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NEWS RELEASE

GOLDEN ENERGY AND RESOURCES ACHIEVED SIGNIFICANT MILESTONE AS REVENUE BROKE US$1 BILLION IN FY2018

- ***Revenue jumped 37.3% to US$1.0 billion on the back of strong growth in the Coal Mining division***
- ***Record coal production volume of 22.6 million tonnes exceeded Group's target of 20 million tonnes in 2018***
- ***Increase in cost of sales of 53.3% and selling and distribution expenses of 52.5% mainly due to production ramp-up***

Financial Highlights:

US$'000	FY2018	FY2017	% Change
Revenue	1,048,478	763,806	37.3
Gross Profit	361,788	315,908	14.5
Net Profit After Tax ("Net Profit")	73,680	104,435	(29.4)
Net Profit attributable to Owners of GEAR	39,318	62,950	(37.4)
EPS (US cents)	1.67	2.68	(37.7)

SINGAPORE, 1 March 2019 – Golden Energy and Resources Limited ("**GEAR**" or the "**Group**"), an international coal mining and trading company, today announced that it posted a 37.3% increase in revenue to achieve a record US$1.0 billion for the financial year ended 31 December 2018 ("**FY2018**"), compared to US$763.8 million in the previous corresponding period ("**FY2017**"). This was achieved on the back of strong growth in the Coal Mining division.

GEAR achieved net profit of US$73.7 million[1] in FY2018, a decrease of 29.4% from US$104.4 million in FY2017, mainly due to an increase in mining overheads, fuel costs, freight and stockpile expenses, and higher stripping ratios which is in line with the increase in coal sales volume from the Coal Mining division.

The Coal Mining division reported a revenue of US$943.2 million for FY2018, an increase of US$297.8 million, or 46.1% from US$645.4 million in FY2017, as the Group achieved higher sales volumes during the year. Average selling prices fell marginally by 2.6% to US$41.39 per tonne in FY2018, compared with US$42.49 per tonne in FY2017.

During the year, the Group's Coal Trading division was affected by lower sales volume partially offset by higher average selling price. As a result, the Coal Trading division reported a decrease of 9.1% in revenue from US$114.0 million in FY2017 to US$103.6 million in FY2018. GEAR's non-coal business, which comprises mainly plywood sales, reported a decrease in revenue by US$2.7 million to US$1.7 million in FY2018, mainly due to the absence of log sales and decrease in management fee.

As at 31 December 2018, the Group's balance sheet remains stable, with cash and cash equivalents of US$113.1 million while maintaining a low gearing of 0.56 times[2].

Mr. Fuganto Widjaja, Executive Director and Group CEO of GEAR, said "We are pleased that our revenue has achieved a significant milestone, crossing the US$1.0 billion mark for the first time, amidst the challenges faced by the global coal mining industry, which was exacerbated by the ongoing US-China trade tensions. GEAR had successfully implemented its production ramp-up in the midst of the expansion of other coal producers, resulting in an increased demand for domestic coal mining services and increased cost

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[1] *Net profit comprises an extraordinary item of US$6.5 million impairment of goodwill.*
[2] *Gearing ratio is calculated as total liabilities (excluding taxes) net of cash and cash equivalents divided by shareholders funds plus total liabilities (excluding taxes) net of cash and cash equivalents.*

of goods sold. Notwithstanding these challenges, we expect to remain profitable as demand for coal continues to be supported by the construction of coal-fired power plants in ASEAN's emerging economies."

"The acquisition of 25.5% stake in Stanmore Coal marks a significant milestone in our efforts to diversify and expand our coal product suite and geographical presence. Building on the strength of our business, the Group continues to record positive operating cashflow as we remain committed in cementing a leadership position in the industry, with the objective of maximising returns to all our stakeholders."

Corporate Developments

In August 2018, GEAR's subsidiary, PT Golden Energy Mines Tbk ("**GEMS**") completed the acquisition of the entire effective shareholding interest of PT Barasentosa Lestari ("**BSL**"). The completion of the BSL has resulted in a material increase in the Group's coal resources estimates by 419.0 million tonnes and reserves estimates by 211.3 million tonnes as at 31 December 2018, based on Independent Qualified Person's Report by Salva Mining.

In December 2018, GEAR continued to execute its strategy to enhance its overall asset portfolio by diversifying and expanding its coal product suite and geographical presence through the acquisition of 19.9% interest in Stanmore Coal Limited ("**Stanmore Coal**"), an ASX listed metallurgical and high grade thermal coal producer. GEAR subsequently launched a takeover bid for the remaining shareholding interest in Stanmore Coal. Upon the close of offer, GEAR garnered a resultant shareholding of 25.5%.

Overall, the Group has exceeded the target 20 million tonnes of production in 2018. For FY2018, GEAR achieved coal production of 22.6 million tonnes, which represents an increase of 45.3% year-on-year.

Outlook

Global coal demand is expected to remain volatile in 2019 due to uncertainty over China's import restrictions along with stricter environmental policies. China remains key to the seaborne coal market, with imports of over 281 million tonnes in 2018, up 3.8% year-on-year. According to the International Energy Agency's World Energy Outlook for 2018, under the "New Policies" scenario, coal consumption in China is expected to drop 15% by 2040.

Challenges remain for Indonesia's coal industry as domestic market obligations may impact coal prices in 2019. In an effort to stabilise global coal price, the Indonesian government has lowered its 2019 coal production target to 480 million tonnes, while seeking to add 35 gigawatts of power, two-thirds of which could be coal-fired. Domestic coal consumption is expected to reach 128 million tonnes in 2019, up 11.3% from 115 million tonnes in 2018.

The benchmark reference price set by the Ministry of Energy and Mineral Resources fell to US$91.80/MT in February 2019, decreasing 8.8% from US$100.69/MT in February 2018. Spot prices for FOB Kalimantan 4200 thermal coal recovered to US$33/MT in mid-January 2019, up from a multi-year low of US$28.30/MT in November 2018, as bad weather in the region affected production and loading schedules.

Coal usage has yet to peak in Asia, and continue to be one of the most important energy components given its affordability and availability. Growth in global seaborne demand for the year is expected to be driven by India and Southeast Asia. Vietnam is likely to lead the region’s demand growth with 2 gigawatts of new coal-fired power plants.

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The Group has set a target to achieve 25.0 million tonnes of production in 2019, and following the acquisition of 25.5% in Stanmore Coal, GEAR continues to diversify and expand its coal product suite and geographical presence.

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ABOUT GOLDEN ENERGY AND RESOURCES LIMITED

Golden Energy and Resources Limited ("GEAR") is a leading coal producer in Indonesia. Since the completion of the Reverse Takeover of SGX Mainboard-listed United Fiber System Limited in 2015, GEAR has principally engaged in the exploration, mining, and marketing of thermal coal sourced from its coal mining concession areas, covering an aggregate of approximately 66,204 hectares in South and Central Kalimantan, Jambi (a province in Sumatra) and South Sumatra Basin, Indonesia.

Backed by the Sinar Mas Group, one of Indonesia's largest conglomerates, and following the successful acquisition of BSL, GEAR collectively owns the rights to mine more than 2.8 billion tonnes of thermal coal resources, with coal reserves of more than 1,039 million tonnes, as at 31 December 2018.

GEAR has reserves of primarily thermal coal with an average calorific value range of between 2,900 kcal/kg (arb) to 6,600 kcal/kg (arb).

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1 March 2019

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.