

WILTON

WILTON RESOURCES CORPORATION LIMITED

(Company Registration Number: 200300950D)

Unaudited Financial Statements and Dividend Announcement for the Nine Months and Third Quarter Ended 31 March 2019

This announcement has been prepared by Wilton Resources Corporation Limited (the “**Company**”) and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist.

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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PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An 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 the immediately preceding financial year.

Consolidated statement of comprehensive income

	Group		Increase/ (decrease) %	Group		Increase/ (decrease) %
	3QFY19 ¹ Rp million (Unaudited)	3QFY18 ² Rp million (Unaudited)		9MFY19 ³ Rp million (Unaudited)	9MFY18 ⁴ Rp million (Unaudited)	
Revenue	-	-	N.M.	4,221	-	N.M.
Cost of sales	-	-	N.M.	(2,970)	-	N.M.
Gross profit	-	-	N.M.	1,251	-	N.M.
Other items of income						
Other income	1,936	-	N.M.	3,632	10	N.M.
Interest income	418	259	61.4%	1,156	596	94.0%
Other items of expenses						
Other expenses	(132,673)	(687)	N.M.	(132,738)	(502)	N.M.
Other operating expenses ⁵	(1,793)	(1,181)	51.8%	(17,150)	(9,490)	80.7%
Finance costs	(30,183)	(5,457)	N.M.	(70,888)	(10,293)	N.M.
General and administrative expenses ⁵	(11,680)	(11,553)	1.1%	(43,215)	(34,491)	25.3%
Loss before tax	(173,975)	(18,619)	N.M.	(257,952)	(54,170)	N.M.
Income tax expense	-	-	N.M.	-	-	N.M.
Loss net of tax for the period	(173,975)	(18,619)	N.M.	(257,952)	(54,170)	N.M.
Attributable to:						
Owners of the Company	(173,769)	(18,619)	N.M.	(257,746)	(54,170)	N.M.
Non-controlling interests	(206)	-	N.M.	(206)	-	N.M.
	(173,975)	(18,619)	N.M.	(257,952)	(54,170)	N.M.
Other comprehensive income						
Item that may be reclassified subsequently to profit or loss:						
Foreign currency translation	292	-	N.M.	292	-	N.M.
Other comprehensive loss for the period, net of tax	292	-	N.M.	292	-	N.M.
Total comprehensive income for the period	(173,683)	(18,619)	N.M.	(257,660)	(54,170)	N.M.
Attributable to:						
Owners of the Company	(173,485)	(18,619)	N.M.	(257,462)	(54,170)	N.M.
Non-controlling interests	(198)	-	N.M.	(198)	-	N.M.
	(173,683)	(18,619)	N.M.	(257,660)	(54,170)	N.M.
Operating loss before tax is stated after crediting/(charging) the following:						
Depreciation of property, plant and equipment	(574)	(546)	5.1%	(1,659)	(1,520)	9.1%
Amortisation of intangible assets	(45)	(45)	0.0%	(135)	(135)	0.0%
Amortisation of prepaid lease	(890)	(890)	0.0%	(2,670)	(2,670)	0.0%
Finance costs	(30,183)	(5,457)	N.M.	(70,888)	(10,293)	N.M.
Acquisition costs arising from the reverse acquisition undertaken by a subsidiary	(132,670)	-	N.M.	(132,670)	-	N.M.
Foreign exchange gain/(loss)	1,927	(634)	N.M.	3,618	(241)	N.M.
Net loss on disposal of property, plant and equipment	(3)	-	N.M.	(3)	-	N.M.

N.M. = Not meaningful

Notes:

(1) "3QFY19": Third quarter financial period from 1 January 2019 to 31 March 2019.

(2) "3QFY18": Third quarter financial period from 1 January 2018 to 31 March 2018.

(3) "9MFY19": Nine months financial period from 1 July 2018 to 31 March 2019.

(4) "9MFY18": Nine months financial period from 1 July 2017 to 31 March 2018.

(5) An amount of Rp 5,357m incurred for exploration and evaluation purposes were reclassified from general and administrative expenses to other operating expenses for both 2QFY18 and 9MFY18, to be consistent with the classification of the exploration and evaluation expenses in the audited financial statements of the Group for the financial year ended 30 June 2018.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Consolidated statement of financial position

	Group		Company	
	As at 31/3/2019 Rp million (Unaudited)	As at 30/6/2018 Rp million (Audited)	As at 31/3/2019 Rp million (Unaudited)	As at 30/6/2018 Rp million (Audited)
Non-current assets				
Exploration and evaluation assets	305,386	232,416	-	-
Mine properties	8,423	8,423	-	-
Property, plant and equipment	10,587	8,715	1	269
Intangible assets	703	838	-	-
Investment in subsidiaries	-	-	584,811	584,811
Prepaid lease	37,156	39,826	-	-
Prepayments	49,740	28,724	-	-
Long term fixed deposits	420	420	-	-
	412,415	319,362	584,812	585,080
Current assets				
Other debtors and deposits	1,289	491	159	217
Prepaid lease	3,687	3,687	-	-
Prepayments	39,358	19,297	408	850
Amounts due from subsidiaries	-	-	637,717	574,784
Inventories	7,402	2,851	-	-
Investment securities	10	10	-	-
Cash and cash equivalents	41,242	127,583	3,287	40,180
	92,988	153,919	641,571	616,031
Total assets	505,403	473,281	1,226,383	1,201,111
Current liabilities				
Trade payables	9,943	5,430	-	-
Other payables and accruals	7,234	8,269	3,853	3,641
Amount due to a related party	-	485	-	-
Amounts due to subsidiaries	-	-	666	667
Loans and borrowings	23,214	23,214	-	-
	40,391	37,398	4,519	4,308
Net current assets	52,597	116,521	637,052	611,723
Non-current liabilities				
Loans and borrowings	267,685	153,009	267,685	153,009
Employee benefits liability	3,157	2,761	-	-
Provision for rehabilitation	88	88	-	-
Other non-current financial liabilities	25,599	-	-	-
	296,529	155,858	267,685	153,009
Total liabilities	336,920	193,256	272,204	157,317
Net assets	168,483	280,025	954,179	1,043,794
Equity attributable to owners of the Company				
Share capital	1,153,516	1,153,516	3,109,639	3,109,639
Accumulated losses	(1,142,815)	(885,069)	(2,155,460)	(2,065,845)
Merger reserves	13	13	-	-
Capital reserves	160,841	11,565	-	-
Foreign currency translation reserves	284	-	-	-
	171,839	280,025	954,179	1,043,794
Non-controlling interests	(3,356)	-	-	-
Total equity	168,483	280,025	954,179	1,043,794
Total equity and liabilities	505,403	473,281	1,226,383	1,201,111

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

Amount repayable in one year or less, or on demand

(In Rp million)

As at 31 March 2019		As at 30 June 2018	
Secured	Unsecured	Secured	Unsecured
23,214	Nil	23,214	Nil

Amount repayable after one year

As at 31 March 2019		As at 30 June 2018	
Secured	Unsecured	Secured	Unsecured
Nil	267,685	Nil	153,009

Details of any collateral

The secured loan is a short term overdraft facility that is secured over a short term bank deposit of Rp 25.0b.

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

Consolidated statement of cash flows

	9MFY19	9MFY18
	Rp million	Rp million
Cash flows from operating activities		
Loss before tax	(257,952)	(54,170)
Adjustments for:		
Unrealised foreign exchange differences	(2,871)	121
Acquisition costs arising from the reverse acquisition undertaken by a subsidiary	132,670	-
Net loss on disposal of property, plant and equipment	(3)	-
Interest income	(1,156)	(596)
Depreciation of property, plant and equipment	1,659	1,520
Amortisation of intangible assets	135	135
Amortisation of prepaid lease	2,670	2,670
Finance costs	70,888	10,293
Increase in employee benefits liability	396	396
Operating cash flows before working capital changes	(53,564)	(39,631)
Increase in prepayments	(38,557)	(163)
Increase in other debtors and deposits	(215)	(249)
Increase in inventories	(4,551)	(2,969)
Increase in trade payables	4,513	1,867
Decrease in amount due to a related party	(485)	(1,932)
(Decrease)/increase in other payables and accruals	(12,113)	797
Increase in other non-current financial liabilities	552	-
Cash flows used in operations	(104,420)	(42,280)
Interest received	1,156	596
Interest paid	(888)	-
Net cash used in operating activities	(104,152)	(41,684)
Cash flows from investing activities		
Investment in exploration and evaluation assets	(72,970)	(78,528)
Purchases of property, plant and equipment	(3,531)	(2,540)
Proceeds from disposal of property, plant and equipment	3	-
Investment in long term fixed deposits	-	(170)
Investment in investment securities	-	(10)
Net cash inflow from acquisition	46,804	-
Net cash flows used in investing activities	(29,694)	(81,255)
Cash flows from financing activities		
Proceeds from project financing	48,711	64,759
Net cash flows generated from financing activities	48,711	64,759
Net decrease in cash and cash equivalents	(85,135)	(58,180)
Effects of exchange rate changes on the balance of cash held in foreign currencies	(1,206)	(277)
Cash and cash equivalents at the beginning of the period	127,583	96,691
Cash and cash equivalents at the end of the period	41,242	38,234

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	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital	Accumulated losses	Merger reserves	Capital reserves	Foreign currency translation reserves		
	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million	Rp million
At 1 July 2018	1,153,516	(885,069)	13	11,565	-	-	280,025
Acquisition costs arising from reverse acquisition undertaken by a subsidiary	-	-	-	146,118	-	-	146,118
<u>Changes in ownership of subsidiaries</u>							
Acquisition of subsidiary	-	-	-	(410)	-	410	-
Dilution of interests in subsidiaries	-	-	-	3,568	-	(3,568)	-
Loss for the period	-	(257,746)	-	-	-	(206)	(257,952)
<u>Other comprehensive income</u>							
Foreign currency translation	-	-	-	-	284	8	292
Other comprehensive gain for the period, net of tax	-	-	-	-	284	8	292
Total comprehensive income for the period, net of tax	-	(257,746)	-	-	284	(198)	(257,660)
At 31 March 2019	1,153,516	(1,142,815)	149,289	11,565	284	(3,356)	168,483
At 1 July 2017	1,153,516	(806,137)	13	11,565	-	-	358,957
Loss for the period	-	(54,170)	-	-	-	-	(54,170)
Total comprehensive income for the period, net of tax	-	(54,170)	-	-	-	-	(54,170)
At 31 March 2018	1,153,516	(860,307)	13	11,565	-	-	304,787

Company	Attributable to owners of the Company		
	Share capital	Accumulated losses	Total equity
	Rp million	Rp million	Rp million
At 1 July 2018	3,109,639	(2,065,845)	1,043,794
Loss for the period	-	(89,615)	(89,615)
Loss for the period, representing total comprehensive income for the period, net of tax	-	(89,615)	(89,615)
At 31 March 2019	3,109,639	(2,155,460)	954,179
At 1 July 2017	3,109,639	(2,066,993)	1,042,646
Profit for the period	-	8,200	8,200
Profit for the period, representing total comprehensive income for the period, net of tax	-	8,200	8,200
At 31 March 2018	3,109,639	(2,058,793)	1,050,846

- 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 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 reported on and as 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 issued 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.**

	Issued and fully paid-up ordinary shares	Share capital (Rp million)
Balance as at 31 December 2018 and 31 March 2019	2,436,700,286	3,109,639

The Company did not have any outstanding options, convertible securities, treasury shares or subsidiary holdings as at 31 March 2019 and 31 March 2018.

- 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.**

The total number of issued shares (excluding treasury shares) as at 31 March 2019 and 30 June 2018 was 2,436,700,286.

There were no treasury shares as at 31 March 2019 and 30 June 2018.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

- 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 did not have any subsidiary holdings during and as at the end of the current financial period reported on.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable. The figures have not been audited nor reviewed by the auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those in the audited financial statements for the financial year ended 30 June 2018, except for the adoption of Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and new or revised SFRS(I) and Interpretations of SFRS(I) ("**INT SFRS(I)**") that are mandatory for financial years beginning on or after 1 July 2018. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group's financial statements.

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.

Not applicable.

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

**(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	Group		Group	
	3QFY19	3QFY18	9MFY19	9MFY18
Loss per ordinary share for the period based on net loss attributable to shareholders:				
(a) Basic loss per share (Rp)	(71.31)	(7.64)	(105.78)	(22.23)
- Basic loss per share (S\$ cents)	(0.68)	(0.07)	(1.00)	(0.22)
Weighted average number of shares	2,436,700,286	2,436,700,286	2,436,700,286	2,436,700,286
(b) On a fully diluted basis (Rp)	(71.31)	(7.64)	(105.78)	(22.23)
- On a fully diluted basis (S\$ cents)	(0.68)	(0.07)	(1.00)	(0.22)

The diluted loss per share and the basic loss per share for each of 3QFY18, 3QFY19, 9MFY2018 and 9MFY2019 were the same as there were no outstanding convertible securities during the respective periods.

For illustration purposes, the loss per share and diluted loss per share in Rp are converted to S\$ cents using the average rate of S\$ 1: Rp 10,625.52 for 9MFY19 (9MFY18: S\$ 1: 10,028.86) and S\$ 1: Rp 10,435.04 for 3QFY19 (3QFY18: S\$ 1: Rp 10,292.94).

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

	Group		Company	
	31 March 2019	30 June 2018	31 March 2019	30 June 2018
Net asset value (Rp million)	171,839	280,025	954,179	1,043,794
Number of shares at the end of the period	2,436,700,286	2,436,700,286	2,436,700,286	2,436,700,286
Net asset value per share (Rp)	70.52	114.92	391.59	428.36
Net asset value per share (S\$ cents)	0.67	1.09	3.73	4.07

For illustration purposes, the net asset value per share in Rp was converted at the exchange rate of S\$ 1:Rp 10,507.15 as at 31 March 2019 and S\$ 1:Rp 10,529.64 as at 30 June 2018.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) 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;
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

On 8 February 2019 ("**Completion Date**"), the Company completed the acquisition of PT Renuka Coalindo Tbk ("**Renuka**"), a company listed on the Indonesia Stock Exchange, pursuant to the restructuring exercise which was duly approved by the Company's shareholders at an extraordinary general meeting held on 29 November 2018. Please refer to the circular to shareholders dated 14 November 2018 ("**Circular**") for details on the aforesaid restructuring exercise.

With effect from the Completion Date, the Group has consolidated the profit or loss and financial position of Renuka into the Group's financial statements.

(A) REVIEW OF FINANCIAL RESULTS

The Group has completed the following gold pours during 3QFY19 and 9MFY19:

Period	Date of gold pour	Tonnes of ore	Gold (Grams)
1QFY19	Jul-18	1,000	1,799
1QFY19	Aug-18	1,000	1,644
1QFY19	Aug-18	1,000	1,485
1QFY19	Sep-18	1,000	1,656
2QFY19	Oct-18	1,000	1,428
2QFY19	Oct-18	1,000	1,660
2QFY19	Nov-18	1,000	1,620
2QFY19	Dec-18	1,000	1,463
3QFY19	Jan-19	1,000	1,407
3QFY19	Feb-19	1,000	1,518
3QFY19	Feb-19	1,000	1,463
3QFY19	Mar-19	1,000	1,596
	Total	12,000	18,739

Revenue/ Cost of sales/Gross Profits

During 3QFY19, the Group has processed a further 4,000 tonnes of ores, resulting in 5,984 grams of gold dore. There were no sales for 3QFY19 and total revenue stood at Rp 4.2b for 9MFY19. Correspondingly, cost of sales for 9MFY19 amounted to Rp 3.0b, being the cost of the gold dore sold during 9MFY2019. As a result, the Group recorded gross profit of Rp 1.2b for 9MFY19. There was no revenue or cost of sales reported for 3QFY18 and 9MFY18.

Interest income

Interest income increased by Rp 0.6b, from Rp 0.6b in 9MFY18 to Rp 1.2b in 9MFY19, mainly due to higher fixed deposits placed with banks.

Other income

Other income increased by Rp 3.6b, from Rp 10.0m in 9MFY18 to Rp 3.6b in 9MFY19 due to increase in net foreign exchange gain of Rp 3.6b. Other income in 9MFY19 relates mainly to realised exchange gain from the maturity and liquidation of the Group's USD fixed deposits and unrealised foreign exchange gains from the revaluation of the Group's USD assets and liabilities such as USD bank deposits and long term loan liability.

Other expenses

Other expenses increased by Rp 132.2b, from Rp 0.5b in 9MFY18 to Rp 132.7b in 9MFY19 mainly due to the acquisition costs of Rp 132.7b arising from the reverse acquisition of Renuka by the Group.

Other operating expenses

Other operating expenses increased by Rp 7.7b, from Rp 9.5b in 9MFY18, to Rp 17.2b in 9MFY19, mainly due to higher exploration and evaluation expenses incurred arising from the preparation of the Independent Qualified Person's Report ("**IQPR**") dated 30 September 2018 and feasibility study, as well as higher site expenses incurred in 9MFY19 as compared to 9MFY18.

Finance costs

Finance costs increased by Rp 60.6b, from Rp 10.3b in 9MFY18 to Rp 70.9b in 9MFY19, mainly due to (i) increase in interest expenses incurred on the project financing arrangement obtained by the Group from Karl Hoffman Mineral Pte. Ltd. on 26 October 2018 ("**Project Financing**") as the fund was fully disbursed to the Company during the six months financial period ended 31 December 2018; and (ii) interest expenses incurred for the overdraft facilities for the Company's subsidiaries in Indonesia. The Project Financing is to fund a 500 tonnes per day flotation and carbon-in-leach mineral processing facility at the Group's Ciemas Gold Project located in West Java, Indonesia ("**Processing Facility**").

General and administrative ("**G&A**") expenses

G&A expenses increased by Rp 8.7b, from Rp 34.5b in 9MFY18 to Rp 43.2b in 9MFY19. The increase was mainly due to increase in expenses incurred for visiting the vendor/contractor and equipment inspection in preparation of the Processing Facility, as well as general increase in expenses due to higher headcount and activities.

Loss before tax

As a result of the above, the Group's loss before tax increased by Rp 203.8b, from Rp 54.2b in 9MFY18 to Rp 258.0b in 9MFY19.

(B) REVIEW OF FINANCIAL POSITION

Assets

Exploration and evaluation assets ("**EEA**") increased by Rp 73.0b, from Rp 232.4b as at 30 June 2018 to Rp 305.4b as at 31 March 2019, due to the additional exploration and evaluation expenses capitalised in 9MFY19.

Mine properties remained unchanged at Rp 8.4b as at 31 March 2019, as there was no transfer from EEA in 9MFY19.

Property, plant and equipment ("**PPE**") increased by Rp 1.9b, from Rp 8.7b as at 30 June 2018 to Rp 10.6b as at 31 March 2019, mainly due to additions to PPE of Rp 3.6b, which was partially offset by depreciation charges of Rp 1.7b.

Prepaid leases (non-current and current) decreased by Rp 2.7b, from Rp 43.5b as at 30 June 2018 to Rp 40.8b as at 31 March 2019, due to the amortisation of prepaid land lease of Rp 2.7b.

Prepayments (non-current and current) increased by Rp 41.1b, from Rp 48.0b as at 30 June 2018 to Rp 89.1b as at 31 March 2019, mainly due to higher deposit paid for processing equipment of Rp 19.3b to be installed at the Processing Facility, prepayment to contractors for civil and steel works of Rp 15.6b and prepayment to local logistics provider of Rp 4.0b.

Inventories increased by Rp 4.5b, from Rp 2.9b as at 30 June 2018 to Rp 7.4b as at 31 March 2019, mainly due to the capitalisation of the cost of gold pours of 18.7kg in 9MFY19 of Rp 7.5b, partially offset by the recognition of inventories of Rp 3.0b as costs of goods sold.

Other debtors and deposits increased by Rp 0.8b, from Rp 0.5b as at 30 June 2018 to Rp 1.3b as at 31 March 2019, mainly due to higher deposits paid for logistics services.

Cash and cash equivalents decreased by Rp 86.4b, from Rp 127.6b as at 30 June 2018 to Rp 41.2b as at 31 March 2019. Please refer to “Cashflows” on the movement in cash and cash equivalents.

The Group’s working capital decreased by Rp 63.9b, from Rp 116.5b as at 30 June 2018 to Rp 52.6b as at 31 March 2019.

Liabilities

Trade payables increased by Rp 4.5b, from Rp 5.4b as at 30 June 2018 to Rp 9.9b as at 31 March 2019, mainly due to amount due to a contractor for the work done in respect to the gold pours in 9MFY19.

Other payables and accruals decreased by Rp 1.1b, from Rp 8.3b as at 30 June 2018 to Rp 7.2b as at 31 March 2019, mainly due to decrease in accruals for staff costs.

Loans and borrowings (current) of Rp 23.2b as at 31 March 2019 and 30 June 2018 relate to short term overdraft secured by one of our Indonesia’s subsidiaries from a financial institution.

Loans and borrowings (non-current) increased by Rp 114.7b, from Rp 153.0b as at 30 June 2018 to Rp 267.7b as at 31 March 2019 due to capitalisation of amortised costs of Rp 70.0b and proceeds received of Rp 48.7b from the Project Financing, partially offset by unrealised exchange differences of Rp 4.0b.

Employee benefits liability increased by Rp 0.4b, from Rp 2.8b as at 30 June 2018 to Rp 3.2b as at 31 March 2019, mainly due to increased headcount and longer duration of the pension plans in Indonesia.

Other non-current financial liabilities of Rp 25.7b as at 31 March 2019 (30 June 2018: Nil) relate to other non-current payables of Renuka. It comprised mainly other payables of US\$1.7m owing by Renuka to Renuka Energy Resources Holdings (FZE) (“RERH”), which had been novated by RERH to an independent third party (“**Novated Receivables**”). Please refer to Appendix C of the Circular for further information on the Novated Receivables.

Equity

Capital reserves increased by Rp 149.2b, from Rp 11.6b as at 30 June 2018 to Rp 160.8b, mainly due to the reverse acquisition of Renuka by the Group.

Cashflow

Net cash outflow for operating activities of Rp 104.1b in 9MFY19 was mainly due to the operating loss before working capital changes of Rp 53.6b, working capital changes of Rp 50.8b, and interest expenses paid of Rp 0.9b, partially offset by interest received of Rp 1.2b.

Changes in working capital in 9MFY19 was mainly due to (i) increase in prepayments of Rp 38.6b; (ii) increase in inventories of Rp 4.6b, (iii) increase in other debtors and deposits of Rp 0.2b, (iv) decrease in amount due to a related party of Rp 0.5b and (v) decrease in other payables and accruals of Rp 12.1b; which were partially offset by (vi) increase in trade payables of Rp 4.5b; and (vii) increase in other non-current financial liabilities of Rp 0.6b.

Net cash used in investing activities of Rp 29.7b in 9MFY19 was mainly due to investment in EEA of Rp 73.0b and purchase of property, plant and equipment of Rp 3.5b, partially offset by the net cash inflow of Rp 46.8b from the reverse acquisition of Renuka by the Group.

Net cash generated from financing activities in 9MFY19 of Rp 48.7b was mainly from the receipt of funds from the Project Financing.

As at 31 March 2019, the Group had cash and cash equivalents of Rp 41.2b, representing a decrease of Rp 86.4b from Rp 127.6b as at 30 June 2018.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and 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.

Since the beginning of July 2018, gold price has increased from US\$1,248/oz to the current price of approximately US\$1,296/oz¹ as at 13 May 2019, due to the increased market uncertainty.

Further, the volatility of the foreign exchange for the US dollar against the Group's functional currency ("IDR") will continue to have an impact on the Group's financial results.

The Group is currently in the midst of installing its processing equipment and components for the 500 tonnes per day production capacity flotation and carbon-in-leach mineral processing plant ("**500 Tonnes Processing Plant**"). The prolonged local raining season in 3QFY19 had hindered the progress of civil works and local logistics in relation to the completion of the construction of the 500 Tonnes Processing Plant.

The Company is in the midst of raising funds to complete the final stages of the infrastructure, civil works and other supporting facilities of the 500 Tonnes Processing Plant. The Company will make the necessary announcement when there is material development on the aforementioned fund raising. Production of gold at the 500 Tonnes Processing Plant is subject to the completion of the construction of the 500 Tonnes Processing Plant.

¹ <https://www.kitco.com/gold.londonfix.html>

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for 9MFY2019 as the Group is loss making.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have any general mandate from shareholders pursuant to Rule 920 of the Catalist Rules.

Additional disclosure required for Mineral, Oil and Gas Companies

14 (a) Rule 705(6)(a) of the Catalist Rules

(i) Use of funds/cash for the quarter

For 3QFY19, the Group’s use of funds/cash for mining and exploration activities was as follows:

Purpose	Budgeted		Actual		Variance	
	US\$ Million	Rp Million	US\$ Million	Rp Million	Rp Million	%
Exploration and evaluation expenses	0.51	7,324	0.48	6,785	(539)	-7.4%
Capex	2.66	38,485	2.79	39,808	1,323	3.4%
Total	3.17	45,809	3.27	46,594	784	1.7%

* USD amount converted at US\$1 : Rp14,244 as at 31 March 2019

In 3QFY19, Rp 6.8b (US\$ 0.5m) was incurred for exploration and evaluation expenses. This was 7.4% lower than the budgeted amount of Rp 7.3b (US\$ 0.5m), as certain works were pushed back to the current quarter. During 3QFY19, Rp 39.8b (US\$ 2.8m) of capital

expenditure was incurred as the Group made payment for the plant equipment and the associated civil and steel structure work. The capital expenditure was 3.4% higher, as more works were done during 3QFY19.

Please see Section 14 (c) below for a more comprehensive outline of activities during the quarter under review.

(ii) Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:

For the next immediate quarter, from 1 April 2019 to 30 June 2019 (“**4QFY19**”), the Group’s use of funds/cash for mining and exploration activities is expected to be as follows:

Purpose	Budgeted	
	US\$ million	Rp Million
Exploration and Evaluation Expenses	0.46	6,600
CAPEX	0.86	12,200
Total	1.32	18,800

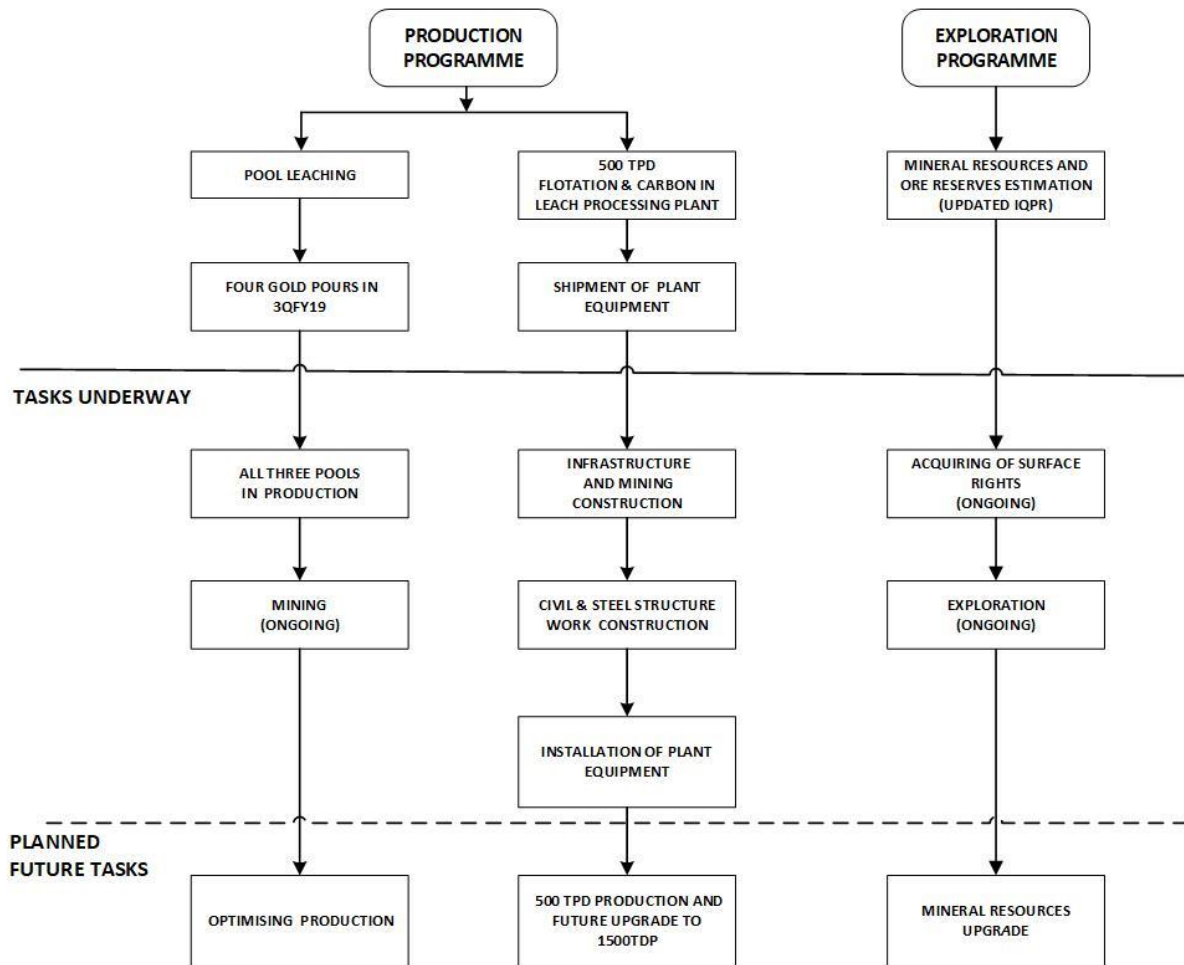
** USD amount converted at US\$1 : Rp14,244 as at 31 March 2019*

The Group’s mining production and development plans for 4QFY19 are expected to be as follows:

- The pool leaching production is ongoing with three leaching pools in production.
- The Group is constructing a 500 tonnes per day flotation and carbon-in-leach mineral processing plant, utilising a flotation and carbon-in-leach process. Construction of the tunnelling for the underground mining is ongoing.

These activities are shown in the chart below in the context of the overall project workflow:

TASKS ACHIEVED UP TO 31 MARCH 2019



14 (b) Rule 705(6)(b) of the Catalyst 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 aspects.

14 (c) Rule 705(7) of the Catalyst Rules

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Group 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.

For 3QFY19, the Group continued with its exploration, evaluation and development activities at the Ciemas Gold Project, through its Production Programme and the Exploration Programme.

a) Production Programme

- **Pool leaching production**

Four gold pours were completed in 3QFY2019 from the three leaching pools in production, producing a total of 5,984 g of gold of 99% purity, from 4,000 tonnes of ores.

- **500 tonnes per day production capacity flotation and carbon-in-leach mineral processing plant**

All shipments of processing equipment and components from China to Indonesia have been completed. Installation is in progress.

Civil and steel structural construction work is progressing towards completion.

Construction of the tunnelling for underground mining and the supporting infrastructure are ongoing.

- **1,500 tonnes per day production capacity project**

The latest IQPR includes the design of the 1,500 tonnes per day production capacity plant. In the masterplan design, acquired land has been allocated for the 1,500 tonnes per day flotation and carbon-in-leach mineral processing plant and other key facilities. The Group has plans to upgrade the processing plant from the current capacity of 500 tonnes per day up to 1,500 tonnes per day when other key facilities will be added in due course. This will facilitate the efficient operation and management of the plant as a whole.

b) Exploration Programme

The Group will focus on developing the six Prospects where the gold mineral resources have been quantified in the latest IQPR. Where appropriate, exploration efforts will also extend to other mineralised areas within the concession blocks. Additional surface rights to area within the Group's concession blocks may be acquired to facilitate future exploration, when necessary.

15. Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules, as required under Rule 720(1) of the Catalist Rules.

16. Negative confirmation by the Board pursuant to Rule 705(5)

The Board, do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board, which may render the unaudited financial statements for the nine months ended 31 March 2019 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Wijaya Lawrence
Chairman and President
15 May 2019