



**APPLICATION FOR EXTENSION OF TIME IN RELATION TO RULE 704(7) OF
THE LISTING MANUAL SECTION B: RULES OF CATALIST OF THE
SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

The board of directors (the “**Board**” or “**Directors**”) of Resources Prima Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), refers to the announcements dated 11 May 2018 in relation to the Company’s Update Pursuant To Rule 704(22) Of The Catalist Rules and Changes To The Composition Of The Board And Board Committees in which it was advised that the Company will be submitting an application to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), for a 6 month extension to 13 November 2018 to fill the vacancy in its ARMC (the “**Extension Application**”).

1. GRANT OF EXTENSION OF TIME (“WAIVER”)

The Company wishes to announce that SGX-ST has, on 31 May 2018, informed the Company that, based on the information provided to the SGX-ST, it has no objection to granting a 3-month extension, till 10 August 2018 (the “**Extension**”), to appoint the third committee member.

The Waiver is subject to:

- a. the Company making an immediate announcement of the Waiver and Extension granted;
- b. disclosure of the reasons for seeking the Waiver and Extension; and
- c. disclosure that the Company and/or the Board of Directors are not aware of any material information (including but not limited to financial information) in respect of the Company which was not formerly disclosed to the investors.

2. REASONS FOR SEEKING EXTENSION OF TIME

The Company had sought the Extension to fill the vacancy in its ARMC for the reasons set out below:

Trading in the shares of the Company has been suspended since 28 June 2017 as the Board was of the view that the Company could not continue as a going concern nor could the Group’s financial position be reasonably assessed due mainly to the Group’s main operating subsidiary, PT Rinjani Kartanegara (“**Rinjani**”) having forecasted negative results for the 3-month period ended 30 June 2017. The negative results forecast resulted from the above average rainfall and related dewatering issues as well as cessation of waste mining operations and consequently cessation of coal production from Rinjani’s mine site as Rinjani had failed to settle outstanding debts owed to its waste mining contractor. Since the trading suspension, Rinjani was declared bankrupt as of 9 October 2017 and the Board of Rinjani and the Company no longer have control over Rinjani.

The remaining active subsidiary of the Group is PT Energy Indonesia Resources (“**EIR**”) which carries out coal hauling activities. EIR had entered into a coal hauling service agreement with PT Coalindo Adhi Nusantara (“**CAN**”) and recommenced coal hauling operations in October 2017. However, the average quantity of coal hauled is significantly

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less than the 100,000 tonnes per month as stipulated under the agreement with CAN due to ongoing heavy rainfall and poor condition of the coal hauling road.

As a result of the continued heavy rainfall and poor condition of the coal hauling road, the actual coal hauled by EIR for March 2018 amounted to only 33,488 tonnes. The average quantity of coal hauled for the 5-months November 2017 through March 2018 amounted to 33,527 tonnes per month. In spite of implementing a number of improvements, the profitability and cashflows generated from the coal hauling contract with CAN have not improved significantly due to the substantial difference in the actual quantity of coal hauled from initial expectations.

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 cashflow for the period from July to October 2017. The severe underperformance of the coal hauling agreement with CAN as set out above has added more uncertainty to the cash flows that can be generated by the Group.

Given the current cashflow constraints, the Directors and Management of the Company have been focusing its efforts on generating revenue and rebuilding the Group's business, as well as continuing to evaluate various options (including but not limited to obtaining financial support from the current shareholders and introduction of new investors to the Company). Further, as previously announced in the announcement dated 6 April 2018, as an interim measure 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 to act as an additional independent director on the same basis.

Notwithstanding the absence of a third member, the ARMC of the Company is able to function effectively.

3. CONFIRMATION BY THE COMPANY

The Company and/or the Board of Directors confirm they are not aware of any material information (including but not limited to financial information) in respect of the Company which was not formerly disclosed to the investors.

BY ORDER OF THE BOARD

Agus Sugiono
Executive Chairman and Chief Executive Officer
1 June 2018

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*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 (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

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