

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 2018

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**”), for compliance with the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE NINE MONTHS AND THIRD QUARTER ENDED 31 MARCH 2018**

**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) %
	3QFY18 ¹ Rp million (Unaudited)	3QFY17 ² Rp million (Unaudited)		9MFY18 ³ Rp million (Unaudited)	9MFY17 ⁴ Rp million (Unaudited)	
Revenue	-	-	N.M.	-	-	N.M.
Cost of sales	-	-	N.M.	-	-	N.M.
Gross profit	-	-	N.M.	-	-	N.M.
Other items of income						
Other income	-	922	N.M.	10	12	-16.7%
Interest income from loans and receivables	259	3	N.M.	596	45	N.M.
Other items of expenses						
Other expenses	(687)	(7)	9714.3%	(502)	(1,695)	-70.4%
Other operating expenses	(1,181)	(1,067)	10.7%	(4,133)	(3,940)	4.9%
Finance costs	(5,457)	-	N.M.	(10,293)	-	N.M.
General and administrative expenses	(11,553)	(8,520)	35.6%	(39,848)	(25,513)	56.2%
Loss before tax	(18,619)	(8,669)	114.8%	(54,170)	(31,091)	74.2%
Income tax expense	-	-	N.M.	-	-	N.M.
Loss net of tax for the period and attributable to owners of the Company	(18,619)	(8,669)	114.8%	(54,170)	(31,091)	74.2%
Total comprehensive income for the period and attributable to owners of the Company	(18,619)	(8,669)	114.8%	(54,170)	(31,091)	74.2%
Operating loss before tax is stated after crediting/(charging) the following:						
Depreciation of property, plant and equipment	(546)	(400)	36.4%	(1,520)	(1,180)	28.8%
Amortisation of intangible assets	(45)	(45)	-	(135)	(135)	-
Amortisation of prepaid lease	(890)	(919)	-3.2%	(2,670)	(2,082)	28.2%
Finance costs	(5,457)	-	N.M.	(10,293)	-	N.M.
Foreign exchange gain/(loss)	(634)	922	N.M.	(241)	(1,669)	N.M.
Loss on disposal of property, plant and equipment	-	(1)	N.M.	-	(1)	N.M.

Notes:

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

(2) "3QFY17": Third quarter financial period from 1 January 2017 to 31 March 2017.

(3) "9MFY18": Nine months financial period from 1 July 2017 to 31 March 2018.

(4) "9MFY17": Nine months financial period from 1 July 2016 to 31 March 2017.

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.

WRC & subsidiaries

Consolidated statement of financial position

	Group		Company	
	As at 31/3/2018 Rp million (Unaudited)	As at 30/6/2017 Rp million (Audited)	As at 31/3/2018 Rp million (Unaudited)	As at 30/6/2017 Rp million (Audited)
Non-current assets				
Exploration and evaluation assets	292,983	214,455	-	-
Mine properties	388	388	-	-
Property, plant and equipment	9,243	8,223	374	688
Intangible assets	883	1,011	-	-
Investment in subsidiaries	-	-	584,811	584,811
Inventories	30	30	-	-
Prepaid lease	40,716	43,386	-	-
Long term fixed deposits	420	250	-	-
	344,663	267,743	585,185	585,499
Current assets				
Other debtors and deposits	435	197	199	192
Prepaid lease	3,687	3,687	-	-
Prepayments	1,704	1,541	1,033	448
Amounts due from subsidiaries	-	-	528,035	374,535
Inventories	2,969	-	-	-
Investment securities	10	-	-	-
Cash and cash equivalents	38,234	96,691	14,895	85,055
	47,039	102,116	544,162	460,230
Total assets	391,702	369,859	1,129,347	1,045,729
Current liabilities				
Trade payables	3,951	2,084	-	-
Other payables and accruals	5,435	4,805	2,784	2,475
Amount due to a related party	5	1,937	-	-
Amounts due to subsidiaries	-	-	665	608
	9,391	8,826	3,449	3,083
Net current assets	37,648	93,290	540,713	457,147
Non-current liabilities				
Loans and borrowings	75,052	-	75,052	-
Employee benefits liability	2,402	2,006	-	-
Provision for rehabilitation	70	70	-	-
	77,524	2,076	75,052	-
Total liabilities	86,915	10,902	78,501	3,083
Net assets	304,787	358,957	1,050,846	1,042,646
Equity				
Share capital	1,153,516	1,153,516	3,109,639	3,109,639
Accumulated losses	(860,307)	(806,137)	(2,058,793)	(2,066,993)
Merger reserve	13	13	-	-
Capital reserve	11,565	11,565	-	-
	304,787	358,957	1,050,846	1,042,646
Total equity and liabilities	391,702	369,859	1,129,347	1,045,729

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 2018		As at 30 June 2017	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Amount repayable after one year

(In Rp million)

As at 31 March 2018		As at 30 June 2017	
Secured	Unsecured	Secured	Unsecured
Nil	75,052	Nil	Nil

Details of any collateral

Not applicable as there are no collateral on the Group's loans and borrowings.

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

	9MFY18	9MFY17
	Rp million	Rp million
Cash flows from operating activities		
Loss before tax	(54,170)	(31,091)
Adjustments for:		
Unrealised foreign exchange differences	121	1,194
Interest income	(596)	(45)
Depreciation of property, plant and equipment	1,520	1,180
Amortisation of intangible assets	135	135
Amortisation of prepaid lease	2,670	2,082
Finance costs	10,293	-
Increase in employee benefits liability	396	101
Operating cash flows before working capital changes	(39,631)	(26,444)
(Increase)/decrease in prepayments	(163)	6,965
(Increase)/decrease in other debtors and deposits	(249)	210
Increase in inventories	(2,969)	-
Increase/(decrease) in trade payables	1,867	(2,204)
Decrease in amount due to a related party	(1,932)	(8)
Decrease/(increase) in other payables and accruals	797	(1,651)
Cash flows used in operations	(42,280)	(23,132)
Interest received	596	45
Net cash used in operating activities	(41,684)	(23,087)
Cash flows from investing activities		
Investment in exploration and evaluation assets	(78,528)	(14,354)
Investment in intangible assets	(7)	-
Prepayment of land lease	-	(17,033)
Purchases of property, plant and equipment	(2,540)	(810)
Investment in long term fixed deposits	(170)	-
Investment in investment securities	(10)	-
Net cash flows used in investing activities	(81,255)	(32,197)
Cash flows from financing activities		
Proceeds from issue of equity shares	-	108,596
Proceeds from project financing	64,759	-
Net cash flows generated from financing activities	64,759	108,596
Net (decrease)/increase in cash and cash equivalents	(58,180)	53,312
Effects of exchange rate changes on the balance of cash held in foreign currencies	(277)	(1,153)
Cash and cash equivalents at the beginning of the period	96,691	61,831
Cash and cash equivalents at the end of the period	38,234	113,990

- 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				
	Share capital Rp million	Accumulated losses Rp million	Merger reserves Rp million	Capital Reserves Rp million	Total equity Rp million
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
At 1 July 2016	1,044,920	(760,227)	13	11,565	296,271
Loss for the period	-	(31,091)	-	-	(31,091)
Total comprehensive income for the period, net of tax	-	(31,091)	-	-	(31,091)
Issuance of ordinary shares, representing total transactions with owners in their capacity of owners	108,596	-	-	-	108,596
At 31 March 2017	1,153,516	(791,318)	13	11,565	373,776

Company	Attributable to owners of the Company		
	Share capital Rp million	Accumulated losses Rp million	Total equity Rp million
At 1 July 2017	3,109,639	(2,066,993)	1,042,646
Profit for the period	-	8,200	8,200
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
At 1 July 2016	3,001,043	(390,993)	2,610,050
Loss for the period	-	(23,638)	(23,638)
Total comprehensive income for the period, net of tax	-	(23,638)	(23,638)
Issuance of ordinary shares, representing total transactions with owners in their capacity of owners	108,596	-	108,596
At 31 March 2017	3,109,639	(414,631)	2,695,008

- 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 at 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 2017 and 31 March 2018	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 2018 and 31 March 2017.

- 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 2018 and 30 June 2017 was 2,436,700,286.

There were no treasury shares as at 31 March 2018 and 30 June 2017.

- 1(d)(iv) A statement showing all sales, transfers, disposal, 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, disposals, 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 computations in the financial statements for the current reporting period as those in the audited financial statements for the financial year ended 30 June 2017.

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	
	3QFY18	3QFY17	9MFY18	9MFY17
Loss per ordinary share for the period based on net loss attributable to shareholders:				
(a) Basic loss per share (Rp)	(7.64)	(3.58)	(22.23)	(13.49)
- Basic loss per share (S\$ cents)	(0.07)	(0.04)	(0.22)	(0.14)
Weighted average number of shares	2,436,700,286	2,423,366,953	2,436,700,286	2,304,218,534
(b) On a fully diluted basis (Rp)	(7.64)	(3.58)	(22.23)	(13.49)
- On a fully diluted basis (S\$ cents)	(0.07)	(0.04)	(0.22)	(0.14)

The diluted loss per share and the basic loss per share for each of 3QFY17, 3QFY18, 9MFY17 and 9MFY18 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 10,028.86 for 9MFY18 (9MFY17: S\$ 1: Rp 9,509.75) and S\$ 1: Rp 10,292.94 for 3QFY18 (3QFY17: S\$ 1: Rp 9422.80).

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 2018	30 June 2017	31 March 2018	30 June 2017
Net asset value (Rp million)	304,787	358,957	1,050,846	1,042,646
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)	125.08	147.31	431.26	427.89
Net asset value per share (S\$ cents)	1.19	1.54	4.11	4.46

For illustration purposes, the net asset value per share in Rp was converted at the exchange rate of S\$ 1:Rp 10,486.76 as at 31 March 2018 and S\$ 1:Rp 9,590.65 as at 30 June 2017.

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.

(A) REVIEW OF FINANCIAL RESULTS

The Group has completed the following gold pours during 9MFY18:

Period	Ores (Tonnes)	Gold (Grams)	Purity
Aug-17	500	936	99.00%
Sep-17	500	961	99.00%
Oct-17	500	898	99.00%
Dec-17	1,000	1,593	99.00%
Jan-18	500	872	99.00%
Feb-18	500	802	99.00%
Mar-18	1,000	1,546	99.00%
Total	4,500	7,608	

Revenue/ Cost of sales

There was no revenue or cost of sales reported for 9MFY18 (9MFY17: nil) as the Group has yet to sell the gold extracted from the gold pours in 9MFY18.

Interest income

Interest income increased by Rp 0.6b, from Rp 45m in 9MFY17 to Rp 0.6b in 9MFY18 mainly due to higher interest earned from the US\$ bank account in 9MFY18, as a result of higher interest rate and increased average balance of the Group's US\$ bank balance.

Other expenses

Other expenses decreased by Rp 1.2b, from Rp 1.7b in 9MFY17 to Rp 0.5b in 9MFY18, mainly due to lower unrealised foreign exchange losses of Rp 1.4b recorded in 9MFY18 vs 9MFY17.

Other operating expenses

Other operating expenses increased marginally by Rp 0.2b, from Rp 3.9b in 9MFY17 to Rp 4.1b in 9MFY18, mainly due to higher amortisation of prepaid land leases of Rp 0.6b recorded in 9MFY18 as a result of higher prepaid leases, partially offset by lower site expenses of Rp 0.4b incurred in 9MFY18.

Finance costs

Finance costs of Rp 10.3b in 9MFY18 relates to interest expense incurred on the project financing arrangement obtained by the Group from Karl Hoffman Mineral Pte. Ltd. ("**Karl Hoffman Mineral**") on 26 October 2017 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 ("**Project Financing**"). There was no such cost incurred in 9MFY17.

General and administrative (“G&A”) expenses

G&A expenses increased by Rp 14.3b, from Rp 25.5b for 9MFY17 to Rp 39.8b for 9MFY18. The increase was mainly due to an increase in professional fees for work undertaken in relation to resource upgrade and feasibility study of Rp 7.0b, increased staff costs of Rp 4.3b and other expenses of Rp 1.6b incurred in respect of sourcing for contractors in preparation for the commencement of production at its mines.

Loss, net of tax

As a result of the above, the Group recorded net loss of Rp 54.2b in 9MFY18, as compared to a net loss of Rp 31.1b in 9MFY17.

(B) REVIEW OF FINANCIAL POSITION

Assets

Exploration and evaluation assets (“**EEA**”) increased by Rp 78.5b, from Rp 214.5b as at 30 June 2017 to Rp 293.0b as at 31 March 2018, due to additional exploration and evaluation expenses capitalised in 9MFY18.

Property, plant and equipment (“**PPE**”) increased by Rp 1.0b, from Rp 8.2b as at 30 June 2017 to Rp 9.2b as at 31 March 2018, mainly due to additions to PPE of Rp 2.5b, which was partially offset by depreciation charges of Rp 1.5b.

Prepaid leases (non-current and current) decreased by Rp 2.7b, from Rp 47.1b as at 30 June 2017 to Rp 44.4b as at 31 March 2018, due to the amortisation charges of Rp 2.7b in 9MFY18.

Inventories (non-current and current) increased by Rp 3.0b, from Rp 30m as at 30 June 2017 to Rp 3.0b as at 31 March 2018, due to the recognition of the gold pours of 7,608 grams in 9MFY18.

Cash and cash equivalents decreased by Rp 58.5b, from Rp 96.7b as at 30 June 2017 to Rp 38.2b as at 31 March 2018. Please refer to the section on “Review on Financial Position – Cashflow” below for an explanation for the decrease.

The Group recorded a positive net working capital of Rp 37.6b as at 31 March 2018, as compared to Rp 93.3b as at 30 June 2017.

Liabilities

Trade payables increased by Rp 1.9b, from Rp 2.1b as at 30 June 2017 to Rp 4.0b as at 31 March 2018, mainly due to the amount due to a contractor for the work done in respect to the gold pours of Rp 3.0b, partially offset by settlement of Rp 1.1b.

Other payables and accruals increased by Rp 0.6b, from Rp 4.8b as at 30 June 2017 to Rp 5.4b as at 31 March 2018, mainly due to higher accruals in 9MFY18.

Amount due to a related party decreased by Rp 1.9b, from Rp 1.9b as at 30 June 2017 to Rp 5m as at 31 March 2018, mainly due to partial settlement of amount due to the Group’s Executive Chairman in 9MFY18.

Loans and borrowings of Rp 75.1b as at 31 March 2018 (30 June 2017: Nil) relates to the receipt of the first tranche of US\$5m and its associated costs pursuant to the Project Financing, carried at amortised costs.

Employee benefits liability increased by Rp 0.4b, from Rp 2.0b as at 30 June 2017 to Rp 2.4b as at 31 March 2018, mainly due to higher service costs and interest for the employee benefit plan.

Cashflow

Net cash used in operating activities of Rp 41.7b in 9MFY18 was mainly due to the operating loss before working capital changes of Rp 39.6b, changes in working capital of Rp 2.6b, and interest received of Rp 0.6b. Changes in working capital were mainly due to (i) increase in prepayments of Rp 0.2b; (ii) increase in other debtors and deposits of Rp 0.2b; (ii) increase in inventories of Rp 3.0b; (iv) decrease in amount due to a related party of Rp 1.9b; partially offset by (v) increase in trade payables of Rp 1.9b and (vi) increase in other payables and accruals of Rp 0.8b.

Net cash used in investing activities of Rp 81.3b in 9MFY18 was mainly due to the investment in EEA of Rp 78.5b, purchase of PPE of Rp 2.5b, and investment in long term fixed deposits of Rp 0.2b.

Net cash from financing activities of Rp 64.8b in 9MFY18 was mainly from the receipt of the US\$5m pursuant to Project Financing.

As at 31 March 2018, the Group had cash and cash equivalents of Rp 38.2b, representing a decrease of Rp 58.5b from Rp 96.7b as at 30 June 2017.

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 2017, gold price has climbed from US\$1,229/oz to approximately US\$1,313/oz as of end April 2018. The Group believes that the higher gold price further enhances the viability of the Ciemas Gold Project.

The Ciemas Gold Project boasts high grades, large and open resources, and low projected costs which help to de-risk the opportunity.

The Group remains focused on gold production at the Ciemas Gold Project. Including the first gold pour in August 2017, a total of 4,500 tonnes of ore was processed by pool leaching which produced 7,608 grams of gold with 99.0% purity from the 3 leaching pools. A fourth pool is being planned. The pool leaching production capacity may be increased in stages.

Detailed Engineering Design of a 500 tonnes per day (“tpd”) flotation and carbon in leach plant is under way. Further updates will be provided in due course (see Section 14(c) below for further details).

The volatility of the foreign exchange for the US dollar against our functional currency (“IDR”) will continue to have a significant impact on the Group’s financial results.

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.

No dividend has been declared or recommended for the quarter ended 31 March 2018.

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 for interested person transactions.

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 3QFY18, 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	1.21	16,437	0.37	5,110	(11,327)	-68.9%
Land acquisition	0.70	9,484	-	-	(9,484)	-100.0%
Capex	4.31	58,402	4.09	56,265	(2,136)	-3.7%
Total	6.22	84,322	4.46	61,375	(22,947)	-27.2%

* USD amount converted at US\$1 : Rp13,756 as at 31 March 2018

In 3QFY18, Rp 5.1b (US\$ 0.4m) was incurred for exploration and evaluation expenses out of the Rp 16.4b (US\$ 1.2m) budgeted. During 3QFY18, Rp 56.3b (US\$4.1m) of capital expenditure was incurred as the Group purchased the equipment for the 500 tpd processing plant.

There was no acquisition of additional surface rights in 3QFY18 as the acquisition of additional surface rights which permit mining activities within the Group’s mining permits remains an ongoing process. For strategic reasons, the timing of the expenditure (upon acquisition of rights) will depend on the negotiation process.

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 2018 to 30 June 2018 (“4QFY18”), the Group’s use of funds/cash for mining and exploration activities is expected to be as follows:

<u>Purpose</u>	Budgeted	
	US\$ million*	Rp million
Exploration and Evaluation Expenses	1.33	18,254
Land acquisition	1.15	15,819
CAPEX	0.23	3,200
Total	2.71	37,273

* USD amount converted at US\$1 : Rp13,756 as at 31 March 2018

The Group’s mining production and development plans for 4QFY18 are expected to be as follows:

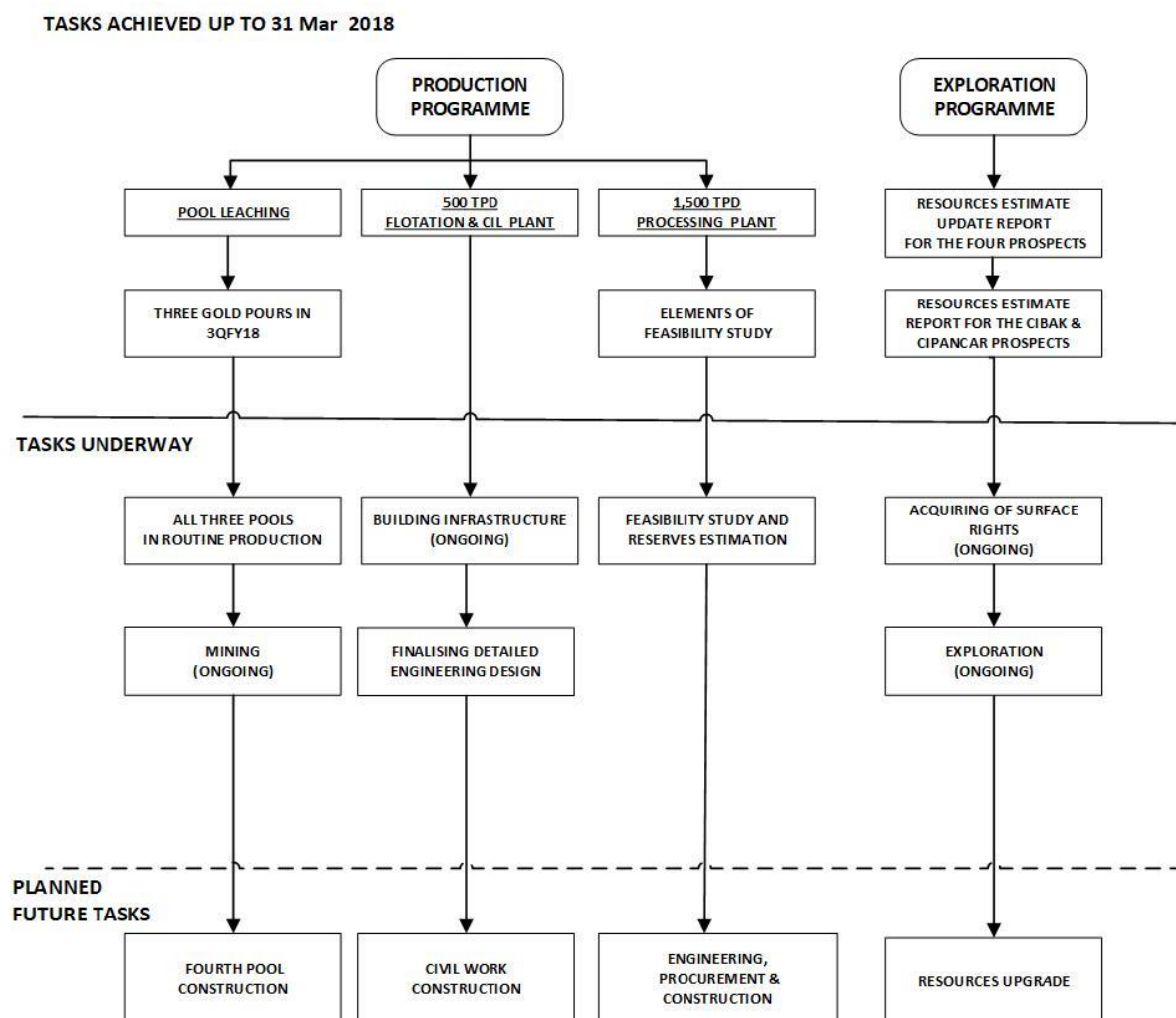
The pool leaching production is in progress. There are three leaching pools in routine production and the construction of the fourth leaching pool is being planned. Additional leaching pools may be constructed in stages to increase production capacity over time.

In order to increase the Group’s production, and to process higher grade sulphide ores, the Group is preparing to construct a 500 tpd production plant, utilising a flotation and carbon in leach (“**CIL**”) process.

A feasibility study on the 1,500 tpd main production plant, and the Ore Reserves estimation on the four main prospects, namely Pasir Manggu, Cikadu, Cibatu and Sekolah (collectively, the “**Four Main Prospects**”), are being finalised.

Expansion on the construction of supporting infrastructure such as installation of the 1 MW electricity supply & 20KV/380V transformer and construction of the underground mining head portal at the mining area are in progress.

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



14 (b) Rule 705(6)(b) of the Catalyst Rules

The Board confirms that to the best of their 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)(a) 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 3QFY18, the Group continued with its exploration, evaluation and development activities of its mining permits at the Ciemas Gold Project, through the Production Programme and the Exploration Programme.

a) Production Programme

• Pool leaching production on the Pasir Manggu Prospect

Three leaching pools are in routine production. Three gold pours occurred in 3QFY18, producing 872g, 802g and 1546g of 99% purity of gold, from 500 tonnes, 500 tonnes and 1000 tonnes of ores, respectively. The construction of the fourth leaching pool is being planned. Additional leaching pools may be constructed in stages to increase production capacity over time.

• 500 tpd capacity flotation and carbon in leach (“CIL”) plant

Detailed engineering design for the 500 tpd processing plant (flotation and CIL plant) that can treat both oxide and sulphide ores is being finalised.

Construction and installation of the 1MW power supply, and 20KV/380V transformer facility at the mining head portal area to support the underground mining activities is in progress.

Civil work preparation for the construction of the underground mining head portal is under way.

Some shipments of underground mining heavy equipment have arrived in Indonesia, ready for the underground tunneling work.

Further expansion of supporting infrastructure for the extended production plant is ongoing.

• 1,500 tpd main production project on the Four Main Prospects

The 1,500 tpd main production project is in progress to enable the Group to process higher volumes of ore from the Four Main Prospects. The design of the processing plant consists of flotation and CIL circuits capable of treating both oxide ore and sulphide ore. Over recent years, the Group has completed some elements of the feasibility study for the 1,500 tpd production project.

The Group is progressing towards the completion of a feasibility study on this 1,500 tpd production project. This feasibility study and an estimation of Ore Reserves for the Four Main Prospects are being finalised.

A qualified person's report presenting the results of the Ore Reserves estimation will be announced as soon as practicable thereafter.

b) Exploration Programme

In parallel with the development of the Four Main Prospects and the Cibak and Cipancar Prospects, the Group may expand its exploration efforts to other mineralised areas identified by historical exploration within its mining permits in the Ciemas district. Additional surface rights to areas within the Group's concession blocks are being negotiated to facilitate future exploration.

14 (d) Rule 705(7)(b) of the Catalyst Rules

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

On 2 February 2017, the Group announced an initial estimate of mineral resources for the Cibak and Cipancar Prospects. The updated estimate of mineral resources for the Group, which includes the Four Main Prospects and the Cibak and Cipancar Prospects, is shown in Table 1, below.

Table 1: Summary of mineral resources for the Ciemas Gold Project (by prospect area) as of 30 June 2017

Property	Category	As of 30 June 2017		
		Resource (kt)	Au (g/t)	Au (kg)
Pasir Manggu	Measured	120	7.3	870
	Indicated	450	7.5	3,390
	Inferred	270	3.8	1,030
Cikadu	Indicated	1,100	9.1	9,970
	Inferred	360	8.4	3,040
Sekolah	Indicated	710	9.2	6,520
	Inferred	300	8.6	2,580
Cibatu	Indicated	660	9.1	5,990
	Inferred	670	8.3	5,580
Cibak & Cipancar	Inferred	1100	5.6	6,160
Total	Measured	120	7.3	870
	Indicated	2,920	8.9	25,870
	Measured + Indicated	3,040	8.8	26,740
	Inferred	2,700	6.8	18,390

The table below summarises the total mineral resources of the Group in accordance with Appendix 7D of the Catalyst Rules.

Table 2: Summary of mineral resources for the Ciemas Gold Project

Category	Mineral type	Gross attributable to licence		Net attributable to issuer			Remarks
		Tonnes (kt)	Grade (g/t)	Tonnes (kt)	Grade (g/t)	Change from previous update (%)	
Reserves							
Proved	Gold	-	-	-	-	-	
Probable	Gold	-	-	-	-	-	
Total		-	-	-	-	-	
Resources							
Measured	Gold	120	7.3	120	7.3	-	
Indicated	Gold	2,920	8.9	2,920	8.9	-	
Measured + Indicated	Gold	3,040	8.8	3,040	8.8	-	
Inferred	Gold	2,700	6.8	2,700	6.8	-	

**Cut-off grades applied for mineral resource statement are 1.0 g/t Au for the Four Main Prospects based on the following assumptions that the Four Main Prospects could be mined by open pit methods: open pit mining, mining dilution of 15%, mineral-processing recovery of 90%, cash operating cost of US\$ 68/t, and 2.5 g/t for the Cibak Prospect and the Cipancar Prospect based on the following assumptions that these may be mined by underground methods: mining dilution of 20%, combined mineral processing recovery of 90%, and cash operating cost of US\$ 75/t.*

The different assumptions that were applied at the time of resource estimates were disclosed in previous qualified person's reports dated in August 2014 and December 2016, respectively.

The gold metal price applied for cut-off grade determination is US\$ 1,300/oz.

**Mineral resources are not ore reserves and do not demonstrate economic viability.*

Name of Qualified Person: Dr Anshun (Anson) Xu, Corporate Consultant (Geology), SRK Consulting China Ltd

Date: 30 June 2017

Professional Society Affiliation/Membership: Fellow of The Australasian Institute of Mining and Metallurgy (AusIMM) /FAusIMM (#224861)

Competent Persons Statement:

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Anshun Xu, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Chartered Professional (Member No. 224861). Anshun Xu has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Anshun Xu consents to the inclusion in the announcement of the matters based on his information in the form and context in which they appear.

15. Use of placement proceeds

The Company received net proceeds of Rp 80,033 million (S\$8.63 million) ("Net Proceeds") from the placement exercise completed on 9 January 2017, pursuant to a placement agreement entered into with two placees on 20 December 2016. The Net Proceeds have been fully utilised as follows:

	Rp million
Net Proceeds	80,033
Net proceeds utilised as at 31 December 2017	(32,740)
Amount utilised in 3QFY18:	
- Payment for CAPEX	<u>(47,293)</u>
Balance as at 31 March 2018	<u>-</u>

16. 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.

17. Negative Confirmation by the Board pursuant to Rule 705(5)

The Board, do hereby confirm that, to the best of its knowledge, nothing has come to the attention of the Board, which may render the unaudited financial statements for the nine months and third quarter ended 31 March 2018 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Wijaya Lawrence
Chairman and President

9 May 2018