

GOLDEN ENERGY AND RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 199508589E

PROPOSED PLACEMENT OF UP TO 182,980,298 NEW ORDINARY SHARES (“SHARES”), COMPRISING:

- (A) UP TO 181,000,000 SHARES FOR THE PURPOSE OF MEETING THE SHAREHOLDING SPREAD AND DISTRIBUTION REQUIREMENTS OF THE LISTING MANUAL; AND
- (B) 1,980,298 SHARES PURSUANT TO THE PLACEMENT TO DELOITTE

RHB Securities Singapore Pte. Ltd. (formerly known as DMG & Partners Securities Pte Ltd) was the financial adviser (the “Financial Adviser”) to the Company for the acquisition of 66.9998% of the issued and paid-up share capital of PT Golden Energy Mines Tbk. Capitalised terms used herein shall have the definitions ascribed to them in the Company’s circular to its shareholders dated 30 January 2015 and the Initial Announcements (as defined herein), unless otherwise stated or the context otherwise requires.

1. INTRODUCTION

1.1 Initial Announcements

The Board of Directors of Golden Energy and Resources Limited (“**Company**”) refers to the Company’s announcement dated 22 May 2015, 23 June 2015, 27 August 2015, 4 May 2016 and 11 July 2016 (the “**Initial Announcements**”) relating to the Company’s applications to the SGX-ST for the extension of the Placement Period to meet the shareholding spread and distribution requirements under Rule 210(1)(a) of the Listing Manual (“**Shareholding Spread and Distribution Requirements**”).

1.2 Proposed Placement

Further to the Initial Announcements, the Board wishes to announce that the Company has entered into a placement agreement dated 28 November 2016 (“**Placement Agreement**”) with RHB Securities Singapore Pte. Ltd. (“**Placement Agent**”). Pursuant to the Placement Agreement, the Company has agreed to allot and issue up to 181,000,000 new Shares (“**Placement Shares**”) at an issue price of S\$0.67 per Placement Share (“**Placement Price**”) and the Placement Agent has agreed to use commercially reasonable efforts to place the Placement Shares to subscribers at the Placement Price, subject to the terms and conditions of the Placement Agreement (the “**Proposed Placement**”). The Proposed Placement will not be underwritten by the Placement Agent.

The Placement Price represents a discount of approximately 9.68% over the volume weighted average price of S\$0.7418 for each Share based on the trades done on the Mainboard of the SGX-ST for the full market day on 22 April 2015 (being the last market day prior to the suspension of the Shares on 23 April 2015).

Pursuant to the Placement Agreement, in consideration for the Placement Agent procuring subscribers for the Placement Shares, the Company shall pay the Placement Agent, subject to mutual agreement between the Company and the Placement Agent, a placement commission

of between 1.5% to 1.7% of the total proceeds raised from the Proposed Placement. No part of the placement commission will be shared with or payable to any placee.

The Proposed Placement will be undertaken in accordance with Sections 274 and 275 of the Securities and Futures Act, Chapter 289 of Singapore (“SFA”) and by way of a placement outside Singapore to institutional and other investors. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

1.3 Placement to Deloitte

The Board also wishes to update that, as announced by the Company on 7 October 2015, the Company intends to allot and issue new Shares to Deloitte & Touche Financial Advisory Services Pte Ltd (“Deloitte”) in full satisfaction of the professional fees owing to Deloitte in the amount of S\$1,326,800 by way of a private placement of 1,980,298 Shares (“Deloitte Shares”) at an issue price of S\$0.67 per Share (“Placement to Deloitte”).

1.4 General Mandate

The Company will issue the Placement Shares and the Deloitte Shares pursuant to the general mandate (“General Mandate”) approved by Shareholders by way of an ordinary resolution at the annual general meeting of the Company held on 29 April 2016. The General Mandate authorises the directors of the Company (“Directors”) to, *inter alia*, issue Shares at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, provided that, among other things, the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued Shares (excluding treasury shares) of the Company at the time the ordinary resolution was passed to approve the General Mandate, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities; (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of the resolution approving the General Mandate; and (c) any subsequent bonus issue, consolidation or subdivision of Shares.

2. THE PROPOSED PLACEMENT

2.1 The Placement Shares and Deloitte Shares

As at the date of this announcement, the Company has in aggregate 2,170,120,082 issued Shares. The Company has no treasury shares, existing warrants or other convertible securities. The allotment and issue of the Placement Shares and Deloitte Shares will increase the total number of the Company’s issued shares to 2,353,100,380 Shares and the Placement Shares and Deloitte Shares represent approximately 8.43% of the issued Shares of the Company as at the date of this announcement and approximately 7.78% of the enlarged issued Shares of the Company immediately after the Placement (assuming the Proposed Placement is fully subscribed).

The Placement Shares and Deloitte Shares shall be allotted and issued free from all claims, charges, liens and other encumbrances whatsoever and shall when allotted and issued, rank *pari passu* in all respects with the existing issued Shares, save that they shall not rank *pari passu* for any entitlements, distributions, dividends or rights (if any), the record date in respect of which falls prior to the date of issue of the Placement Shares and the Deloitte Shares.

2.2 Conditions

Completion of the Proposed Placement is conditional upon, *inter alia*, the following:

- (i) in-principle approval for the listing and quotation of the Placement Shares on the Official List of SGX Mainboard not having been revoked or amended and any conditions attached thereto which are required to be fulfilled on or before the completion date of the Proposed Placement ("**Completion Date**"), having been so fulfilled before that date to the satisfaction of the SGX-ST unless otherwise waived by the SGX-ST;
- (ii) the Proposed Placement not being prohibited by any statute, order, rule or regulation promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the Placement Agent;
- (iii) there having been, as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the Company's and/or the Placement Agent's representations, warranties and undertakings contained in the Placement Agreement if they were repeated on and as of the Completion Date;
- (iv) the compliance with all applicable laws and regulations concerning the Proposed Placement, the listing of the Placement Shares on the Official List of the SGX-ST Mainboard and the transactions contemplated in the Placement Agreement and no new laws, regulations and directives having been promulgated, published and/or issued and/or having taken effect or any other similar matter having occurred which, in the reasonable opinion of the Placement Agent, has or may have a material adverse effect on the Proposed Placement and the listing of the Placement Shares on the Official List of the SGX-ST Mainboard; and
- (v) the Placement Agent being satisfied that the Placement Shares will be admitted for listing by the SGX-ST without undue delay after the Completion Date.

The Deloitte Shares will be issued and allotted to Deloitte pursuant to the Placement to Deloitte on the Completion Date for the Proposed Placement.

2.3 Places

The Placement Shares and Deloitte Shares will not be placed to any of the persons set out as restricted persons under Rule 812 of the SGX-ST Listing Manual.

The allotment and issuance of the Placement Shares and the Deloitte Shares will not result in the transfer of a controlling interest in the Company under Rule 803 of the Listing Manual.

3. SHARE CAPITAL AND FINANCIAL EFFECTS

For illustrative purposes only the effect of the Proposed Placement (assuming the Proposed Placement is fully subscribed) and Placement to Deloitte on the existing Share capital of the Company as at 25 November 2016 is as follows:

	Number of Shares	Share Capital (US\$'000)
Share capital as at 25 November 2016	2,170,120,082	1,546,171
Resultant share capital following:		
(a) Completion of the proposed Placement to Deloitte ⁽¹⁾	2,172,100,380	1,547,100
(b) Completion of the Proposed Placement ⁽²⁾	2,353,100,380	1,630,562

Notes:

- (1) Based on 1,980,298 Deloitte Shares to be issued at S\$0.67 per Deloitte Share, converted at an exchange rate of S\$1.4283 : US\$1 as at 25 November 2016.
- (2) Based on 181,000,000 Placement Shares to be issued at S\$0.67 per Placement Share, converted at an exchange rate of S\$1.4283: US\$1 as at 25 November 2016 and net of placement commission expenses (assuming that a placement commission of 1.7% of the total proceeds raised from the Proposed Placement is paid to the Placement Agent).

For illustrative purposes only and based on the audited consolidated financial statements of the Group as at 31 December 2015, the financial effects of the Proposed Placement (assuming the Proposed Placement is fully subscribed) and the Placement to Deloitte are as follows:

- (a) the net tangible assets per Share of the Group will increase from US\$0.067 to US\$0.098 (assuming that the Proposed Placement and Placement to Deloitte was completed on 31 December 2015); and
- (b) the loss per Share of the Group will decrease from US\$0.002 to US\$0.0019 (assuming that the Proposed Placement and Placement to Deloitte was completed on 1 January 2015).

4. USE OF PROCEEDS FROM THE PROPOSED PLACEMENT

Assuming the Proposed Placement is fully subscribed, the Company intends to utilise the estimated gross proceeds of approximately S\$121,270,000 for the following purposes:

Use of proceeds	Estimated amount (S\$'000)	% of gross proceeds
Repayment of loans owing to creditors ⁽¹⁾	100,000	82.4
General working capital purposes	15,608	12.9
	115,608	95.3
Expenses		
Professional fees relating to RTO	3,600	3.0
Placement commission ⁽²⁾	2,062	1.7
	5,662	4.7
Gross Proceeds	121,270	100.0

Notes:

- (1) Comprises outstanding loan and interest obligations owing to Evans Road Limited, Asia Star Fund Ltd ("ASF"), ASM Asia Recovery (Master) Fund ("ASMARMF") and PT Dian Swastatika Sentosa Tbk ("DSS").

On 24 May 2010, the Company entered into a credit facility agreement with Raiffeisen Bank International AG, Singapore Branch ("RBI"), pursuant to which RBI made available to the Company a loan of US\$10 million for, *inter alia*, working capital purposes. The loan bears interest at a rate of 3.5% over the lender's cost of funds. The loan was novated to Evans Road Limited on 29 April 2016.

On 12 January 2011, the Company entered into a loan facility agreement with ASF pursuant to which ASF made available to the Company an aggregate amount of up to US\$35 million for, *inter alia*, repayment of certain creditors and working capital purposes. The loan bears interest at a rate of 10% per annum up to 31 December 2015 and 12% per annum with effect from 1 January 2016.

On 6 November 2012, the Company entered into a loan agreement with ASMARMF pursuant to which ASMARMF made available to the Company a loan in the aggregate amount of up to US\$4 million for, *inter alia*, repayment of certain professional expenses in relation to the DSS Acquisition and working capital purposes. The loan bears interest at a rate of 12.5% per annum.

On 17 April 2015, the Company entered into a loan facility agreement with DSS pursuant to which DSS made available to the Company an aggregate amount of up to US\$850,000 for, *inter alia*, certain expenses in relation to the DSS Acquisition and working capital purposes. The loan bears interest at a rate of 6% per annum.

- (2) Assuming that a placement commission of 1.7% of the total proceeds raised from the Proposed Placement is payable to the Placement Agent. In the event the placement commission actually paid to the Placement Agent is lower than 1.7% of the total proceeds raised from the Proposed Placement, the difference will be used for working capital purposes.

The Directors are of the opinion that, after taking into consideration the present bank facilities and net proceeds of the Proposed Placement, the working capital available to the Group is sufficient to meet its present requirements.

Pending the specific deployment of the net proceeds for the purposes mentioned above, the net proceeds may be placed as deposits with financial institutions, added to the working capital, used to reduce bank borrowings or used for investment in short-term money market instruments as may be determined by the Board in its absolute discretion.

The Company will make an announcement on the use of the net proceeds as and when such proceeds are materially disbursed, including whether the use is in accordance with the stated use as announced. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation. The Company will also disclose a breakdown with specific details on the use of proceeds for working capital in announcements and annual reports.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Placement to Deloitte, the Company and its subsidiaries which are relevant to the Proposed Placement and the Placement to Deloitte, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

6. GENERAL

Save as disclosed in this announcement, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement and the Placement to Deloitte (other than their shareholdings in the Company, if any).

7. OTHERS

The Company will be making an application to SGX-ST for the dealing in, listing and quotation of all the Placement Shares and Deloitte Shares on the Mainboard of the SGX-ST.

The Company will make the necessary announcements once the approval-in-principle for the dealing in, listing and quotation of the Placement Shares and Deloitte Shares on the Mainboard of the SGX-ST has been obtained from the SGX-ST.

Trading of the Shares has been suspended since 23 April 2015. Trading is expected to resume upon completion of the Proposed Placement and satisfaction of the Shareholding Spread and Distribution Requirements.

The Company will make such announcement(s) as may be necessary and/or appropriate in relation to the Proposed Placement and the Placement to Deloitte, including but not limited to the suspension of trading and resumption of trading of the Shares on the SGX-ST or otherwise in due course.

BY ORDER OF THE BOARD

GOLDEN ENERGY AND RESOURCES LIMITED

Pauline Lee
Company Secretary
28 November 2016

This announcement does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase securities of the Company, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration securities of the Company. Restrictions have been imposed on offers and sales of the Placement Shares and on distributions of documents relating thereto in Singapore, Indonesia, Malaysia and Hong Kong.

Singapore

No prospectus or offer information statement has been or will be registered with the Monetary Authority of Singapore in connection with the Proposed Placement. No Placement Shares may be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Indonesia

No prospectus or offer information statement has been or will be registered with the Financial Services Authority (Otoritas Jasa Keuangan or OJK) in connection with the Proposed Placement. This announcement may not be circulated or distributed, nor may any Placement Shares be offered within the territory of the Republic of Indonesia or to Indonesian citizens using mass media (which includes newspapers, magazines, film, television, radio and other electronic media, letter and brochures as well as any printed matter) or offered to more than 100 persons (including (A) persons in Indonesia, regardless of citizenship and (B) Indonesian citizens outside Indonesia) and/or sold to more than 50 persons (including (A) persons in Indonesia, regardless

of citizenship and (B) Indonesian citizens outside Indonesia) within a certain time. In the event that this announcement is received by Indonesian citizens, this announcement shall not be deemed as an offering document and the proposed transaction set out in this announcement shall not be deemed as an offering of securities in the Republic of Indonesia.

Malaysia

No prospectus or offer information statement has been or will be registered with the Securities Commission Malaysia in connection with the Placement Shares. This announcement may not be circulated or distributed, nor may any Placement Shares be issued or offered for subscription or purchase, and no invitation may be made to subscribe for or purchase the Placement Shares in Malaysia, other than to the accredited persons, high net worth entity or high net worth individual as specified under Schedule 6 (or Section 229) and Schedule 7 (or Section 230), of the Capital Markets and Services Act, 2007 (Act 671) of Malaysia.

Hong Kong

No prospectus or offer information statement has been or will be registered with the Registrar of Companies in Hong Kong in connection with the Proposed Placement. This announcement may not be circulated or distributed, nor may any Placement Shares be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) ("**Companies Ordinance**"), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("**Securities and Futures Ordinance**") and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

United States

The Placement Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Placement Shares are being offered and sold outside the United States (including to institutional, accredited and other investors in Singapore) in reliance on Regulation S under the Securities Act. The Company does not intend to register any portion of this Placement in the United States or to conduct a public offering in the United States.