



GEO ENERGY GROUP

GEO ENERGY RESOURCES LIMITED

(Incorporated in the Republic of Singapore on 24 May 2010)
(Company Registration Number 201011034Z)

Unaudited Financial Statements Announcement for the Fourth Quarter and Twelve Months Ended 31 December 2014

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF RESULTS FOR FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2014

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

1(a) (i) Consolidated statement of profit or loss

	Group					
	3 months ended 31.12.2014 US\$ (Unaudited)	3 months ended 31.12.2013 US\$ (Unaudited)	Change +/(–) %	12 months ended 31.12.2014 US\$ (Unaudited)	12 months ended 31.12.2013 US\$ (Audited)	Change +/(–) %
Revenue	10,323,789	23,846,222	(57)	53,107,001	108,593,909	(51)
Cost of sales	(8,331,036)	(21,798,918)	(62)	(55,530,433)	(78,046,089)	(29)
Gross Profit (Loss)	1,992,753	2,047,304	(3)	(2,423,432)	30,547,820	(108)
Other income	2,328,449	281,670	727	3,380,907	1,379,890	145
General and administrative expenses	(1,699,785)	(2,320,999)	(27)	(8,404,907)	(8,596,450)	(2)
Other expenses	(2,999,410)	(799,235)	275	(3,240,780)	(3,528,771)	(8)
Finance costs	(2,161,346)	(637,157)	239	(5,243,069)	(2,476,014)	112
(Loss) Profit before income tax	(2,539,339)	(1,428,417)	78	(15,931,281)	17,326,475	(192)
Income tax	(954,799)	514,130	(286)	3,150,959	(4,296,706)	(173)
(Loss) Profit after income tax	(3,494,138)	(914,287)	282	(12,780,322)	13,029,769	(198)
(Loss) Profit attributable to:						
Owners of the Company	(3,393,390)	(953,472)	256	(12,578,189)	12,622,762	(200)
Non-controlling interests	(100,748)	39,185	(357)	(202,133)	407,007	(150)
	(3,494,138)	(914,287)	282	(12,780,322)	13,029,769	(198)

1(a) (ii) Consolidated statement of profit or loss and other comprehensive income

Group

	3 months ended 31.12.2014 US\$ (Unaudited)	3 months ended 31.12.2013 US\$ (Unaudited)	Change + / (-) %	12 months ended 31.12.2014 US\$ (Unaudited)	12 months ended 31.12.2013 US\$ (Audited)	Change + / (-) %
(Loss) Profit after income tax	(3,494,138)	(914,287)	282	(12,780,322)	13,029,769	(198)
Other comprehensive income, net of tax:						
<i>Items that may be subsequently reclassified to profit or loss</i>						
- Exchange differences on translation	(1,516,384)	(2,469,170)	(39)	(1,441,418)	(15,529,028)	(91)
<i>Items that will not be subsequently reclassified to profit or loss</i>						
- Remeasurement of defined benefit obligations	(46,299)	292,203	(116)	(46,299)	292,203	(116)
- Revaluation of leasehold property	-	-	-	-	776,632	(100)
Total comprehensive income	(5,056,821)	(3,091,254)	64	(14,268,039)	(1,430,424)	897
Total comprehensive income attributable to:						
Owners of the Company	(4,951,779)	(3,116,393)	59	(14,063,845)	(1,725,019)	715
Non-controlling interests	(105,042)	25,139	(518)	(204,194)	294,595	(169)
	(5,056,821)	(3,091,254)	64	(14,268,039)	(1,430,424)	897

1(a) (iii) Profit before income tax is arrived at after charging/(crediting) the following:

	Group					
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31.12.2014	31.12.2013	+ / (-)	31.12.2014	31.12.2013	+ / (-)
	US\$	US\$	%	US\$	US\$	%
(Unaudited)	(Unaudited)		(Unaudited)	(Audited)		
Other income:						
- Interest income	(215,213)	(121,714)	77	(642,056)	(587,899)	9
- Gain on disposal of property, plant and equipment (net)	-	(40,034)	100	-	-	-
- Foreign exchange gain (net)	(1,901,293)	-	N.M.	(2,361,350)	-	N.M.
- Gain from repayment of amount due to a related party	-	-	-	-	(578,222)	(100)
- Fair value gain on investment property	(157,624)	(67,094)	135	(157,624)	(67,094)	135
Other expenses:						
- Foreign exchange loss (net)	-	574,734	(100)	-	3,219,099	(100)
- Loss on disposal of property, plant and equipment (net)	1,856,791	-	N.M.	1,987,855	40,031	4866
- Allowance for doubtful debt	-	-	-	30,994	-	N.M.
- Impairment of deferred expenditure	894,013	-	N.M.	894,013	-	N.M.
- Loss on financial asset carried at amortised cost	248,606	-	N.M.	248,606	-	N.M.
Interest expense	2,161,346	637,157	239	5,243,069	2,476,014	112
Depreciation of property, plant and equipment	1,369,716	2,048,823	(33)	6,583,740	10,658,609	(38)
Amortisation of deferred expenditure	-	-	-	-	630,304	(100)
N.M. not meaningful						

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

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	US\$	US\$	US\$	US\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Current assets				
Cash and cash equivalents	13,339,167	17,814,850	12,875,141	13,660,913
Trade and other receivables	31,596,601	25,529,358	72,615,198	49,221,457
Deposits and prepayments	30,176,683	26,380,496	78,398	114,317
Inventories	4,768,975	14,970,692	-	-
Total current assets	<u>79,881,426</u>	<u>84,695,396</u>	<u>85,568,737</u>	<u>62,996,687</u>

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	US\$	US\$	US\$	US\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Non-current assets				
Trade receivables	7,565,204	-	-	-
Deposits and prepayments	2,373,359	1,639,600	111,264	119,986
Investment in subsidiaries	-	-	72,554,117	16,087,770
Deferred expenditure	-	871,678	-	-
Property, plant and equipment	115,130,106	69,311,901	218,141	329,860
Investment property	3,484,058	3,475,513	3,484,058	3,475,513
Deferred tax assets	2,998,675	1,353,571	-	-
Other non-current asset	132,697	138,390	132,697	138,390
Total non-current assets	<u>131,684,099</u>	<u>76,790,653</u>	<u>76,500,277</u>	<u>20,151,519</u>
Total assets	<u>211,565,525</u>	<u>161,486,049</u>	<u>162,069,014</u>	<u>83,148,206</u>
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Bank borrowings	264,854	262,845	264,854	262,845
Trade and other payables	11,021,089	7,568,334	8,705,702	3,556,344
Amount due to a related party	-	1,980,677	-	-
Current portion of finance leases	9,704,519	10,389,961	-	-
Income tax payable	50,009	1,558,417	49,286	80,216
Total current liabilities	<u>21,040,471</u>	<u>21,760,234</u>	<u>9,019,842</u>	<u>3,899,405</u>
Non-current liabilities				
Bank borrowings	-	276,205	-	276,205
Finance leases	2,511,662	12,260,904	-	-
Notes payable	75,219,020	-	75,219,020	-
Provisions	1,355,269	1,274,381	90,032	89,422
Deferred tax liabilities	3,393,411	3,610,501	106,804	48,078
Total non-current liabilities	<u>82,479,362</u>	<u>17,421,991</u>	<u>75,415,856</u>	<u>413,705</u>
Capital, reserves and non-controlling interests				
Share capital	82,518,674	82,518,674	82,518,674	82,518,674
Other reserve	14,349	14,349	-	-
Revaluation reserve	776,632	776,632	776,632	776,632
Translation reserve	(21,528,139)	(20,088,782)	(4,186,712)	(3,359,822)
Retained earnings (Accumulated losses)	<u>45,870,836</u>	<u>58,495,324</u>	<u>(1,475,278)</u>	<u>(1,100,388)</u>
Equity attributable to owners of the Company	107,652,352	121,716,197	77,633,316	78,835,096
Non-controlling interests	<u>393,340</u>	<u>587,627</u>	<u>-</u>	<u>-</u>
Total equity	<u>108,045,692</u>	<u>122,303,824</u>	<u>77,633,316</u>	<u>78,835,096</u>
Total liabilities and equity	<u>211,565,525</u>	<u>161,486,049</u>	<u>162,069,014</u>	<u>83,148,206</u>

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

	Group			
	31.12.2014		31.12.2013	
	Secured US\$	Unsecured US\$	Secured US\$	Unsecured US\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand	9,969,373	-	10,652,806	1,980,677
Amount repayable after one year	2,511,662	75,219,020	12,537,109	-
Total	12,481,035	75,219,020	23,189,915	1,980,677

Details of collateral and security:

As at 31 December 2014, our Group's bank borrowings/facilities were secured by (i) an investment property of the Company; (ii) certain current assets including a pledge on cash balance in the escrow account of a subsidiary; (iii) an undertaking to secure payment obligation from PT Geo Energy Coalindo and Mr. Yanto Melati; and (iv) a corporate guarantee issued by the Company. Whereas the finance lease liabilities are secured by our leased assets.

In July 2014, our Group issued Medium Term Notes of S\$100 million. The Notes will mature in January 2018 and bear interest at a fixed rate of 7% per annum payable semi-annually in arrear. Separately, our Group has pledged a deposit of S\$3.5 million for the purpose of securing our coupon payment obligations.

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

	Group			
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	US\$	US\$	US\$	US\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Operating activities				
(Loss) Profit before income tax	(2,539,339)	(1,428,417)	(15,931,281)	17,326,475
Adjustments for:				
Amortisation of deferred expenditure	-	-	-	630,304
Impairment of deferred expenditure	894,013	-	894,013	-
Depreciation of property, plant and equipment	1,369,716	2,048,823	6,583,740	10,658,609
Loss (Gain) on disposal of property, plant and equipment	1,856,791	(40,034)	1,987,855	40,031
Fair value gain on investment property	(157,624)	(67,094)	(157,624)	(67,094)
Allowance for doubtful debts	-	-	30,994	-
Loss on financial asset carried at amortised cost	248,606	-	248,606	-
Interest expense	2,161,346	637,157	5,243,069	2,476,014
Interest income	(215,213)	(121,714)	(642,056)	(587,899)
Gain from repayment of amount due to a related party	-	-	-	(578,222)
Retirement benefit obligations	(382,624)	231,913	38,116	861,991
Net foreign exchange (gains) losses	(1,553,821)	1,326,112	(4,057,237)	2,224,181
Operating cash flows before movements in working capital	1,681,851	2,586,746	(5,761,805)	32,984,390
Trade and other receivables	(2,097,470)	(8,018,361)	(10,428,507)	(18,159,089)
Deposits and prepayments	(1,254,259)	(7,985,689)	(4,005,197)	(23,840,110)
Inventories	124,165	1,945,064	10,201,717	(12,889,997)
Trade and other payables	(2,720,508)	1,619,586	(3,845,941)	4,665,075
Cash generated used in operations	(4,266,222)	(9,852,654)	(13,839,733)	(17,239,731)
Income tax paid	(619,448)	(1,374,341)	(3,351,215)	(9,538,404)
Income tax refund	-	-	300,579	-
Utilisation of provision for rehabilitation	-	(4,061)	-	(4,061)
Retirement benefit obligation paid	(3,209)	-	(38,218)	(2,102)
Net cash used in operating activities	(4,888,879)	(11,231,056)	(16,928,587)	(26,784,298)

Group

	3 months ended 31.12.2014 US\$	3 months ended 31.12.2013 US\$	12 months ended 31.12.2014 US\$	12 months ended 31.12.2013 US\$
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(Unaudited) (Unaudited) (Unaudited) (Audited)

Investing activities

Deferred expenditure (Note B)	-	-	-	(451,325)
Acquisition of subsidiaries	-	-	(132)	-
Interest received	101,554	59,694	240,518	401,233
Advance payments for purchase of property, plant and equipment	(141,691)	(171,920)	(600,542)	(671,188)
Purchase of property, plant and equipment (Note C)	(22,769,541)	(516,823)	(49,837,763)	(3,202,488)
Proceeds on disposal of property, plant and equipment (Note D)	1,408,330	64,469	1,491,270	6,425,858
Additions to investment property through subsequent expenditure	-	(12,686)	-	(12,686)
Purchase of other non-current asset	-	-	-	(139,158)
Net cash (used in) from investing activities	(21,401,348)	(577,266)	(48,706,649)	2,350,246

Financing activities

Increase in deposits pledged	-	504,416	(2,825,502)	264,620
Interest paid	(344,960)	(611,355)	(1,908,968)	(2,392,782)
Proceeds from bank borrowings	-	-	8,804,000	-
Repayment of bank borrowings	(65,178)	(65,770)	(9,066,248)	(260,271)
Proceeds from issuance of notes payable	-	-	80,593,166	-
Transaction costs pursuant to issuance of notes payable	-	-	(3,915,749)	-
Repayment of amount due to a related party	-	-	(2,060,465)	(10,380,760)
Repayment of obligations under finance leases	(2,629,966)	(2,721,705)	(10,550,240)	(10,957,081)
Net cash (used in) from financing activities	(3,040,104)	(2,894,414)	59,069,994	(23,726,274)

Net decrease in cash and cash equivalents	(29,330,331)	(14,702,736)	(6,565,242)	(48,160,326)
Cash and cash equivalents at beginning of the period	41,500,981	33,051,886	17,814,850	68,791,416
Effect of exchange rate changes on cash balances held in foreign currencies	(1,504,186)	(534,300)	(583,144)	(2,816,240)
Cash and cash equivalents at end of the period (Note A)	10,666,464	17,814,850	10,666,464	17,814,850

Notes to consolidated cash flow statement:

Note A:

Cash and bank balances	1,198,919	4,776,221	1,198,919	4,776,221
Deposits	12,140,248	13,038,629	12,140,248	13,038,629
Total	13,339,167	17,814,850	13,339,167	17,814,850
Less: Deposit pledged	(2,672,703)	-	(2,672,703)	-
Cash and cash equivalents as per cash flow statement	10,666,464	17,814,850	10,666,464	17,814,850

Note B:

In FY2014, our Group did not capitalise any deferred expenditure. In FY2013, our Group capitalised US\$492,870 as deferred expenditure of which US\$41,545 pertained to capitalisation of depreciation on property, plant and equipment and US\$451,325 was settled in cash.

Note C:

In FY2014, our Group acquired property, plant and equipment amounting to US\$57,274,450 (FY2013: US\$33,572,243) of which US\$109,957 (FY2013: US\$28,367,035) were acquired under finance lease arrangements and US\$Nil (FY2013: US\$87,757) pertained to the provision for reinstatement cost of office premises. As at 31 December 2014, US\$7,304,019 (31 December 2013: US\$5,323) remained unpaid and is included as part of trade and other payables.

In addition, our Group utilised the advance payment of US\$28,034 (FY2013: US\$1,909,640) which was previously paid to purchase property, plant and equipment. In FY2014, our Group made advance payments of US\$600,542 (FY2013: US\$671,188) and cash payments of US\$49,837,763 (FY2013: US\$3,202,488) to purchase property, plant and equipment.

Note D:

In FY2014, our Group had disposals of property, plant and equipment with net book value amounting to US\$3,916,961 (FY2013: US\$6,465,889) for a total sale proceeds of US\$1,929,106 (FY2013: US\$6,425,858). As at 31 December 2014, US\$437,836 (31 December 2013: US\$ Nil) of the sale proceeds is outstanding and included as part of trade and other receivables.

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

Group – financial period ended 31.12.2014

	<u>Share capital</u> US\$	<u>Other reserve</u> US\$	<u>Revaluation reserve</u> US\$	<u>Translation reserve</u> US\$	<u>Retained earnings</u> US\$	<u>Equity attributable to owners of the Company</u> US\$	<u>Non-controlling interests</u> US\$	<u>Total</u> US\$
Balance at 1 January 2014	82,518,674	14,349	776,632	(20,088,782)	58,495,324	121,716,197	587,627	122,303,824
Loss for the period	-	-	-	-	(9,184,799)	(9,184,799)	(101,385)	(9,286,184)
Non-controlling interests arising from acquisition of subsidiaries	-	-	-	-	-	-	9,907	9,907
Other comprehensive income for the period	-	-	-	72,733	-	72,733	2,233	74,966
Balance at 30 September 2014	82,518,674	14,349	776,632	(20,016,049)	49,310,525	112,604,131	498,382	113,102,513
Loss for the period	-	-	-	-	(3,393,390)	(3,393,390)	(100,748)	(3,494,138)
Other comprehensive income for the period	-	-	-	(1,512,090)	(46,299)	(1,558,389)	(4,294)	(1,562,683)
Balance at 31 December 2014	82,518,674	14,349	776,632	(21,528,139)	45,870,836	107,652,352	393,340	108,045,692

Group – financial period ended 31.12.2013

	<u>Share capital</u> US\$	<u>Other reserve</u> US\$	<u>Revaluation Reserve</u> US\$	<u>Translation reserve</u> US\$	<u>Retained earnings</u> US\$	<u>Equity attributable to owners of the Company</u> US\$	<u>Non-controlling interests</u> US\$	<u>Total</u> US\$
Balance at 1 January 2013	82,518,674	14,349	-	(4,672,166)	45,580,359	123,441,216	293,032	123,734,248
Profit for the period	-	-	-	-	13,576,234	13,576,234	367,822	13,944,056
Other comprehensive income	-	-	776,632	(12,961,492)	-	(12,184,860)	(98,366)	(12,283,226)
Balance at 30 September 2013	82,518,674	14,349	776,632	(17,633,658)	59,156,593	124,832,590	562,488	125,395,078
Profit for the period	-	-	-	-	(953,472)	(953,472)	39,185	(914,287)
Other comprehensive income	-	-	-	(2,455,124)	292,203	(2,162,921)	(14,046)	(2,176,967)
Balance at 31 December 2013	82,518,674	14,349	776,632	(20,088,782)	58,495,324	121,716,197	587,627	122,303,824

Company – financial period ended 31.12.2014

	<u>Share capital</u> US\$	<u>Revaluation reserve</u> US\$	<u>Translation reserve</u> US\$	<u>Accumulated losses</u> US\$	<u>Total</u> US\$
Balance at 1 January 2014	82,518,674	776,632	(3,359,822)	(1,100,388)	78,835,096
Loss for the period	-	-	-	(3,562,250)	(3,562,250)
Other comprehensive income for the period	-	-	(3,240)	-	(3,240)
Balance at 30 September 2014	82,518,674	776,632	(3,363,062)	(4,662,638)	75,269,606
Profit for the period	-	-	-	3,187,360	3,187,360
Other comprehensive income for the period	-	-	(823,650)	-	(823,650)
Balance at 31 December 2014	82,518,674	776,632	(4,186,712)	(1,475,278)	77,633,316

Company – financial period ended 31.12.2013

	<u>Share capital</u> US\$	<u>Revaluation Reserve</u> US\$	<u>Translation reserve</u> US\$	<u>Accumulated losses</u> US\$	<u>Total</u> US\$
Balance at 1 January 2013	82,518,674	-	(1,195,856)	(2,335,696)	78,987,122
Loss for the period	-	-	-	(2,453,154)	(2,453,154)
Other comprehensive income for the period	-	776,632	(2,127,345)	-	(1,350,713)
Balance at 30 September 2013	82,518,674	776,632	(3,323,201)	(4,788,850)	75,183,255
Profit for the period	-	-	-	3,688,462	3,688,462
Other comprehensive income for the period	-	-	(36,621)	-	(36,621)
Balance at 31 December 2013	82,518,674	776,632	(3,359,822)	(1,100,388)	78,835,096

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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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

There were no changes in the Company's share capital of S\$100,668,617 (US\$82,518,674) between 30 September 2014 and 31 December 2014.

There were no outstanding convertibles or treasury shares held by the Company as at 31 December 2014 and 31 December 2013.

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.

	31 December 2014	31 December 2013
Total number of issued shares (excluding treasury shares)	1,157,050,891	1,157,050,891

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

Not applicable. Our Company did not hold any treasury shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by our Company's auditors.

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

Not applicable.

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

Save as disclosed in Paragraph 5 below, our Group has consistently applied the same accounting policies and methods of computation in our Group's financial statements for the current reporting period as compared with the audited financial statements for the year ended 31 December 2013.

5. If there are any changes in 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

Our Group has adopted the applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014. The adoption of these new/revised FRSs INT FRSs and amendments to FRSs has no material impact on the financial performance or position of the Group.

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

	Group			
	3 months ended 31.12.2014 (Unaudited)	3 months ended 31.12.2013 (Unaudited)	12 months ended 31.12.2014 (Unaudited)	12 months ended 31.12.2013 (Audited)
Earnings per share ("EPS")				
Earnings for computing EPS (US\$)	(3,393,390)	(953,472)	(12,578,189)	12,622,762
Weighted average number of ordinary shares ⁽¹⁾	1,157,050,891	1,157,050,891	1,157,050,891	1,157,050,891
Basic and diluted EPS based on weighted average number of ordinary shares (US cents) ⁽²⁾	(0.29)	(0.08)	(1.09)	1.09

⁽¹⁾ The calculation for the basic and diluted EPS is based on the weighted average number of ordinary shares in issue during the respective financial periods.

⁽²⁾ The basic and diluted EPS were the same as the Group did not have any potentially dilutive instruments for the respective financial periods.

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 period reported on and (b) immediately preceding financial year

	Group		Company	
	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)
Net assets value ("NAV") per share				
NAV (US\$)	107,652,352	121,716,197	77,633,316	78,835,096
Number of issued shares	1,157,050,891	1,157,050,891	1,157,050,891	1,157,050,891
NAV per ordinary share (US cents)	9.30	10.52	6.71	6.81

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

8.1 Income Statement (4Q2014 vs. 4Q2013)

Revenue, cost of sales and gross profit

Our Group derived revenue from coal production, coal trading, mining services and equipment rental. Revenue decreased by US\$13.5 million from US\$23.8 million in the fourth quarter ended 31 December 2013 ("4Q2013") to US\$10.3 million in the fourth quarter ended 31 December 2014 ("4Q2014"). This was mainly due to the downward trend in coal price and soft demand for coal with low calorific value which resulted in a reduction of our coal revenue by US\$13.8 million. The decrease in coal revenue is also in line with our strategy to streamline operations in BEK mining concession by temporarily halting the production and reallocating the capacity to MMCT mining services.

The decrease in our cost of sales is largely proportionate to the decrease in revenue, by US\$13.5 million from US\$21.8 million in 4Q2013 to US\$8.3 million in 4Q2014. Amidst the decrease in coal sales volume and pricing as mentioned above, our Group's total gross profit remained relatively constant at US\$2.0 million in 4Q2013 and 4Q2014.

Other income and indirect expenses

Other income increased from US\$0.3 million in 4Q2013 to US\$2.3 million in 4Q2014, mainly due to foreign exchange ("forex") gain of US\$1.9 million recorded in the current quarter (4Q2013: forex loss of US\$0.6 million).

General and administrative expenses decreased from US\$2.3 million in 4Q2013 to US\$1.7 million 4Q2014. The decrease was mainly due to cost controls and reduction of VAT expenses incurred by our Indonesian coal producing/trading entities.

Other expenses increased by US\$2.2 million, from US\$0.8 million in 4Q2013 to US\$3.0 million in 4Q2014. The increase was mainly due to a one-off loss on disposal of old heavy equipment in 4Q2014 amounting to US\$1.9 million, and a recognition of loss on receivables carried at amortised cost of US\$0.2 million in 4Q2014 as required by accounting standards.

Finance costs increased by US\$1.6 million, from US\$0.6 million in 4Q2013 to US\$2.2 million in 4Q2014, mainly due to interest expense arising from the medium term notes payable issued in July 2014.

Depreciation and amortisation

Depreciation decreased by US\$0.6 million, from US\$2.0 million in 4Q2013 to US\$1.4 million in 4Q2014. The decrease was mainly due to lower depreciation expense on mining property which is consistent with the decrease in our coal sales.

Income tax

Income tax increased by US\$1.5 million from US\$0.5 million tax credit in 4Q2013 to US\$1.0 million tax expense in 4Q2014. Despite the losses, the higher tax expense was mainly attributed to certain non-tax-adjustable items and the de-recognition of deferred tax asset relating to tax losses.

Loss after income tax

Loss after income tax increased by US\$2.6 million from US\$0.9 million in 4Q2013 to US\$3.5 million in 4Q2014, mainly due to lower operating profit, higher other expenses and finance costs, offset by higher other income and lower general and administrative expenses.

Other comprehensive income

Other comprehensive income consisted of translation exchange differences and recognition of actuarial gain/loss relating to retirement benefit obligations. The translation losses in 4Q2014 and 4Q2013 were largely due to the weakening of IDR against USD.

8.2 Income Statement (FY2014 vs. FY2013)

Revenue, cost of sales and gross profit

Revenue decreased by US\$55.5 million from US\$108.6 million in FY2013 to US\$53.1 million in FY2014. This was mainly due to:

- (i) downward trend in coal price and soft demand for coal with low calorific value which resulted in a reduction of our coal revenue by US\$48.0 million; and
- (ii) decrease in revenue of US\$7.5 million from mining services and equipment rental.

Our cost of sales decreased by US\$22.5 million from US\$78.0 million in FY2013 to US\$55.5 million in FY2014. This included an unrealised loss from our trading inventories of US\$2.4 million (FY2013: unrealised gains of US\$2.4 million). Excluding these unrealised gains and losses, there was a net decrease of cost of sales by US\$27.3 million. The decrease in cost was less than proportionate as compared to the decrease in revenue, mainly due to the decrease in coal production volume as well as other non-recurring operational costs to streamline manpower and reallocate our capacity utilisation.

Due to the decrease in coal sales volume and pricing as mentioned above, our Group's total gross profit decreased by US\$32.9 million, from US\$30.5 million profit in FY2013 to a loss of US\$2.4 million in FY2014.

Other income and indirect expenses

Other income increased by US\$2.0 million from US\$1.4 million in FY2013 to US\$3.4 million in FY2014, mainly due to forex gain of US\$2.4 million recorded in FY2014, offset by a non-recurring gain from repayment of amount due to a related party in FY2013 amounting to US\$0.6 million.

General and administrative expenses decreased by US\$0.2 million, from US\$8.6 million in FY2013 to US\$8.4 million in FY2014. The decrease was mainly due to cost controls and reduction of VAT expenses incurred by our Indonesian coal producing/trading entities.

Other expenses decreased by US\$0.3 million, from US\$3.5 million in FY2013 to US\$3.2 million in FY2014. The decrease was mainly due to forex gain in FY2014 as compared to forex loss in FY2013, offset by higher loss on disposal of property, plant and equipment and a loss on receivables carried at amortised cost recognised in FY2014.

Finance costs increased by US\$2.7 million, from US\$2.5 million in FY2013 to US\$5.2 million in FY2014, mainly due to interest expense arising from the medium term notes payable issued in July 2014.

Depreciation and amortisation

Depreciation and amortisation decreased by US\$4.7 million, from US\$11.3 million in FY2013 to US\$6.6 million in FY2014. The decrease was mainly due to lower depreciation expense on mining property which is consistent with the decrease in our coal sales.

Income tax

Income tax expense decreased by US\$7.5 million from US\$4.3 million tax expense in FY2013 to US\$3.2 million tax credit in FY2014, in line with the decrease in profit. The lower effective tax credit rate was mainly attributed to certain non-tax-adjustable items and the de-recognition of deferred tax asset relating to tax losses, partially offset by a release of overprovision made in prior year.

Profit after income tax

Profit after income tax decreased by US\$25.8 million from a profit of US\$13.0 million in FY2013 to a loss of US\$12.8 million in FY2014, mainly due to the operating losses and higher finance costs, offset by higher other income and lower other expenses.

Other comprehensive income

Other comprehensive income consisted of translation exchange differences and recognition of actuarial gain/loss relating to retirement benefit obligations. The translation losses in FY2014 and FY2013 were largely due to the weakening of IDR against USD.

8.3 Statement of Financial Position (Group)

Our Group's equity attributable to owners of the Company decreased by US\$14.0 million, from US\$121.7 million as at 31 December 2013 to US\$107.7 million as at 31 December 2014. The decrease relates to the losses in FY2014.

Current assets

Our Group's current assets decreased by US\$4.8 million, from US\$84.7 million as at 31 December 2013 to US\$79.9 million as at 31 December 2014. The decrease was mainly due to decreases in inventories of US\$10.2 million and cash and cash equivalents of US\$4.5 million; partially offset by the increases in trade and other receivables of US\$6.1 million and deposits and prepayments of US\$3.8 million.

Trade and other receivables as at 31 December 2014 mainly comprised US\$18.0 million of trade receivables, US\$5.7 million of prepaid taxes, refundable acquisition deposit of US\$2.0 million and payments made to a third party of US\$3.2 million to secure the rights to use and purchase jetty facilities.

Inventory balance decreased by US\$10.2 million, from US\$15.0 million as at 31 December 2013 to US\$4.8 million as at 31 December 2014, as a result of our efforts to improve working capital position.

Prepayments as at 31 December 2014 included US\$27.5 million of upfront payments made pursuant to coal purchase contracts entered into previously.

Non-current assets

Our Group's non-current assets increased by US\$54.9 million, from US\$76.8 million as at 31 December 2013 to US\$131.7 million as at 31 December 2014. The increase was mainly due to increases in (i) property, plant and equipment of US\$45.8 million; (ii) trade receivables of US\$7.6 million; (iii) deferred tax assets of US\$1.6 million; and (iv) deposits and prepayments of US\$0.7 million. This was partially offset by the decrease in deferred expenditure of US\$0.9 million, due to a non-cash impairment allowance made in 4Q2014. The increase in trade receivables is due to a reclassification arising from a change of payment term with the customers.

In August 2014, our Group completed the acquisition of 66% shareholding in Borneo International Resources Pte Ltd ("BIR") for a consideration of US\$55.0 million. BIR, through its subsidiary, has an interest in a mining concession at the sub-district Angsana, Regency of Tanah Bumbu, South Kalimantan ("**SDJ mining concession**"). The increase in property, plant and equipment was mainly due to the addition of mining property as a result of the aforementioned acquisition and partially offset by the depreciation expense of US\$6.6 million and disposal of property, plant and equipment with net book value amounting to US\$3.9 million.

Current liabilities

Our Group's current liabilities decreased by US\$0.8 million, from US\$21.8 million as at 31 December 2013 to US\$21.0 million as at 31 December 2014. The decrease was mainly due to the decreases in (i) amount due to a related party of US\$2.0 million; (ii) income tax payable of US\$1.5 million; and (iii) finance leases of US\$0.7 million. This was partially offset by the increase in trade and other payables of US\$3.5 million.

The increase in trade and other payables was mainly due to the remaining unpaid purchase consideration of US\$7.3 million relating to the acquisition of BIR, offset by the decrease in trade payables of US\$2.9 million.

Non-current liabilities

Our Group's non-current liabilities increased by US\$65.1 million, from US\$17.4 million as at 31 December 2013 to US\$82.5 million as at 31 December 2014. The increase was mainly due to increase in medium term notes payable of US\$75.2 million. This was partially offset by the decreases in (i) finance leases of US\$9.7 million; (ii) bank borrowings of US\$0.3 million; and (iii) deferred tax liabilities of US\$0.2 million.

Please refer to Paragraph 1(b)(ii) for more details of the medium term notes payable.

8.4 Statement of Financial Position (Company)

Equity decreased by US\$1.2 million from US\$78.8 million as at 31 December 2013 to US\$77.6 million as at 31 December 2014.

Current assets

Current assets increased by US\$22.6 million, from US\$63.0 million as at 31 December 2013 to US\$85.6 million as at 31 December 2014. The increase was mainly due to increase in trade and other receivables of US\$23.4 million, partially offset by the decrease in cash and cash equivalents of US\$0.8 million. Trade and other receivables mainly comprised intercompany receivables, refundable acquisition deposit of US\$2.0 million and payments made to a third party of US\$3.2 million to secure the rights to use and purchase jetty facilities. The increase in trade and other receivables arise mainly from the increase in intercompany receivables of US\$20.3 million, which was mainly due to the utilisation of proceeds from IPO and medium term notes by our operating subsidiaries.

Non-current assets

Non-current assets increased by US\$56.3 million from US\$20.2 million as at 31 December 2013 to US\$76.5 million as at 31 December 2014, mainly due to increase in investment in subsidiary, due to the acquisition of BIR.

Current liabilities

Current liabilities mainly consisted of bank borrowing, trade and other payables and income tax payable. Current liabilities increased by US\$5.1 million, from US\$3.9 million as at 31 December 2013 to US\$9.0 million as at 31 December 2014, mainly due to the remaining unpaid purchase consideration of US\$7.3 million relating to the acquisition of BIR, offset by the decrease in intercompany payables of US\$2.1 million.

Non-current liabilities

Non-current liabilities mainly consisted of medium term notes payable, bank borrowing, provisions and deferred tax liabilities. Non-current liabilities increased by US\$75.0 million, from US\$0.4 million as at 31 December 2013 to US\$75.4 million as at 31 December 2014, mainly due to increase in medium term notes payable of US\$75.2 million, offset by repayments of bank borrowing of US\$0.3 million.

8.5 Cash Flow Statement (4Q2014 vs. 4Q2013)

Our Group's net cash used in operating activities in 4Q2014 was US\$4.9 million. Operating cash flows before movements in working capital was an inflow of US\$1.7 million and this was offset by cash outflows of US\$5.9 million from our working capital movements. Another US\$0.6 million was used for net payment of income tax and retirement benefit.

Net cash used in investing activities in 4Q2014 of US\$21.4 million was mainly due to advance payments and purchase of property, plant and equipment of US\$22.9 million, offset by proceeds on disposal of property, plant and equipment of US\$1.4 million and interest received of US\$0.1 million.

Net cash used in financing activities in 4Q2014 of US\$3.0 million was mainly due to repayment of bank borrowings and finance leases of US\$2.7 million and interest payment of US\$0.3 million.

As a result of the aforementioned, there was a net decrease of US\$29.3 million in cash and cash equivalents in 4Q2014.

8.6 Cash Flow Statement (FY2014 vs. FY2013)

Our Group's net cash used in operating activities in FY2014 was US\$16.9 million. Operating cash flows before movements in working capital was an outflow of US\$5.8 million. Another US\$8.1 million was used to meet our working capital requirements and a further US\$3.1 million was used for net payment of income tax and retirement benefit.

Net cash used in investing activities in FY2014 of US\$48.7 million was mainly due to advance payments and purchase of property, plant and equipment of US\$50.4 million, offset by proceeds on disposal of property, plant and equipment of US\$1.5 million and interest received of US\$0.2 million.

Net cash generated from financing activities in FY2014 of US\$59.1 million was mainly due to cash inflows in relation to issuance of medium term notes payable of US\$80.6 million and additional drawdown of bank borrowings of US\$8.8 million. This was partially offset by cash outflows in relation to (i) repayment of bank borrowings and finance leases of US\$19.6 million; (ii) transaction costs relating to issuance of medium term notes payable of US\$3.9 million; (iii) fixed deposit pledged of US\$2.8 million; (iv) repayment of amount due to a related party of US\$2.1 million; and (v) interest payment of US\$1.9 million.

As a result of the aforementioned, there was a net decrease of US\$6.6 million in cash and cash equivalents in FY2014.

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

There is no material deviation in the actual results for the fourth quarter ended 31 December 2014 from what was previously discussed under paragraph 10 of the Company's financial statements for the third quarter ended 30 September 2014.

10. A commentary at the date of the announcement of the 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

The Indonesian coal mining industry continues to face pressure from an expansionary supply situation and weak demand, resulting in a general expectation of coal prices to remain relatively soft in the near future. Accordingly, the Indonesian Coal Reference Price (HBA) decreased during the last three months from US\$-69.69 in September 2014 to US\$64.65 in December 2014⁽¹⁾.

Our Group had on 18 August 2014 completed the acquisition of 66% of BIR, which through its Indonesian subsidiaries owns the SDJ mining concession located in South Kalimantan, Indonesia. Barring unforeseen circumstances and subject to the completion of certain conditions subsequent, our Group expects to commence land clearing and overburden removal in the second quarter of 2015. Please refer to the relevant announcements for further information. Pending the commencement of SDJ production operations, our Group envisage fluctuations in our financial results from quarter to quarter.

In addition, our Group had also on 9 February 2015 entered into a cooperation agreement for the construction, management and operation of coal-fired power stations in the Republic of Indonesia. The Company will be obtaining the necessary approval from shareholders in relation to the coal-fired power station business in due course. We will release further update announcements as and when appropriate.

⁽¹⁾ Source: Coalspot.com - Indonesian Coal Reference Price (HBA)

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared

None.

(b)(i) Amount per share

Not applicable.

(b)(ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the financial year ended 31 December 2014.

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

No IPT mandate has been obtained from shareholders.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
PT Prima Energytama - Technical services provided by our Group*	US\$80,000	NIL

* terminated on 31 December 2014

14. Use of IPO Proceeds

As of 13 November 2014, the date of announcement of results for third quarter and nine months ended 30 September 2014, the Group's IPO proceeds had been fully utilised. Please also refer to the relevant announcements made previously for details of the use of proceeds.

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

For the purpose of resource allocation and assessment of segment performance, our Group's chief operating decision makers have focused on the business operating units which in turn, are segregated based on their services. This forms the basis of identifying the segments of our Group under FRS 108.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristic, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, method of distribution, and if applicable, the nature of the regulatory environment.

Our Group's reportable segments under FRS 108 are as follows:

<u>Segment</u>	<u>Principal activities</u>
Coal production	Sale of coal produced from operating our own coal mines.
Coal Trading	Purchase of coal with the intention to sell in the near future.
Mining services and others	Mining contracting and equipment rental services.

Segment revenue represents revenue generated from external and internal customers. Segment results represent the profit earned from each segment after allocating costs directly attributable to a segment as well as those that can be allocated on a reasonable basis. This is the measure reported to the chief operating maker for the purpose of resource allocation and assessment of segment performance.

Assets and liabilities are not allocated by segment as they are not considered critical by the chief operating decision maker in resource allocation and assessment of segment performance.

Business segment – financial year ended 31.12.2014 (Unaudited)

	<u>Coal production</u> US\$	<u>Coal trading</u> US\$	<u>Mining service and others</u> US\$	<u>Eliminations</u> US\$	<u>Unallocated</u> US\$	<u>Total</u> US\$
Revenue						
External revenue	3,342,710	26,326,166	23,438,125	-	-	53,107,001
Inter-segment revenue	-	-	956,320	(956,320)	-	-
Total revenue	<u>3,342,710</u>	<u>26,326,166</u>	<u>24,394,445</u>	<u>(956,320)</u>	-	<u>53,107,001</u>
Segment results	(4,643,801)	(227,274)	2,447,643	-	-	(2,423,432)
Allocated amounts:						
Other expense	(30,994)	-	(1,142,619)	-	-	(1,173,613)
Unallocated amounts:						
Other income						3,380,907
General and administrative expense						(8,404,907)
Other expense						(2,067,167)
Finance costs						<u>(5,243,069)</u>
Loss before income tax						(15,931,281)
Income tax expense						<u>3,150,959</u>
Loss for the year						<u>(12,780,322)</u>
Other segmental information						
Depreciation of property, plant and equipment	963,817	-	5,167,617	-	452,306	6,583,740
Loss on disposal of property, plant and equipment	-	-	-	-	1,987,855	1,987,855
Allowance for doubtful debt	30,994	-	-	-	-	30,994
Impairment of deferred expenditure	-	-	894,013	-	-	894,013
Loss on financial asset carried at amortised cost	-	-	248,606	-	-	248,606
Fair value gain on investment property	-	-	-	-	157,624	<u>157,624</u>

Business segment – financial year ended 31.12.2013 (Audited)

	<u>Coal production</u> US\$	<u>Coal trading</u> US\$	<u>Mining service and others</u> US\$	<u>Eliminations</u> US\$	<u>Unallocated</u> US\$	<u>Total</u> US\$
Revenue						
External revenue	34,831,718	42,860,467	30,901,724	-	-	108,593,909
Inter-segment revenue	-	-	9,740,528	(9,740,528)	-	-
Total revenue	<u>34,831,718</u>	<u>42,860,467</u>	<u>40,642,252</u>	<u>(9,740,528)</u>	-	<u>108,593,909</u>
Segment results	10,197,133	8,463,127	11,887,560	-	-	30,547,820
Unallocated amounts:						
Other income						1,379,890
General and administrative expense						(8,596,450)
Other expense						(3,528,771)
Finance costs						<u>(2,476,014)</u>
Profit before income tax						17,326,475
Income tax expense						<u>(4,296,706)</u>
Profit for the year						<u>13,029,769</u>
Other segmental information						
Depreciation of property, plant and equipment	5,401,050	-	4,742,547	-	515,012	10,658,609
Amortisation of deferred expenditure	-	-	630,304	-	-	630,304
Loss on disposal of property, plant and equipment	-	-	-	-	40,031	40,031
Fair value gain on investment property	-	-	-	-	67,094	<u>67,094</u>

Geographical segments

The Group's information about the segment revenue by geographical location is detailed below:

	Revenue	
	FY2014	FY2013
	US\$ (Unaudited)	US\$ (Audited)
<u>Based on location of customer</u>		
Republic of Indonesia	34,397,077	76,265,656
People's Republic of China	15,012,713	1,216,216
Republic of Singapore	3,112,087	23,488,550
Republic of Korea	468,648	-
Republic of Switzerland	116,476	415,198
Republic of India	-	7,208,289
Total	<u>53,107,001</u>	<u>108,593,909</u>

Our Group's information about the segment assets by geographical location are detailed below:

	Non-current assets	
	FY2014	FY2013
	US\$ (Unaudited)	US\$ (Audited)
Republic of Indonesia	124,739,264	71,373,333
Republic of Singapore	<u>3,946,160</u>	<u>4,063,749</u>
Total	<u>128,685,424</u>	<u>75,437,082</u>

Major customer information

Our Group's revenue derived from customers who individually account for 10% or more of our Group's revenue is detailed below:

Customer	Coal production		Coal trading		Mining services and others	
	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013
	US\$ (Unaudited)	US\$ (Audited)	US\$ (Unaudited)	US\$ (Audited)	US\$ (Unaudited)	US\$ (Audited)
Top 1st	-	-	-	-	15,208,494	17,612,669
Top 2nd	1,514,476	587,289	7,449,239	14,241,496	-	-
Top 3rd	-	3,401,444	8,456,745	10,356,163	-	-
Top 4th	-	NA	232,531	NA	7,359,162	NA
Top 5th	<u>-</u>	<u>NA</u>	<u>6,555,967</u>	<u>NA</u>	<u>-</u>	<u>NA</u>

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Both international and domestic coal trading companies located in Indonesia remained as the top contributor to our Group's revenue, representing 64.8% of our total revenue in FY2014. The decrease in revenue earned from customers located in Indonesia and Singapore, of approximately US\$41.9 million and US\$20.4 million respectively, was mainly due to the downward trend in coal price and soft demand for coal with low calorific value. This is offset by the increase in revenue from customers located in China of approximately US\$13.8 million, partly as a result of our efforts to continue to broaden our customer base.

In FY2014, our Group's non-current assets in Indonesia increased by US\$53.4 million mainly due to the acquisition of SDJ mining concession. Our non-current assets in Singapore had decreased mainly due to the depreciation of SGD against USD.

17. A breakdown of sales.

Group	FY2014 US\$'000 (Unaudited)	FY2013 US\$'000 (Unaudited)	% increase/ (decrease)
(a) Sales reported for first half year	34,596,804	49,960,185	(31)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	(3,056,308)	10,350,778	(130)
(c) Sales reported for second half year	18,510,197	58,633,724	(68)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	(9,724,014)	2,678,991	(463)

18. Additional disclosure required for Mineral, Oil and Gas companies

(a) Rule 705 (7)(a) – Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred in those activities, including explanation 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

In FY2014, our Group has not carried out any exploration and evaluation activities, save for the coal production taken from the previous uncovered coal seam totalling 121,286 tonnes in our BEK mining concession.

(b) Rule 705 (7)(b) – Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D

BEK mining concession - the Company had on 14 April 2014 despatched a copy of the qualified person's report on the updated resource and reserve estimates as at 31 December 2013 ("QPR 2013") to update shareholders on its resource and reserve information. The QPR 2013 is contained in the Company's annual report for FY2013 ("AR 2013"). Soft copy of the AR 2013 is available on the SGXNET and the Company's website. There were no material updates on the QPR 2013 as at 31 December 2014.

SDJ mining concession – pursuant to the completion of acquisition, the Company had on 18 August 2014 announced the JORC resource and reserve estimates as at 30 June 2014 ("Original JORC Estimate") to update shareholders on its resource and reserve information. There were no material updates on the Original JORC Estimate as at 31 December 2014. Barring unforeseen circumstances and subject to the completion of certain conditions subsequent, we expect to commence land clearing and overburden removal in the second quarter of 2015. Please refer to the relevant announcements for further information.

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

No dividend has been declared or recommended in respect of FY2014 and FY2013.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Yanto Melati	34	Brother of Charles Antony Melati and Huang She Thong	Appointed in 2012 as Corporate Senior Manager. He is responsible for overseeing our Group's corporate affairs in Indonesia.	N.A.
Yanti Ng	31	Sister of Charles Antony Melati and Huang She Thong	Appointed in 2011 as Regional Operations and Administrative Manager. She is responsible for overseeing our Group's operational and administrative matters.	N.A.
Richard Kennedy Melati	41	Brother of Charles Antony Melati and Huang She Thong	Appointed in 2011 as Head of Fleet Management. He is responsible for overseeing and managing our Group's equipment fleet.	N.A.
Ng See Yong	36	Brother of Charles Antony Melati and Huang She Thong	Appointed in 2012 as Head of Corporate and Human Resource. He is responsible for our Group's human resource functions and organisational development.	N.A.
Tanny	37	Brother-in-law of Charles Antony Melati and Huang She Thong	Appointed in 2009 as Purchasing Manager. He is responsible for the purchasing functions of our Group.	N.A.
Darmin	47	Brother of Dhamma Surya	Appointed in 2011 as Head of Operations. He is responsible for overseeing our Group's business operations.	N.A.
Lim Kok Wah, Eric	31	Brother-in-law of Charles Antony Melati and Huang She Thong	Appointed in 2013 as Marketing Manager. He is responsible for the sales and marketing functions of our Group.	N.A.

On behalf of the Board of Directors

Charles Antony Melati
Executive Chairman

Dhamma Surya
Chief Executive Officer

26 February 2015