

NEWS RELEASE**GEAR'S COAL BUSINESS VALUED AT US\$3.1 BILLION AS AT 31 AUGUST 2016**

- ***JORC- and VALMIN-Code compliant Independent Qualified Persons' Report based on conservative long-term benchmark Newcastle Coal Index price of US\$62.5/tonne Free On Board (compared to US\$103/tonne FOB as at 27 October 2016)***
- ***BIB, GEAR's largest coal concession, records 15.9% increase in coal reserves to 654.7 million tonnes***

SINGAPORE, 4 November 2016 — Golden Energy and Resources Limited (“**GEAR**” or the “**Group**”), an international coal mining and trading company listed on the Singapore Stock Exchange and backed by Indonesian conglomerate Sinar Mas Group, announced that an independent business valuation report by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“**JLL**”) has placed a valuation of US\$3.1 billion on its coal business held by the PT Golden Energy Mines Tbk (“**GEMS**”), which is listed on the Jakarta Stock Exchange. GEAR has 66.9998% equity interest in GEMS.

The valuation takes into account the latest independent qualified persons' reports (“**IQPR**”) of the coal resources and reserves estimates of the Group's three coal concessions as at 31 August 2016.

Mr. Fuganto Widjaja, Executive Director and Group CEO of GEAR, said, “GEMS has successfully weathered the downturn in the coal industry with its consistent track record in being one of the lowest cost mining producers in Indonesia, constantly delivering value to its shareholders to-date.”

“GEMS' healthy financial position, with its low gearing ratios and robust balance sheet, is supported by a valuation of US\$3.1 billion. This is based on a conservative long-term estimate on benchmark price of Newcastle Index of US\$62.5/tonne Free On Board, which serves as an affirmation of the operational sustainability of our Group's coal

business as well as a blueprint for scalability in the current uptrend in coal prices.”, Mr. Widjaja added.

The Newcastle Export index has since risen to about US\$103/tonne FOB as at 27 October 2016, according to recent IHS Markit data.

“With our Group’s enhanced efficiencies supported by our wholly-owned infrastructure such as our dedicated roads and ports which load directly at the Java Sea, we believe that GEAR remains well-poised to take advantage of the continued uptrend in coal prices with the increase in coal production and sales,” Mr. Widjaja said.



Image: Barge loading conveyors at the BIB’s Bunati Port (Java seafont)

Based on the latest IQPR report, the aggregate estimated amount of proved and probable coal reserves within GEAR's largest concession, PT Borneo Indobara ("**BIB**") is 654.7 million tonnes ("**MT**")¹, a 15.92% increase from the previous update as at 31 December 2015 (see *Appendix A below*).

In September 2016, GEAR announced that it has received approval from the Indonesian Government to raise coal production in BIB to 7.5 MT per annum and has plans to further increase BIB's production output to 12.0 MT per annum in 2017, subject to market demand and government approval.

The updated IQPRs are prepared in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves ("**JORC Code 2012**"), as well as the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports ("**VALMIN Code 2015**").

END

¹ *Comprising an estimated 518.5 MT of proved coal reserves and 136.2 MT of probable coal reserves*

Appendix A:
BIB Updated IQPR

| Pit | Coal Resource ⁽¹⁾ (in million tonnes) | | | | Coal Reserves (in million tonnes) | | |
|--|---|-----------|----------|-------|--------------------------------------|----------|--------|
| | Measured | Indicated | Inferred | Total | Proved | Probable | Total |
| Kusan Girimulya Block | 859 | 278 | 335 | 1,472 | 485.1 | 120.2 | 605.3 |
| Sebamban North Block | 11 | 10 | 50 | 71 | 5.3 | 3.6 | 9.0 |
| Sebamban South Block | 18 | 10 | 15 | 42 | 11.4 | 4.5 | 15.9 |
| Batulaki Block | 21 | 27 | 155 | 203 | 13.7 | 6.6 | 20.3 |
| Pasopati Block | 10 | 10 | 10 | 31 | 3.0 | 1.2 | 4.2 |
| Total | 919 | 335 | 565 | 1,819 | 518.5 | 136.2 | 654.7 |
| CHANGE FROM PREVIOUS UPDATE⁽²⁾ | 5.75% | 0.30% | -2.59% | 2.08% | 18.79% | 6.16% | 15.92% |

Note:-

(1) Coal resources are inclusive of coal reserves

(2) The previous update on the coal resources and reserves estimates of BIB coal concession area is as at 31 December 2015

ABOUT GOLDEN ENERGY AND RESOURCES LIMITED

Golden Energy and Resources Limited (“GEAR”) was formed through the completion of the Reverse Takeover of SGX Mainboard-listed United Fiber System Limited in 2015. The Group is principally engaged in the exploration, mining, and marketing of thermal coal sourced from its coal mining concession areas, covering an aggregate of approximately 38,165 hectares in South Kalimantan, Central Kalimantan and Jambi (a province in Sumatra), Indonesia.

Backed by the Sinar Mas Group, one of Indonesia’s largest conglomerates, GEAR collectively owns the rights to mine more than 2.0 billion tonnes of thermal coal resources, with coal reserves of more than 700 million tonnes, as at 31 August 2016.

GEAR has reserves of primarily thermal coal with an average calorific value range of between 3,900 kcal/kg (arb) to 6,600 kcal/kg (arb).

Aside from coal mining and trading, GEAR is also engaged in the forestry business, owning forestry concession rights of 265,095 hectares in four regents located in South Kalimantan.

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4 November 2016