuing Operations**").

The results of the Company, Energy Prima and Pilar Mas are also presented for the financial period ended 30 June 2017 as Continuing Operations.

RESULTS ANNOUNCEMENT – ABBREVIATIONS

For ease of reference, the following abbreviations are used in this announcement:

- "**2QFY2018**: The 3-months (second quarter) of the financial year ended 31 December 2018;
- "**2QFY2017**": The 3-months (second quarter) of the financial year ended 31 December 2017;
- "**1HFY2018**": The 6-month period ended 30 June 2018 of the financial year ending 31 December 2018;
- "**1HFY2017**": The 6-month period ended 30 June 2017 of the financial year ended 31 December 2017;
- "**12MFY2018**: The 12-months financial year ending 31 December 2018; and
- "**12MFY2017**: The 12-months financial year ended 31 December 2017.

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

1(a)(i) 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 immediately preceding year

INCOME STATEMENT

	Group						
	3 months ended 30.06.18 US$'000	3 months ended 30.06.17 US$'000 (Re-presented)	Inc/ (Dec) %	6 months ended 30.06.18 US$'000	6 months ended 30.06.17 US$'000 (Re-presented)	Inc/ (Dec) %	Ref
Continuing Operations							
Revenue	**348**	**-**	**N.M.**	**661**	**-**	**N.M.**	**8.1.1**
Cost of goods sold	(364)	-	N.M.	(684)	-	N.M.	**8.1.2**
Gross loss	**(16)**	**-**	**N.M.**	**(23)**	**-**	**N.M.**	**8.1.3**
Other income	1	1	N.M.	1	1	0.0	
Other (losses)/gains, net	(28)	-	N.M.	(24)	-	N.M.	**8.1.4**
Administrative expenses	(387)	(283)	36.7	(692)	(573)	20.8	**8.1.5**
Finance costs	(4)	-	N.M.	(4)	(12)	(66.7)	8.1.6
Loss before tax	(434)	(282)	**53.9**	(742)	(584)	**27.1**	
Tax expense	-	-	N.M	(2)	-	N.M.	**8.1.7**
Loss from continuing operations, net of tax	(434)	(282)	53.9	(744)	(584)	**27.4**	
Discontinued Operations							
(Loss)/profit from discontinued operations, net of tax	-	(854)	N.M.	-	782	N.M.	**8.1.8**
(Loss)/profit for the financial period	**(434)**	**(1,136)**	**(61.8)**	**(744)**	**198**	**N.M.**	
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss							
Currency translation differences arising on consolidation	39	162	(75.9)	27	540	(95.0)	**8.1.9**
Total comprehensive (loss)/ income for the period	**(395)**	**(974)**	**(59.5)**	**(717)**	**738**	**N.M.**	
(Loss)/income attributable to:							
- Equity holders of the Company	(435)	(899)	(51.6)	(745)	214	N.M.	
- Non-controlling interests	1	(237)	N.M.	1	(16)	N.M.	
	(434)	(1,136)	(61.8)	(744)	198	**N.M.**	
Total comprehensive (loss)/ income attributable to:							
- Equity holders of the Company	(396)	(737)	(46.3)	(718)	754	N.M.	
- Non-controlling interests	1	(237)	N.M.	1	(16)	N.M	
	(395)	(974)	(59.5)	(717)	738	**N.M.**	

N.M. – Not Meaningful

1(a)(ii) Income before tax is stated after charging/(crediting) the following:-

	Group					
	3 months ended 30.06.18 US$'000	3 months ended 30.06.17 US$'000	Inc/ (Dec) %	6 months ended 30.06.18 US$'000	6 months ended 30.06.17 US$'000	Inc/ (Dec) %
Unrealised foreign currency exchange loss/(gain)[1]	56	(8)	N.M.	46	(22)	N.M
Depreciation of property, plant and equipment[1]	63	691	(90.9)	128	1,430	(91.0)
Amortisation of mining properties[2]	-	282	N.M.	-	1,070	N.M
Amortisation of intangible assets[2]	-	10	N.M.	-	20	N.M
Post-employment benefits[2]	-	106	N.M.	-	214	N.M
Provision for mine reclamation and rehabilitation[2]	-	44	N.M.	-	94	N.M
Operating lease expenses[2]	-	148	N.M.	-	392	N.M
Interest income[1]	-	(15)	N.M.	-	(25)	N.M
Interest expense[1]	4	294	(98.6)	4	590	(99.3)

1: From continued and discontinued operations

2: From discontinued operations

N.M. – Not Meaningful

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1(b)(i) 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		Ref	Company	
	As at 30.06.18 US$'000 (Unaudited)	As at 31.12.17 US$'000 (Audited)		As at 30.06.18 US$'000 (Unaudited)	As at 31.12.17 US$'000 (Audited)
Non-current assets					
Property, plant and equipment	576	705	**8.2.1**	-	-
	576	**705**		-	-
Current assets					
Available-for-sale investment	-*	-*		-*	-*
Inventories	51	51	**8.2.3**	-	-
Trade and other receivables	229	131	**8.2.2**	20	50
Cash and cash equivalents	207	322	**8.2.4**	104	105
	487	504		124	155
Total assets	**1,063**	**1,209**		**124**	**155**
Equity					
Share capital	100,480	100,480		236,508	236,508
Currency translation reserve	(797)	(824)	**8.2.5**	(15,804)	(15,833)
Accumulated losses	(100,377)	(99,634)		(221,805)	(221,159)
Equity attributable to equity holders of the Company	(694)	22		(1,101)	(484)
Non-controlling interests	(174)	(173)		-	-
Total equity	**(868)**	**(151)**		**(1,101)**	**(484)**
Non-current liabilities					
Finance lease liabilities	31	53	**8.2.7**	-	-
	31	53		-	-
Current liabilities					
Trade and other payables	1,366	748	**8.2.6**	1,225	639
Finance lease liabilities	54	46	**8.2.7**	-	-
Tax payable	480	513	**8.2.8**	-	-
	1,900	1,307		1,225	639
Total liabilities	**1,931**	**1,360**		**1,225**	**639**
Net liabilities	**(868)**	**(151)**		**(1,101)**	**(484)**
Total equity and liabilities	**1,063**	**1,209**		**124**	**155**

* - Amount is below US$1,000

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1(b)(ii) Aggregate amount of group's borrowings and debt securities.

(a) Amount repayable in one year or less, or on demand

30.06.18		31.12.17	
US$'000	US$'000	US$'000	US$'000
Secured	Unsecured	Secured	Unsecured
54	152	46	155

(b) Amount repayable after one year

30.06.18		31.12.17	
US$'000	US$'000	US$'000	US$'000
Secured	Unsecured	Secured	Unsecured
31	-	53	-

(c) Details of any collateral

Certain vehicles (such as coal hauling trucks) with an aggregate carrying amount of US$0.2 million as at 30 June 2018 (31 December 2017: US$0.2 million) are pledged under existing finance lease arrangements.

A corporate guarantee by Pilar Mas was provided as security for the debt owed by Rinjani to a main supplier amounting to approximately US$15 million.

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

	Group			
	3 months ended 30.06.18 US$'000	3 months ended 30.06.17 US$'000	6 months ended 30.06.18 US$'000	6 months ended 30.06.17 US$'000
Cash flows from operating activities				
(Loss)/profit before tax	(434)	(1,236)	(742)	809
Adjustments for:-				
Depreciation of property, plant and equipment	63	691	128	1,430
Amortisation of mining properties	-	282	-	1,070
Amortisation of intangible assets	-	10	-	20
Post-employment benefits	-	106	-	214
Provision for mine reclamation and rehabilitation	-	44	-	94
Finance costs (interest expense)	4	294	4	590
Interest income	-	(15)	-	(25)
Unrealised foreign currency exchange loss/(gain)	56	(8)	46	(22)
Operating (loss)/profit before working capital changes	**(311)**	**168**	**(564)**	**4,180**
Inventories	4	(277)	-	(617)
Trade and other receivables	(92)	371	(98)	2,436
Trade and other payables	386	(700)	618	(5,828)
Currency translation adjustments	(32)	162	(45)	540
Cash (used in)/generated from operations	**(45)**	**(276)**	**(89)**	**711**
Interest received	-	15	-	25
Taxes paid	-	-	(8)	-
Net cash (used in)/generated from operating activities	**(45)**	**(261)**	**(97)**	**736**
Cash flows from investing activities				
Additions to mining properties	-	-	-	(148)
Purchase of property, plant and equipment	-	-	-	(33)
Net cash used in investing activities	**-**	**-**	**-**	**(181)**
Cash flows from financing activities				
Proceeds from issuance of ordinary shares at subsidiary	-	23	-	23
Interest paid	(4)	(21)	(4)	(50)
Repayment of finance lease	(14)	(138)	(14)	(271)
Net cash used in financing activities	**(18)**	**(136)**	**(18)**	**(298)**
Net (decrease)/increase in cash and cash equivalents	(63)	(397)	(115)	257
Cash and cash equivalents at beginning of period	272	2,953	322	2,299
Effects of currency translation on cash and cash equivalents	**(2)**	**-**	**-**	**-**
Cash and cash equivalents at end of period	**207**	**2,556**	**207**	**2,556**

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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.

Statement of Changes in Equity

Group	Share capital US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Equity attributable to equity holders of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 January 2017	**100,480**	**(1,383)**	**(84,139)**	**14,958**	**(4,537)**	**10,421**
Profit for the 3 months ended 31 March 2017	-	-	1,113	1,113	221	1,334
Other comprehensive income:						
- Currency translation differences	-	378	-	378	-	378
Profit and total comprehensive income for the 3 months ended 31 March 2017	-	378	1,113	1,491	221	1,712
At 31 March 2017	**100,480**	**(1,005)**	**(83,026)**	**16,449**	**(4,316)**	**12,133**
Issuance of ordinary shares at subsidiary	-	-	-	-	23	23
Loss for the 3 months ended 30 June 2017	-	-	(899)	(899)	(237)	(1,136)
Other comprehensive income:						
- Currency translation differences	-	162	-	162	-	162
Loss and total comprehensive income for the 3 months ended 30 June 2017	-	162	(899)	(737)	(237)	(974)
At 30 June 2017	**100,480**	**(843)**	**(83,925)**	**15,712**	**(4,530)**	**11,182**

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Statement of Changes in Equity (continued)

Group (continued)	Share capital US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Equity attributable to equity holders of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 January 2018	**100,480**	**(826)**	**(99,724)**	**(70)**	**(174)**	**(244)**
Adjustment for opening balances*	-	2	90	92	1	93
Loss for the 3 months ended 31 March 2018	-	-	(310)	(310)	-	(310)
Other comprehensive income:						
- Currency translation differences	-	(12)	-	(12)	-	(12)
Profit and total comprehensive income for the 3 months ended 31 March 2018	-	(12)	(310)	(322)	1	(322)
Adjustment	-	-	2	2	(2)	-
At 31 March 2018	**100,480**	**(836)**	**(99,942)**	**(298)**	**(175)**	**(473)**
Loss for the 3 months ended 30 June 2018	-	-	(435)	(435)	1	(434)
Other comprehensive income:						
- Currency translation differences	-	39	-	39	-	39
Loss and total comprehensive income for the 3 months ended 30 June 2018	-	39	(435)	(396)	1	(395)
At 30 June 2018	**100,480**	**(797)**	**(100,377)**	**(694)**	**(174)**	**(868)**

*Adjustments for opening balances arose due to the results announcement for the unaudited financial statements for the financial period ended 31 March 2018 was announced prior to the finalisation of the audited annual report of the Group for the financial year ended 31 December 2017.

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Statement of Changes in Equity (continued)

Company	**Share capital US$'000**	**Currency translation reserve US$'000**	**Accumulated losses US$'000**	**Total equity US$'000**
At 1 January 2017	**236,508**	**(18,075)**	**(175,139)**	**43,294**
Loss for the 3 months ended 31 March 2017	-	-	(264)	(264)
Other comprehensive income:				
- Currency translation differences	-	1,498	-	1,498
Profit /(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2017	-	1,498	(264)	1,234
At 31 March 2017	**236,508**	**(16,577)**	**(175,403)**	**44,528**
Loss for the 3 months ended 30 June 2017	-	-	(280)	(280)
Other comprehensive income:				
- Currency translation differences	-	660	-	660
Loss and total comprehensive loss for the 3 months ended 30 June 2017	-	660	(280)	380
At 30 June 2017	**236,508**	**(15,917)**	**(175,683)**	**44,908**

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Statement of Changes in Equity (continued)

Company (continued)	**Share capital US$'000**	**Currency translation reserve US$'000**	**Accumulated losses US$'000**	**Total equity US$'000**
At 1 January 2018	**236,508**	**(15,833)**	**(221,159)**	**(484)**
Loss for the 3 months ended 31 March 2018	-	-	(301)	(301)
Other comprehensive income:				
- Currency translation differences	-	(105)	-	(105)
Profit /(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2018	-	(105)	(301)	(406)
At 31 March 2018	**236,508**	**(15,938)**	**(221,460)**	**(890)**
Loss for the 3 months ended 30 June 2018	-	-	(345)	(345)
Other comprehensive income:				
- Currency translation differences	-	134	-	134
Loss and total comprehensive loss for the 3 months ended 30 June 2018	-	134	(344)	(211)
At 30 June 2018	**236,508**	**(15,804)**	**(221,805)**	**(1,101)**

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1(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, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

	No. of Ordinary Shares	Issued Share Capital (S$)
At 30 June 2018 and 31 December 2017	**1,832,999,998**	**307,306,455**

There were no changes in the Company's share capital since 31 December 2017 and up till 30 June 2018. As at 30 June 2018 and 30 June 2017, the Company had no outstanding share options, other convertibles, treasury shares and subsidiary holdings.

1(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.

	30.06.18	31.12.17
Total number of issued shares (excluding treasury shares)	**1,832,999,998**	**1,832,999,998**

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

Not applicable. The Company had no treasury shares at the beginning of the financial period and does not have any at the end of the financial period.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company had no subsidiary holdings at the beginning of the financial period and does not have any at the end of the financial period.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

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.

Except as disclosed in the Introduction (Consolidated financial statements – Presentation and Preparation) and item 5 below, the Group and the Company have applied the same accounting policies and methods of computation for the current reporting period as compared with the audited financial statements of the Group and the Company for the preceding financial year.

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.

Except as noted in the Introduction (Consolidated financial statements – Presentation and Preparation), there have been no changes in the accounting policies and methods of computation. The Group and the Company have adopted all the new and revised standards and interpretations of the Singapore Financial Reporting Standards that are effective for annual periods beginning on or after 1 January 2018. The adoption of these standards and interpretations had no significant effect on the financial performance or position of the Group and the Company for the 2QFY2018 and 2QFY2017.

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

	Group			
	3 months ended 30.06.18	**3 months ended 30.06.17** (Re-presented)	**6 months ended 30.06.18**	**6 months ended 30.06.17** (Re-presented)
Continuing Operations[1]				
(Loss)/earnings per ordinary share:-				
Basic (US$ cents)	(0.024)	(0.002)	(0.041)	(0.031)
Diluted (US$ cents)	(0.024)	(0.002)	(0.041)	(0.031)
Discontinued Operations[2]				
Loss per ordinary share:-				
Basic (US$ cents)	-	(0.047)	-	0.043
Diluted (US$ cents)	-	(0.047)	-	0.043
Weighted average number of ordinary shares for basic earnings per share	1,832,999,998	1,832,999,998	1,832,999,998	1,832,999,998

Diluted earnings per share is the same as basic earnings per share for all reported financial periods ended 30 June 2018 and 2017 as there were no outstanding convertible instruments.

[1]*Loss/Earnings per share for Continuing Operations excludes non-controlling interest.*
[2]*Not previously presented*

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 period reported on and (b) immediately preceding financial year.

	Group	
	As at 30.06.18	**As at 31.12.17**
Net asset value per ordinary share (US$ cents)	(0.038)	0.001
Number of ordinary shares issued (excluding treasury shares)	1,832,999,998	1,832,999,998

	Company	
	As at 30.06.18	**As at 31.12.17**
Net asset value per ordinary share (US$ cents)	(0.060)	(0.026)
Number of ordinary shares issued (excluding treasury shares)	1,832,999,998	1,832,999,998

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

INTRODUCTION

The main factors affecting the Group's financial performance are:

(a) Re-presentation of the Group's Income Statement

Due to the Company's loss of control of Rinjani on 24 August 2017 and the suspension of operations of RPG Trading and EIR (see Introduction), the Company's income statement for HY2017 has been re-presented in accordance with FRS. The re-presentation and previously announced presentation are noted below for information purposes only.

	Group			
	Re-presented[1]	**Announced[2]**	**Re-presented[1]**	**Announced[2]**
	3 months ended 30.06.17	**3 months ended 30.06.17**	**6 months ended 30.06.17**	**6 months ended 30.06.17**
Revenue	**-**	**7,978**	**-**	**22,291**
Cost of goods sold	-	(7,360)	-	(17,008)
Gross profit	-	618	-	5,283
Other income	1	40	1	63
Selling and distribution expenses	-	(450)	-	(1,368)
Administrative expenses	(283)	(964)	(573)	(1,950)
Finance costs	-	(294)	(12)	(590)
Other expenses	-	(186)	-	(629)
(Loss)/profit before tax	(282)	(1,236)	(584)	809
Tax expense	-	100	-	(611)
(Loss)/profit after tax	**(282)**	**(1,136)**	**(584)**	**198**
Discontinued Operations				
(Loss)/profit from discontinued operations	(854)	-	782	-
(Loss)/profit from operations	**(1,136)**	**-**	**198**	**-**
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences arising on consolidation	162	162	540	540
Total comprehensive (loss)/income for the period	**(974)**	**(974)**	**738**	**738**

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	Re-presented[1] 3 months ended 30.06.17	Announced[2] 3 months ended 30.06.17	Re-presented[1] 6 months ended 30.06.17	Announced[2] 6 months ended 30.06.17
(Loss)/profit attributable to:				
- Equity holders of the Company	(899)	(899)	214	214
- Non-controlling interests	(237)	(237)	(16)	(16)
	(1,136)	**(1,136)**	**198**	**198**
Total comprehensive (loss)/income attributable to:				
- Equity holders of the Company	(737)	(737)	754	754
- Non-controlling interests	(237)	(237)	(16)	(16)
	(974)	**(974)**	**738**	**738**

[1]*Not previously presented*
[2]*Announced via SGXNet on 14 August 2017*

(b) Loss of control - Deconsolidation

As a result of the Company's loss of control of Rinjani on 24 August 2017, the entire assets and liabilities related to Rinjani are deconsolidated and as Rinjani was in a net liabilities position as set out below, the resultant gain on deconsolidation was presented in the statement of comprehensive income under loss from discontinued operations for 12MFY2017. The indicative assets and liabilities of Rinjani were as follows:

	Rinjani 31.08.17* US$'000
Assets associated with Rinjani are:	
Property, plant and equipment	18,699
Intangible asset	144
Mining properties	5,790
Trade and other receivables	10,825
Deferred tax assets	1,505
Inventory	845
Cash and cash equivalents	1,139
Total	**38,947**
Liabilities associated with Rinjani are:	
Trade and other payable	51,920
Finance lease liabilities	235
Provisions	1,625
Total	**53,780**

**Deemed to be as at 24 August 2017*

[This section is intentionally left blank]

(c) Loss of control – Discontinued Operations

Further to the Company's loss of control of Rinjani on 24 August 2017 and the suspension of operations of RPG Trading and EIR (see Introduction), the entire results from Rinjani as well as RPG Trading and EIR (for the period up to 30 June 2017) are presented separately in the statement of comprehensive income under (loss)/profit from discontinued operations for 2QFY2017 and HY2017.

The results of the Discontinued Operations are as follows:

	3 months ended 30.06.17 US$'000	6 months ended 30.06.17 US$'000
Revenue	7,978	22,291
Cost of goods sold	(7,360)	(17,008)
Gross profit	618	5,283
Expenses	(1,572)	(3,890)
(Loss)/profit before tax	(954)	1,393
Tax expense	100	(611)
Net (loss)/profit after tax	(854)	782

8.1 INCOME STATEMENT

8.1.1 Revenue

Following the deconsolidation of Rinjani and discontinued operations of RPG Trading and EIR and the re-presentation of the comparative figures, there is no revenue from continuing operations other than from EIR for 1HFY2018.

	Group					
	3 months ended 30.06.18 US$'000	3 months ended 30.06.17 US$'000	Inc/ (Dec) %	6 months ended 30.06.18 US$'000	6 months ended 30.06.17 US$'000	Inc/ (Dec) %
Revenue by division						
Coal hauling	**348**	**-**	**N.M.**	**661**	**-**	**N.M.**

EIR recommenced coal hauling operations in October 2017, prior to the contracted start date of 1 November 2017, under the Coal Hauling Agreement with CAN. Its revenue is derived based on a contracted coal hauling rate per tonne of coal per kilometre hauled. During 2QFY2018 and 1HFY2018, EIR hauled a total of 113,602 tonnes and 215,065 tonnes of coal respectively.

The increase in tonnage of coal hauled in 2Q2018 and 1H2018 was mainly a result of the various steps taken by management with CAN to improve the commercial viability of the Coal Hauling Agreement by addressing certain of the operational issues faced by EIR.

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8.1.2 Cost of Goods Sold

Following the deconsolidation of Rinjani and discontinued operations of RPG Trading and EIR and the re-presentation of the comparative figures, there is no cost of goods sold ("**COGS**") from continuing operations other than for EIR for 2QFY2018 and 1HFY2018.

	Group					
	3 months ended 30.06.18 US$'000	3 months ended 30.06.17 US$'000	Inc/ (Dec) %	6 months ended 30.06.18 US$'000	6 months ended 30.06.17 US$'000	Inc/ (Dec) %
Cost of goods sold by division						
Coal hauling	**364**	**-**	**N.M.**	**684**	**-**	**N.M.**

EIR's COGS for 2QFY2018 and 1HFY2018 includes primarily the costs of manpower, fuel, spare parts and depreciation of its coal hauling trucks. For 2QFY2018 and 1HFY2018 EIR's cost of goods sold was impacted by the higher quality of coal hauled as well as higher repair and maintenance costs for the dump trucks and payment of the Lebaran bonus (1-month base salary) to all employees as stipulated by Indonesian manpower regulations.

8.1.3 Gross Loss

Following the deconsolidation of Rinjani and discontinued operations of RPG Trading and EIR and the re-presentation of the comparative figures, there is no gross profit from continuing operations other than from EIR for 2QFY2018 and 1HFY2018.

EIR incurred a gross loss of US$16,000 and US$23,000 for 2QFY2018 and 1HFY2018 respectively for the reasons noted in the Introduction-point A and items 8.1.1 and 8.1.2 above. Despite the gross loss, EIR has, in fact, generated positive cash flows from operations amounting to approximately US$41,000 and US$102,000 for 2QFY2018 and 1HFY2018 respectively following the exclusion of non-cash expenses, primarily depreciation, which amounted to US$63,000 and US$128,000 for 2QFY2018 and 1HFY2018 respectively.

8.1.4 Other gains/(losses), net

Other gains/(losses), net comprises primarily foreign exchange gains and losses.

8.1.5 Administrative expenses

Administrative expenses comprise mainly executive management remuneration, director's fees, professional fees (audit and tax) and fees of the Company's service providers.

Administrative expenses increased by 36.8% (US$0.1 million) to US$0.4 million in 2QFY2018 from US$0.3 million in 2QFY2017 and 20.8% (US$0.1 million) to US$0.7 million in 1HFY2018 from US$0.6 million in 1HFY2017. The increase was primarily due to the inclusion of the executive management remuneration for 2QFY2018 and 1HFY2018 amounting to US$260,000 and US$478,000 respectively whereas for 2QFY2017 and 1HFY2018 the remuneration cost was incurred primarily by Rinjani as well as RPG Trading and disclosed under discontinued operations.

As set out in the Point A of the Introduction, as an interim measure, the Directors and Management of the Company will continue not to take any fees/remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation.

8.1.6 Finance costs

Finance cost comprise mainly lease interest and other interest costs.

Finance costs increased by US$4,000 to US$4,000 in 2QFY2018 from Nil in 2QFY2017 and decreased by 66.7% (US$8,000) to US$4,000 in 1HFY2018 from US$12,000 in 1HFY2017. The finance costs for 2QFY2018 and 1HFY2018 represent lease interest following completion of the renegotiated lease agreements in April 2018 whereas finance costs for 1HFY2017 represent interest costs on a subsidiary company.

8.1.7 Tax expense

The tax expense is calculated based on the current statutory income tax rates in Singapore and Indonesia.

The tax expense of US$2,000 for 1HFY2018 represents the under provision of tax expense of a subsidiary following receipt of a notice of assessment in relation to the Year of Assessment 2017 from the Inland Revenue Authority of Singapore.

8.1.8 (Loss)/profit from discontinued operations, net of tax

	Group					
	3 months ended 30.06.18 US$'000	3 months ended 30.06.17 US$'000	Inc/ (Dec) %	6 months ended 30.06.18 US$'000	6 months ended 30.06.17 US$'000	Inc/ (Dec) %
Net profit from discontinued operations	-	(854)	N.M.	-	782	N.M.

The (loss)/profit from discontinued operations represents the (loss)/profit from the operations of Rinjani, RPG Trading and EIR for 2QFY2017 and 1HFY2017 (see item 8(c) above). There were no discontinued operations in 2QFY2018 and 1HFY2018.

8.1.9 Currency translation difference

The currency translation differences arise from translation of the financial statements of the Company' from its functional currency (in SGD) to the Group's presentation currency (in USD).

8.2 ASSETS, LIABILITES AND EQUITY

8.2.1 Property, plant and equipment

Property, plant and equipment ("PP&E") decreased by US$0.1 million to US$0.6 million as at 30 June 2018 from US$0.7 million as at 31 December 2017. The decrease was due to current period depreciation of EIR's coal hauling trucks.

8.2.2 Trade and other receivables

Trade and other receivables comprise primarily of receivables due from CAN for the coal hauling services.

Trade and other receivables increased by US$0.1 million to US$0.2 million as at 30 June 2018 from US$0.1 million as at 31 December 2017. The increase resulted from a delay in receipt of the May 2018 coal hauling invoice which was subsequently received only in July 2018.

8.2.3 Inventories

Inventories include fuel and spare parts and are stated at the lower of cost and net realisable value. The movement in the opening and closing balances, if any, results from normal operational activities.

[This section is intentionally left blank]

8.2.4 Cash and cash equivalents

	Group	
	6 months ended 30.06.18 US$'000	**6 months ended 30.06.17 US$'000**
Cash and cash equivalents at beginning of financial period	322	2,299
Cash flows (used in)/generated from Operating Activities	(97)	736
Cash flows used in Investing Activities	-	(181)
Cash flows used in Financing Activities	(18)	(298)
Net (decrease)/increase in cash and cash equivalents	(115)	257
Cash and cash equivalents at end of financial period	**207**	**2,556**

Cash flows (used in)/generated from operating activities

Cash flows used for operating activities before working capital changes amounted to US$0.6 million for 1HFY2018. After working capital changes, cash flows used for operating activities reduced to US$0.1 million for 1HFY2018 primarily due to the non-payment of certain trade and other payables.

Cash flows used in investing activities

There were no investing activities in 1HFY2018 and therefore no cash movement from investing activities.

Cash flows used in financing activities

Cash flows used in financing activities amounted to US$18,000 from the repayment of lease obligations and interest in 1HFY2018.

8.2.5 Currency translation reserve

The currency translation reserve represents the balance of translation from the Company's functional currency (in SG$) to the Group's presentation currency (in US$) as at 30 June 2018.

8.2.6 Trade and other payables

Trade and other payables comprise amounts due to vendors, service providers, related parties, directors and executive management as well as normal accruals.

Trade and other payables increased by US$0.7 million to US$1.4 million as at 30 June 2018 from US$0.7 million as at 31 December 2017 mainly due to the accrual (and deferred payment) of executive management remuneration and director fees for 1HFY2018 amounting to approximately US$550,000. The total accrual for executive management remuneration and director fees as at 30 June 2018 amounted to approximately US$708,000.

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8.2.7 Finance lease liabilities (current and non-current)

Finance lease liabilities represent the outstanding obligation for the hire purchase of coal hauling trucks by EIR. The lease agreements are due to be fully paid in February 2020. The finance lease liability decreased by US$14,000 to US$85,000 as at 30 June 2018 from US$99,000 as at 31 December 2017 due to lease repayments during 1HFY2018

8.2.8 Tax payable

Tax payable decreased by approximately US$33,000 due to tax payments of approximately US$8,000, an unrealised foreign exchange gain of approximately US$13,000 and the utilisation of approximately US$12,000 of prepaid taxes.

[This section is intentionally left blank]

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the 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.

Factors and events that are relevant to the Group in the next 12 months are highlighted in the Introduction under items A to F, Going Concern and Consolidated Financial Statements – Presentation and Preparation.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period/year reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period/year of the immediately preceding financial year?

No.

**(c*) Date payable*

Not applicable.

(d) *Books closure date*

Not applicable.

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

No dividend has been declared or recommended for 1HFY2018.

13. Interested Person Transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**").

There were no interested person transactions of S$100,000 or more entered into by the Group during 1HFY2018.

14. Use of Funds

Not applicable

Additional Information Required for Mineral, Oil and Gas Companies

15. Rule 705(6)(a) of the Catalist Rules

1) **Use of funds/cash for the quarter ended 30 June 2018:**
   Nil

2) **Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:**
   Nil

16. Rule 705(6)(b) of the Catalist Rules

Refer to Item 19.

17. Rule 705(7) of the Catalist Rules

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

Not applicable due to the loss of control of Rinjani with effect from 24 August 2017 and deconsolidation of Rinjani, which holds all mining rights of the Group.

18. Confirmation by the Company pursuant to Rule 720(1) of the Catalist Rules

The Company confirms that it has procured all the required undertakings (in the format set out in Appendix 7H of the Catalist Rules) from all its Directors and Executive Officers pursuant to Rule 720(1) of the Catalist Rules.

19. Confirmation by the Board of Directors pursuant to Rule 705(5) and Rule 705(6)(b) of the Catalist Rules

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the above information provided to be false or misleading in any material aspect.

On behalf of the Board

Agus Sugiono
Executive Chairman and Chief Executive Officer

31 October 2018