

**RESOURCES PRIMA GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 198602949M)

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**ABILITY TO CONTINUE AS A GOING CONCERN**

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The Board of Directors (the “**Board**”) of Resources Prima Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”), makes reference to the announcement dated 6 April 2017 relating to the Independent Auditor’s report for the financial year ended 31 December 2016 which contained a material uncertainty related to going concern, together with the financial results announcements dated 12 May 2017 (unaudited first quarter financial statements for the period ended 31 March 2017), 28 February 2017 (unaudited full year financial statements for the financial year ended 31 December 2016), and 11 November 2016 (unaudited third quarter financial statements for the period ended 30 September 2016), each of which made reference to the adverse impact of the above average rainfall on the Group’s coal production and sales quantities. Further to the aforementioned announcements, the Board wishes to inform shareholders that, as at the date of this announcement, its main operating subsidiary, PT Rinjani Kartanegara (“**Rinjani**”), has no certainty of its sources and sufficiency of revenue after taking into account the following:

- (i) The forecasted negative financial results of Rinjani for the three-month period to 30 June 2017 as a result of continued above average rainfall and related dewatering issues causing a further reduction in coal production, coal sales quantities, coal sales revenue and cashflows.
- (ii) As a result of (i) above, the inability of Rinjani to pay its waste mining contractor costs on time.
- (iii) As a result of (ii) above, the receipt by Rinjani of a formal correspondence from its waste mining contractor PT Cipta Kridatama (“**CK**”) dated 20 June 2017 requesting payment by Rinjani of all amounts outstanding, amounting to approximately Rp33.1 billion (US\$2.5 million), comprising the remaining balance of the waste mining costs for the months of April and June 2017 and equipment rental costs from prior years. The correspondence also informed Rinjani that an event of default situation would arise should the current waste mining costs remain unpaid by close of business on 22 June 2017.
- (iv) As a result of (iii) above, Rinjani triggered a cross-default clause of the Debt Settlement Agreement with CK, resulting in the full amount of outstanding debt owed to CK by Rinjani, amounting to approximately US\$15.1 million at 31 May 2017, becoming immediately due and payable.
- (v) As a result of (iii) above, the cessation of waste mining operations by CK at Rinjani’s mine site with effect from 23 June 2017 and, consequently, the cessation of all coal production from Rinjani.
- (vi) The receipt by Rinjani of a tax assessment letter dated 14 June 2017 containing a demand for approximately US\$5.0 million in corporate taxes based on the completion of Rinjani’s 2013 corporate tax audit which arose as a result of Rinjani’s application for a tax refund and claim/utilisation of tax loss carry forwards.

The Company is urgently seeking to address the above matters and the status of each is as follows:

Items (i) through (v): Representatives of Rinjani have contacted CK to negotiate the recommencement of waste mining operations and a rescheduling arrangement of all current amounts owed to CK. On 28 June 2017, Rinjani received confirmation from CK of its willingness to meet representatives from Rinjani to discuss all relevant matters. As part of any potential negotiation with CK, Rinjani will explore the possibility of CK increasing production to economic levels thereby returning the company to profitability.

Item (vi): Rinjani is currently reviewing the bases of the tax demand and, based on a preliminary review and entitlement to object, has concluded that it has strong grounds to object to the tax assessment and will seek formal tax advice with regard to formalising its objections to the Indonesian tax authorities.

The outcome of the Company's actions to address these matters is not yet known and, as at the date of this announcement, there is no guarantee that a favourable outcome will be achieved in respect of any of the aforementioned matters.

As a result, the Board is of the view that the Company is currently unable to demonstrate that it is able to continue as a going concern or reasonably assess its financial position and inform the market accordingly.

### **Trading Suspension**

In light of the foregoing and pursuant to Rule 1303 of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board has recommended that it is in the best interests of the Company that the trading halt of the Company's shares be converted to a trading suspension of the shares with immediate effect. The Board will continuously reassess the Company's ability to continue as a going concern as new information is available and will keep shareholders updated as and when there are material updates in relation to the aforementioned matters.

### **Responsibility Statement**

The Directors of the Company have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate, and that there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Agus Sugiono  
Executive Chairman and Chief Executive Officer

28 June 2017

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Advisors 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.*

*The contact person for the Sponsor is Mr Sebastian Jones, Director, at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone (65) 6532 3829. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.*

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