



GEAR – 1H2020 Results Briefing

17 AUGUST 2020

Stanmore Coal Operations

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- ii. agree to be bound by the limitations and restrictions described herein.

Agenda

1. Performance Highlights
2. Corporate Developments
3. Q&A



An aerial photograph of an industrial site, likely a coal processing or power plant area. The image shows a large, dark, circular area, possibly a coal stockpile or a large pit, surrounded by various pieces of heavy machinery and vehicles. A large, semi-transparent red triangle is overlaid on the left side of the image, pointing towards the center. The text 'Performance Highlights' is written in white on this red area.

Performance Highlights

GEAR Group Performance Highlights

- ◆ **Strong performance despite challenging economic conditions due to COVID-19 and weakest coal price environment since 2015/2016**
 - Production and sale volume growth continued. **1H2020 production 16.54Mt (↑ 31.6% YoY) and sales 17.08Mt (↑ 27.4% YoY)**
 - Group consolidated revenue supported by strong sales volume increased to **US\$593.5m (↑ 18.6% YoY) in spite of lower ASP (↓ 6.8% YoY)**
 - **Domestic sales were higher (39% vs. 36% in 1H2019), sales to China and other Southeast Asian markets such as Philippines increased to balance lower demand from India**
 - Strict control on production cost ensured continued profitability in a low pricing environment. **Average cash cost⁽¹⁾ declined to US\$22.5/t in 1H2020 (↓ 4.4% YoY)**
 - **2Q2020 average cash cost declined to US\$21.4/t, one of the lowest recorded in last 3 years (↓ 10.6% YoY and ↓ 9.2% QoQ)**. Decline primarily driven by lower strip ratio, lower fuel rates and decline in contractor rates
 - Group consolidated EBITDA⁽²⁾ and consolidated net profit surged to **US\$83.7m (↑ 31.1% YoY) and US\$35.0m (↑ 40.5% YOY)**
 - **Strong cash position on group basis. Cash balance increased to US\$220.0m from US\$177.8m as on 31 December 2019**
 - **Improvement in leverage ratio⁽³⁾ to 2.42x from 2.48x**
 - Took advantage of buoyant gold prices in 1H2020 to **divest substantial interest in Westgold Resources Limited for profits**

(1) For Thermal Coal Mining. Includes COGS and selling expenses, excludes royalty and non cash items such as depreciation and amortization (D&A)

(2) EBITDA = Profit for the year + finance costs + income tax expense + depreciation and amortization + impairment loss – reversal of prior year interest expense – income tax benefit

(3) Refers to Total debt to LTM EBITDA. Computed based on reported financials

GEAR Group Performance Highlights

◆ Successfully completed diversification in metallurgical coal and gold in Australia

- On 31 March 2020, GEAR together with its 50% joint venture partner EMR Capital, **completed the acquisition of the Ravenswood Gold mine in Queensland, Australia, marking the Group's second investment in gold in Australia**
- On 2 April 2020, GEAR through its subsidiary, Golden Investments (Australia) Pte. Ltd. ("Golden Investments"), together with Ascend Global Investment Fund, launched a takeover bid for Stanmore Coal Limited ("Stanmore Coal"). **Upon close of the takeover bid, Golden Investments increased its shareholding in Stanmore Coal from 31.35% to 75.33%⁽¹⁾. Stanmore Coal is now a subsidiary and consolidated wef. from 18 May 2020**
- **With the above, GEAR aims to diversify its earnings reducing dependence on thermal coal and continue its vision to be one of a leading sustainable energy and resources company in Asia Pacific**

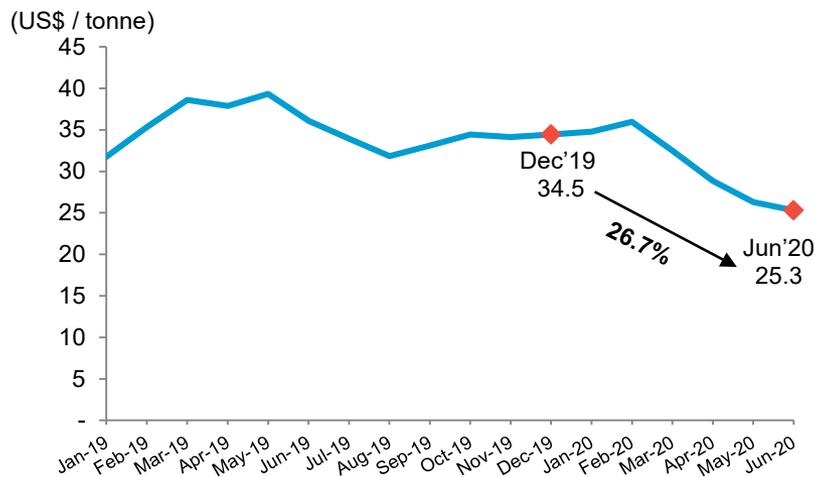
◆ Credit Rating and Outlook reassigned by Credit rating agencies

- In May 2020, GEAR's was reassigned **"B1" rating with Stable Outlook by Moody's and "B+" rating with Outlook Stable by Fitch Ratings**

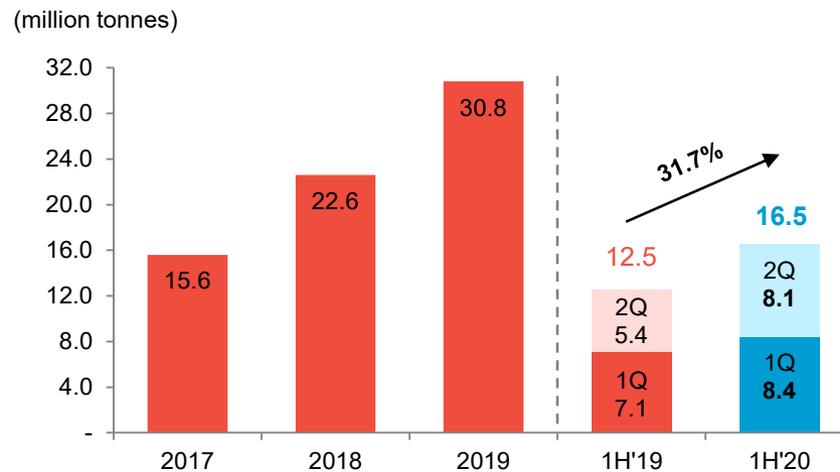
(1) GEAR's effective interest in Stanmore is 60% through its approximately 80% shareholding in its subsidiary Golden Investments, which holds 75.33% in Stanmore Coal.

GEMS Operational Performance

ICI 4 Price Trend⁽¹⁾



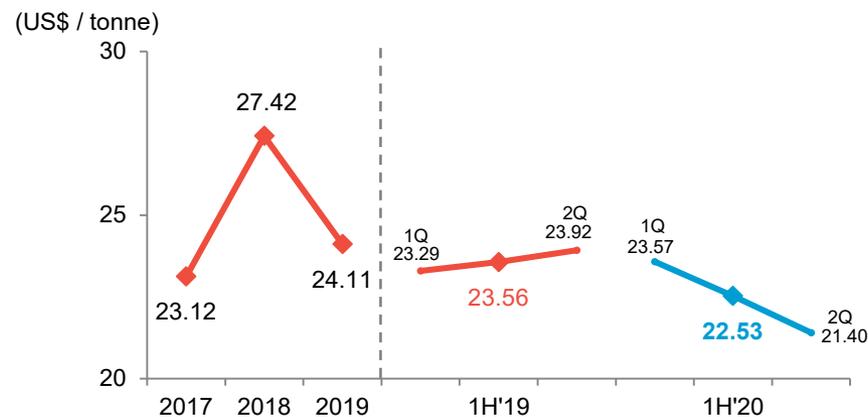
Production Volume Trend



Average Selling Price



Cash Cost⁽²⁾



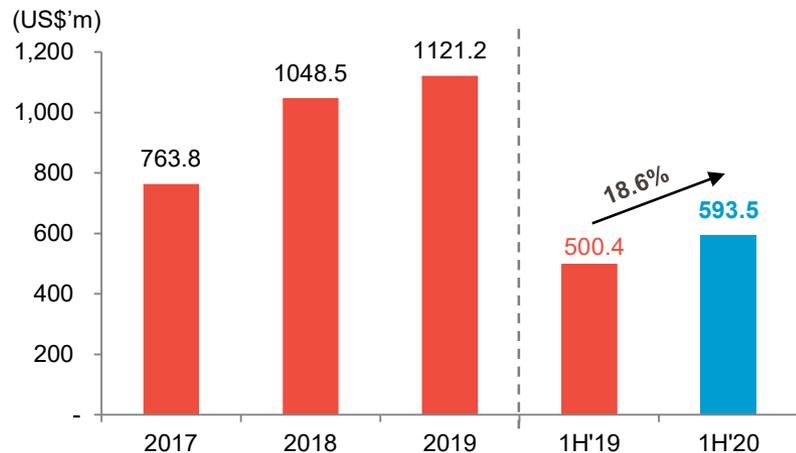
Source: Company, Argus

(1) ICI 4 prices represent average of the month

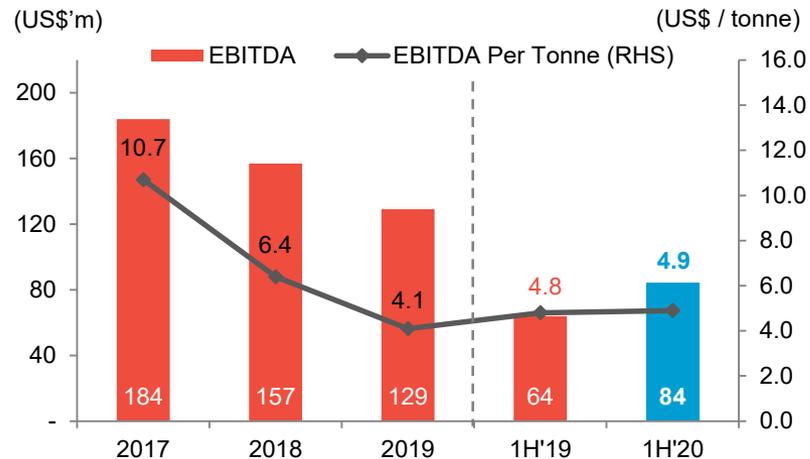
(2) Includes COGS and selling expenses, excludes royalty and non cash items such as depreciation and amortization (D&A)

Group Financial Performance

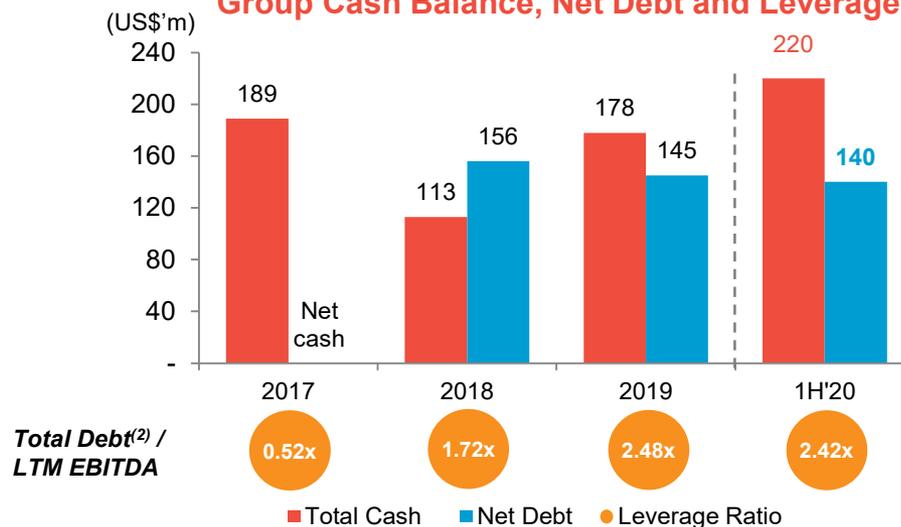
Group Revenue



Group EBITDA⁽¹⁾



Group Cash Balance, Net Debt and Leverage

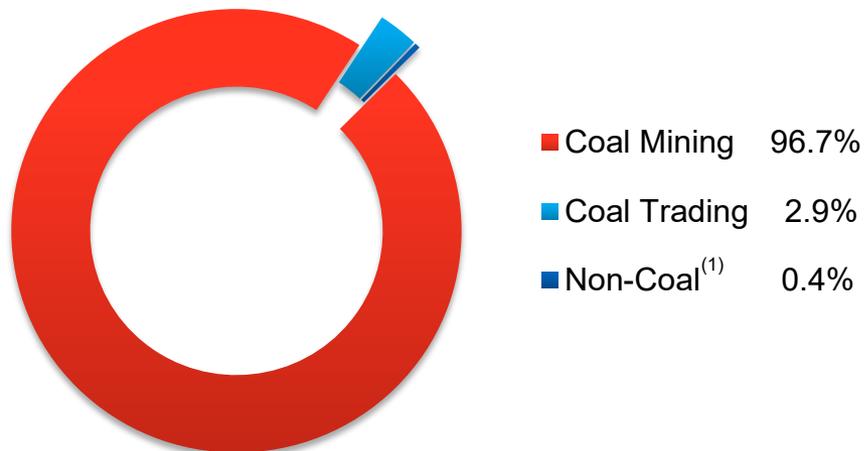


(1) EBITDA = Profit for the year + finance costs + income tax expense + depreciation and amortization + impairment loss – reversal of prior year interest expense – income tax benefit.

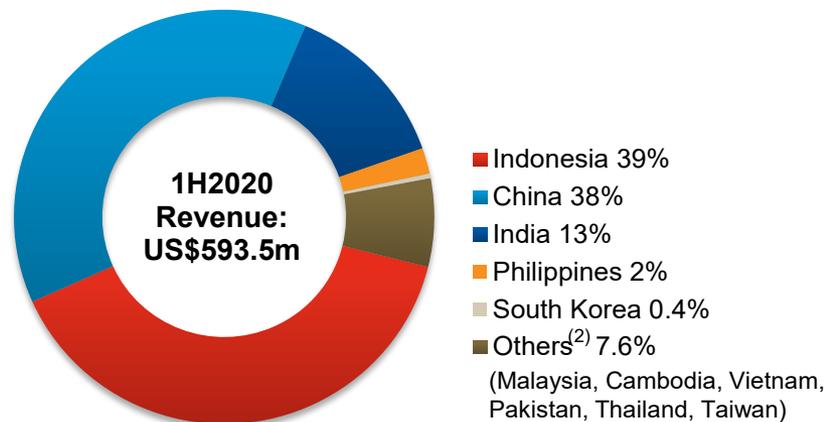
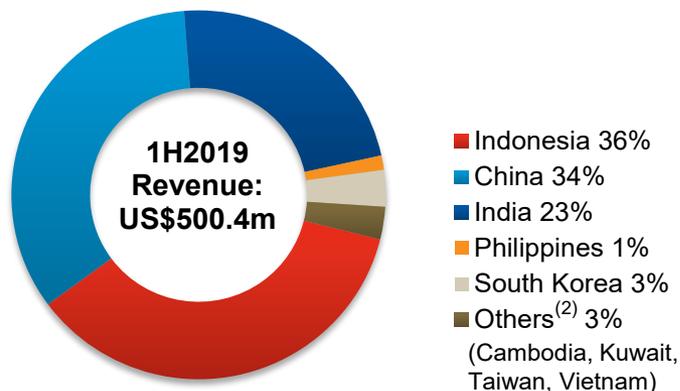
(2) Total Debt = Loans and borrowings

Group Financial Performance

Revenue breakdown by division (1H2020)



Revenue breakdown by geography



(1) Majority represents dividends from Stanmore Coal investment
 (2) Others also includes dividend/revenues from Stanmore

Corporate Developments

Stanmore Coal Operations

Shareholding Increase in Stanmore Coal Limited

stanmorecoal

- ◆ Following the completion of the takeover bid in May 2020, Golden Investments (GEAR's subsidiary) increased its holding in Stanmore Coal from 31.35% to 75.33%*
- ◆ Stanmore Coal is an ASX listed metallurgical coal producer owning and operating projects in the Bowen Basin and Surat Basin regions of Queensland, Australia
- ◆ As on 30 June 2019, Stanmore Coal has coal resources estimates of 1.7 billion tonnes, marketable coal reserves estimates of 129.3 million tonnes and a coal handling preparation plant capacity of up to 3.5 million tonnes per annum
- ◆ For the financial year ended 30 June 2019, Stanmore Coal reported a production of 2.39Mt generating a revenue and EBITDA of A\$403 million and A\$154 million respectively
- ◆ Increase in shareholding of Stanmore Coal is part of GEAR's diversification strategy to expand its product suite and geographical presence



● STANMORE OPERATIONS

* GEAR's effective interest in Stanmore is 60% through its approximately 80% shareholding in its subsidiary Golden Investments, which holds 75.33% in Stanmore Coal.

Resources and reserves as of 30 June 2019



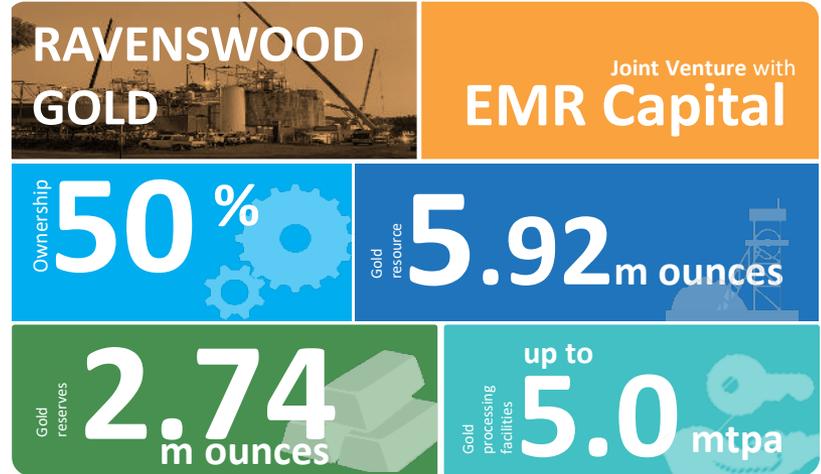
Acquisition of Ravenswood Gold Mine



- ◆ On 31 March 2020, GEAR together with its 50% joint venture partner EMR Capital, completed the acquisition of the Ravenswood Gold mine in Queensland, Australia from Resolute Mining Limited
- ◆ Ravenswood Gold mine is located 130 kilometres south of Townsville in Northern Queensland and is a proven producing asset with multiple open pits to support large scale, low cost and long term production
- ◆ As at 30 June 2019, Ravenswood Gold mine has total gold resource of 5.92 million ounces and a total gold reserve of 2.74 million ounces
- ◆ The Ravenswood Gold mine consists of an underground mine, Mt Wright, and open pits, Buck Reef West, Sarsfield and Nolans
- ◆ It has developed infrastructure which includes triple stage crushing, SAG and ball mill grinding, and CIP processing. Existing processing capacity is 5 MTPA
- ◆ Ravenswood Gold is currently processing low grade stockpiles as it plans an open pit expansion. After acquisition, the joint venture is undertaking an update to the resource and reserve estimates and preparing feasibility study for the expansion plan



● RAVENSWOOD OPERATIONS



GEAR Group Latest Simplified Corporate Structure



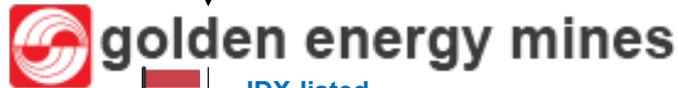
SGX-listed

67.0% 79.7% 20.3% ASCEND 100.0%



30.0% 3.0%

Public



IDX-listed

Thermal Coal Mining

Thermal Coal Trading

Golden Investments (Australia) Pte. Ltd.

75.3%



ASX-listed

Metallurgical Coal Mining

Golden Investments (Australia) II Pte. Ltd.

50.0%



RAVENSWOOD GOLD

Gold Mining

Note: For illustration purposes only and not exhaustive. Only key subsidiaries shown.

Q & A



Ravenswood Operations

*"It is neither the strongest,
nor the most intelligent that survive,
but the most **RESPONSIVE** to change."*



Ravenswood Gold Processing Facility