WILTON RESOURCES CORPORATION LIMITED

(Company Registration Number: 200300950D)

Unaudited Financial Statements Announcement for the Second Quarter and Six Months Ended 31 December 2013

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement and has not drawn on any specific technical expertise in its review of this announcement.

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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.

The contact person for the Sponsor is Mr. Alex Tan, CEO, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd., 77 Robinson Road #21-02 Singapore 068896, telephone: (65) 6854-6160.

Introduction

Hartawan Holdings Limited ("HHL" or the "**Company**") had on 12 December 2013 completed the acquisition ("RTO" or the "**Acquisition**") of Wilton Resources Holdings Pte. Ltd. and its subsidiaries (the "WRH Group"). Contemporaneous with the completion of the Acquisition, all subsidiaries of HHL were disposed. The liabilities assumed by the Company (now known as Wilton Resources Corporation Limited ("WRC") under the Acquisition are only those relating to advisory fees for the Acquisition.

The RTO marks a transformation of the Company from a property leasing/ management and hospitality company into a gold mining firm. Its concessions in West Java province, Indonesia, contain an estimated Joint Ore Reserves Committee ("**JORC**") Code compliant total Mineral Resources of 1,176,000 oz. (36,580 kg) of gold (au) and Proved and Probable Ore Reserves of 557,300 oz. (17,333 kg) of gold (au) as at 31 May 2013.

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

At Group Level

The Acquisition has been accounted for as a reverse acquisition in accordance to FRS 103, and WRH Group was deemed to be the accounting acquirer for accounting purposes. Accordingly, the consolidated income statement, consolidated statement of financial position, consolidated statement of changes in equity and consolidated cashflow statement of the Enlarged Group (comprising the Company and WRH Group) for the six months ended 31 December 2013 has been presented as a continuation of WRH Group's financial results and operations.

Since such consolidated financial statement represented a continuation of the financial statements of WRH Group and reflects the following:

(a) the assets and liabilities of the WRH Group were recognised and measured in the consolidated statement of financial position at their carrying amounts before the Acquisition;

(b) the assets and liabilities of HHL were recognised and measured in the consolidated statement of financial position at their acquisition date values;

(c) the retained earnings and other equity balances of WRH Group before the Acquisition;

(d) the amount recognised as issued equity interest in the consolidated financial statements were determined by adding the issued equity of WRH immediately before the business combination to the fair value of HHL. However, the equity structure appearing in the consolidated financial statements (i.e. the number and type of equity instrument issued) shall reflect the equity structure of the legal parent (i.e. the Company), including the equity instruments issued by the legal parent (i.e. the Company) to effect the Acquisition;

(e) the consolidated income statement for the current period reflects that of the WRH for the full period together with the post-acquisition results of HHL and WRH's subsidiaries acquired pursuant to the RTO; and

(f) the comparative figures presented in these consolidated financial statements were that of the financial statements of the WRH.

Consolidated financial statements prepared following a reverse acquisition shall reflect the fair values of the assets, liabilities and contingent liabilities of the legal parent (i.e. the acquiree for accounting purposes). Therefore, the cost of the business combination for the Acquisition was allocated to the identifiable assets, liabilities and contingent liabilities of the legal parent that satisfy the recognition criteria at their fair value at the completion of the Acquisition.

At Company Level

Reverse acquisition accounting applies only at the consolidated financial statements at the Enlarged Group level. Therefore, in the Company's financial statements, the investment in the legal subsidiaries (WRH Group) is accounted for at cost.

Notes:

- The consolidated income statement of the Group for the six months ended 31 December 2013 referred to the Enlarged Group, which included the results of WRH from 1 July 2013 to 31 December 2013, the post-acquisition results of WRH's subsidiaries form 1 October 2013 to 31 December 2013 and the post-acquisition results of HHL from 12 December 2013 to 31 December 2013.
- The consolidated statement of financial position of the Group as at 31 December 2013 referred to the Enlarged Group, which included the assets and liabilities of WRH Group and HHL as at 31 December 2013
- The consolidated cash flow statement of the Group for the six months ended 31 December 2013 referred to the Enlarged Group from 1 July 2013 to 31 December 2013.
- The consolidated income statement of the Group for the six months ended 31 December 2012 referred to WRH's income statement for the period from 1 July 2012 to 31 December 2012.
- The consolidated statement of financial position of the Group as at 30 June 2013 referred to the statement of financial position of WRH as at 30 June 2013.
- The statement of financial position of the Company as at 31 December 2013 and 30 June 2013 referred to that of HHL (now known as Wilton Resources Corporation Limited).
- The consolidated cash flow statement of the Group for the six months ended 31 December 2012 referred to that of WRH.

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UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2013

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.**

	Group		Increase/	Group		Increase/
	2QFY14	2QFY13	(decrease)	1HFY14	1HFY13	(decrease)
	Rp Million	Rp Million	%	Rp Million	Rp Million	%
Revenue	-	-	N.M.	-	-	N.M.
Cost of sales	-	-	N.M.	-	-	N.M.
Gross profit	**-**	**-**	N.M.	**-**	**-**	N.M.
Othe operating expenses	(752,661)	-	N.M.	(752,661)	-	N.M.
General & administrative expenses	(17,948)	(508)	N.M.	(19,484)	(519)	N.M.
Operating Loss	**(770,609)**	**(508)**	N.M.	**(772,145)**	**(519)**	N.M.
Other Income	-	19	N.M.	25	19	31.6%
Other expenses	(97)	(1)	N.M.	(4)	(4)	0.0%
Interest income	46	2	N.M.	46	2	N.M.
Interest expenses	-	-	N.M.	-	-	N.M.
Loss before tax	**(770,660)**	**(488)**	N.M.	**(772,078)**	**(502)**	N.M.
Income tax credit	200	-	N.M.	200	-	N.M.
Loss after tax	**(770,460)**	**(488)**	N.M.	**(771,878)**	**(502)**	N.M.

N.M. = Not meaningful

Note: The comparatives for 2QFY13 and 1HFY13 comprises of WRH only as the restructuring of WRH Group was only completed on 30 September 2013.

	2QFY14	2QFY13	Increase/ (decrease)	1HFY14	1HFY13	Increase/ (decrease)
	Rp Million	Rp Million	%	Rp Million	Rp Million	%
Operating loss before tax is stated after crediting/(charging):						
Investment income	-	-		-	-	
Depreciation	(73)	(1)	N.M.	(120)	(1)	N.M.
Impairment of goodwill	(752,553)	-	N.M.	(752,553)	-	N.M.
Foreign exchange gain/(loss)	(93)	19	N.M.	25	19	31.6%

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	
	31/12/2013	**30/6/2013**	**31/12/2013**	**30/6/2013**
	Rp Million	**Rp Million**	**Rp Million**	**Rp Million**
Non-current assets				
Exploration and evaluation assets	72,855	-	-	-
Mine properties	18,214	-	-	-
Property, plant and equipment	651	436	-	8
Investment in subsidiaries	-	-	2,888,397	31,780
Inventories	30	-	-	-
Deferred tax assets	1,776	-	-	-
	93,526	436	2,888,397	31,788
Current assets				
Other debtors and deposits	1,367	507	923	186
Prepayment	769	57	686	96
Amount due from related parties	23,373	-	-	-
Amount due from related companies	-	7,384	118,424	-
Loan receivable	-	-	-	115,242
Cash and Cash Equivalents	275,523	1,667	274,324	283,751
	301,032	9,615	394,357	399,275
Total assets	394,558	10,051	3,282,754	431,063
Current liabilities				
Trade Payable	4,255	-	-	-
Other payables and accruals	35,455	11,345	3,618	3,148
Amount due to related companies	-	-	29	-
Loan payable	-	94,095	-	-
Tax Payable	63	-	63	99
	39,773	105,440	3,710	3,247
Net current assets/(liabilities)	261,259	(95,825)	390,647	396,028
Total liabilities	39,773	105,440	3,710	3,247
Net assets	354,785	(95,389)	3,279,044	427,816
Equity				
Share Capital	1,152,293	7	3,620,166	730,740
Accumulated losses	(793,151)	(94,291)	(349,460)	(302,924)
Foreign currency translation reserve	(22,926)	(1,105)	8,338	-
Merger reserve	(4,804)	-	-	-
Capital reserve	23,373	-	-	-
Total equity	354,785	(95,389)	3,279,044	427,816
Total equity and liabilities	394,558	10,051	3,282,754	431,063

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 December 2013		As at 30 June 2013	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	94,095

Amount repayable after one year

As at 31 December 2013		As at 30 June 2013	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

The loan payable as at 30 June 2013 of Rp 94,095 million (S$12 million) was in relation to the convertible loan payable to HHL by WRH Group. The loan payable to HHL was non-interest bearing and was denominated in SGD. Following the acquisition of WRH Group, the loan amount was eliminated upon consolidation of the Group's financial statements. As at 31 December 2013, this amount is reflected as an intercompany balance.

Details of any collateral

Not Applicable.

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.**

	6 months ended 31/12/2013	6 months ended 31/12/2012
	Rp Million	Rp Million
Cash flows from operating activities		
Loss for the period	(772,078)	(502)
Impairment of goodwill	752,553	-
Share-based payment expenses	8,379	-
Unrealised foreign exchange differences	1,515	-
Interest income	(46)	2
Depreciation and amortisation of non-current assets	120	1
	(9,557)	(499)
Changes in working capital		
Prepayments	109	(221)
Due from related parties	-	(38,718)
Other debtors and deposits	483	(357)
Trade payables	1,923	-
Other payables and accruals	18,966	(2,377)
Cash generated from operations	11,924	(42,172)
Interest received	46	(2)
Net cash generated by/(used in) operating activities	11,970	(42,174)
Cash flows from investing activities		
Investment in Exploration and Evaluation assets	(11,039)	-
Investment in Mine properties	(2,760)	-
Payments for property, plant and equipment	(3)	(134)
Net cash inflow on disposal of subsidiaries	30,348	
Net cash inflow on reverse acquisition	246,010	
Due from a related party	319	-
Net cash generated by/(used in) investing activities	262,875	(134)
Cash flows from financing activities		
Proceeds from loan from Hartawan	-	46,461
Net cash generated from financing activities	-	46,461
Net increase in cash and cash equivalents	274,845	4,153
Cash and cash equivalents at the beginning of the period	1,667	4,423
Effects of exchange rate changes on the balance of cash held in foreign currencies	(989)	381
Cash and cash equivalents at the end of the period	275,523	8,957

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.

	Attributable to owners of the Company					
Group	**Total Equity**	**Share Capital**	**Accumulated losses**	**Foreign currency translation reserves**	**Merger Reserves**	**Capital Reserves**
	Rp Million	**Rp Million**	**Rp Million**	**Rp Million**	**Rp Million**	**Rp Million**
Balance at 1 July 2013	(95,389)	7	(94,291)	(1,105)	-	-
Acquisition of Indonesia's subsidiaries as part of WRH Group restructuring	(4,804)	-	-	-	(4,804)	
Capitalisation of EEA expenses on consolidation	73,018		73,018			
Capital injection by a shareholder	23,373	-	-	-	-	23,373
Issuance of shares as part payment of professional fees for the reverse acquisition	8,379	8,379	-	-	-	-
Issuance of shares pursuant to reverse acquisition	1,143,907	1,143,907	-	-	-	-
Net effect of exchange differences arising from translation of financial statements	(21,821)			(21,821)		
Total comprehensive loss for the period	(771,878)	-	(771,878)		-	
Balance at 31 December 2013	354,785	1,152,293	(793,151)	(22,926)	(4,804)	23,373
Balance at 1 July 2012	(5,503)	7	(5,309)	(201)	-	-
Total comprehensive loss for the period	(502)	-	(502)	0	-	-
Net effect of exchange differences arising from translation of financial statements	(377)	-	-	(377)	-	-
Balance at 31 December 2012	(6,382)	7	(5,811)	(578)	-	-

	Attributable to owners of the Company			
Company	**Total Equity**	**Share Capital**	**Accumulated losses**	**Foreign currency translation reserves**
	Rp Million	**Rp Million**	**Rp Million**	**Rp Million**
Balance at 1 July 2013	427,816	730,740	(302,924)	-
Issuance of shares as part payment of professional fees for the reverse acquisition	8,379	8,379	-	-
Issuance of shares pursuant to reverse acquisition	2,881,047	2,881,047	-	-
Net effect of exchange differences arising from translation of financial statements	8,338	-	-	8,338
Total comprehensive loss for the period	(46,536)	-	(46,536)	-
Balance at 31 December 2013	3,279,044	3,620,166	(349,460)	8,338
Balance at 1 July 2012	424,553	730,740	(306,187)	-
Total comprehensive income for the period	6,033	-	6,033	-
Net effect of exchange differences arising from translation of financial statements	-	-	-	-
Balance at 31 December 2012	430,586	730,740	(300,154)	-

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.

	2013		2012		
	No. of shares	Rp Million	No. of shares	Rp Million	Remarks
Issued and fully paid ordinary shares:					
At 1 July	812,139,411	730,740	812,139,411	730,740	
Share consolidation	676,782,440	730,740	-	-	See note 1
Issuance of shares pursuant to reverse acquisition	1,500,000,000	2,881,047	-	-	See note 2
Issuance of shares as part payment of professional fees for the reverse acquisition	4,362,290	8,379	-	-	See note 3
At 31 December	2,181,144,730	3,620,166	812,139,411	730,740	

Notes:

1. *As part of the RTO, every 12 existing shares of the Company were consolidated into 10 consolidated shares on 10 December 2013.*
2. *This represents the purchase consideration for the Company's acquisition of the WRH & its subsidiaries, which was satisfied by the allotment and issuance of 1,500,000,000 consolidated shares at S$0.20 per share in the capital of the Company on 12 December 2013.*
3. *This represents part of the professional fees paid to Canaccord Genuity Singapore Pte. Ltd., in respect of the financial advisory services rendered to the Company in connection with the RTO, which was satisfied by the allotment and issuance of 4,362,290 consolidated shares at S$0.20 per share in the capital of the Company on 12 December 2013.*

The Company did not have any outstanding options, convertible securities or treasury shares as at 31 December 2013 and 31 December 2012.

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.

	As at 31 December 2013	As at 30 June 2013
Number of issued shares	2,181,144,730	812,139,411

Note: The number of shares as at 30 June 2013 of 812,139,411 shares are before share consolidation.

The Company did not have any treasury shares as at 31 December 2013 and as at 30 June 2013.

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 does not have any treasury shares 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.**

Except as disclosed in Paragraph 5, the Group and the Company have applied the same accounting policies and methods of computations in the financial statements for the current reporting period as those of the most recently audited combined financial statements for the financial year ended 30 June 2013.

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.**

The adoption of the new and revised Financial Reporting Standard which took effect from the current reporting period is assessed to have no material impact to the results of the Group and of the Company for the current financial period reported on.

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	
	1HFY2014	**1HFY2013**
Earnings per ordinary share for the period based on net profit/(loss) attributable to shareholders:		
(a) Basic earnings per share (Rp)	(492)	(502,000)
Weighted average number of shares	1,570,335,597	1,000
(b) On a fully diluted basis	(492)	(502,000)

For 1HFY2014, the weighted average number of shares for the period before the Acquisition was determined based on the exchange ratio of shares issued by the legal parent (HHL) for the number of shares of the legal subsidiary (WRH Group). The weighted average number of shares for the period after the Acquisition was determined based on the total number of shares, being 2,181,144,730 shares as at 31 December 2013.

For 1HFY2013, the weighted average number of shares is determined based on the actual number of shares of WRH, which were 1,000 shares.

The diluted earnings/(loss) per share were the same as the basic earnings/(loss) per share as there were no outstanding convertible securities for the financial periods ended 31 December 2013 and 31 December 2012.

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 December 2013	**30 June 2013**	**31 December 2013**	**30 June 2013**
Net asset/(liability) value (Rp million)	354,785	(95,389)	3,279,044	349,313
Number of shares at the end of the period	2,181,144,730	1,000	2,181,144,730	812,139,411
Net asset/(liability) value per share (Rp)	162.66	(95,389,000.00)	1,503.36	430.11

Note: The number of shares for the Company as at 30 June 2013 of 812,139,411 shares were before share consolidation.
The number of shares for the Group as at 30 June 2013 of 1,000 shares were the actual number of shares of WRH.

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;

<u>Revenue/Cost of sales</u>

There were no revenue and cost of sales reported for the current financial period reported on (2QFY14 and 1HFY14) or the previous financial period reported on (2QFY13 and 1HFY13) as the Group has yet to commence production at its gold mine in Indonesia.

<u>Other Operating expenses</u>

Other operating expenses consist mainly of impairment of goodwill and site related expenses.

For 2QFY14 and 1HFY14, other operating expenses increased significantly by Rp 752.7b. This was mainly due to the one-time impairment charge of goodwill of Rp 752.6b, arising from the acquisition of WRH Group which was completed on 12 December 2013.

<u>General and administrative expenses</u>

General and administrative (G&A) expenses comprised mainly of professional fees, office rental, directors' fees, directors' salary staff salaries and depreciation for office equipment and furniture and fittings.

For 2QFY14, G&A expenses increased significantly by Rp 17.4b, from Rp 0.5b in 2QFY13 to Rp 17.9b. This was mainly due to higher professional fees of Rp 15.8b incurred by the Group in connection with the RTO, and Rp 1.0b of G&A expenses relating to the Company and WRH's Indonesian subsidiaries that were consolidated for the first time.

For 1HFY14, G&A expenses increased significantly by Rp 19.0b, from Rp 0.5b in 2QFY13 to Rp 19.5b. This was mainly due to higher professional fees of Rp 15.8b incurred in connection with the RTO and Rp 1.0b of other G&A expenses relating to the Company and WRH's Indonesian subsidiaries that were consolidated for the first time. The remaining increase in G&A expenses was mainly due to increase in staff costs and office rental of WRH as it only commenced operations in January 2013.

Loss before tax

For 2QFY14, loss before tax increased by Rp 770.5b, from Rp 0.5b in 2QFY13 to Rp 770.7b in 2QFY14. For 1HFY14, loss before tax increased by Rp 771.6b from Rp 0.5b in 1HFY13 to Rp 772.1b in 1HFY14.

This was due mainly to the one-time impairment charge of goodwill on acquisition of the WRH Group, as well as the increase in professional fees incurred in connection with the RTO.

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

Assets

Exploration and evaluation assets ("EEA") increased to Rp 72.9b as at 31 December 2013 due mainly to the consolidation of WRH Group's EEA for the first time.

Mine properties ("MP") increased to Rp 18.2b as at 31 December 2013 due mainly to the consolidation of WRH Group's MP for the first time.

Deferred tax assets increased to Rp 1.8b as at 31 December 2013 due to an income tax credit arising from tax losses of an Indonesian subsidiary.

Prepayments increased by Rp 0.7b, from Rp 0.1m as at 30 June 2013 to Rp 0.8m as at 31 December 2013. This was due mainly to prepayments of the Company, relating to professional fees that were consolidated for the first time.

Other debtors and deposits increased by Rp 0.9b from Rp 0.5b as at 30 June 2013 to Rp 1.4b as at 31 December 2013 due to the GST receivables and other receivables of the Company that were consolidated for the first time.

Amount due from related parties relates to the amount receivable from Mr. Wijaya Lawrence, our Chairman and President. As at 31 December 2013, the amount receivable from Mr. Wijaya Lawrence amounted to Rp 23.3b, being the liabilities of the WRH Group up to the date of completion of the RTO on 12 December 2013. This was pursuant to a deed of indemnity provided by Mr. Wijaya Lawrence, as part of the conditions precedent for the completion of the sale and purchase agreement under the RTO.

Amount due from related companies decreased from Rp 7.4b as at 30 June 2013 to nil as at 31 December 2013 as it was eliminated upon consolidation of the Group's financial statements. As at 31 December 2013, the amount is reflected as an inter-company balance.

Liabilities

Trade payables increased to Rp 4.3b as at 31 December 2013 due mainly to higher outstanding amounts due to contractors for site management expenses of Rp 3.9b at the mine site.

Other payables and accruals increased by Rp 24.2b from Rp 11.3b as at 30 June 2013 to Rp 35.5b as at 31 December 2013. Other payables for the WRH Group increased by Rp 6.3b due to higher professional fees for the RTO. Accruals for the WRH Group increased by Rp 13.7b due to Rp 12.0b accrued for drilling costs and Rp 1.7b exchange translation arising from the weakened IDR as most of the accruals are denominated in SGD and USD. Other payables and accruals of Rp 3.6b of the Company were consolidated for the first time. These other payables and accruals of the Company relate mainly to professional fees incurred in connection with the RTO, audit fees, listing expenses and salary expenses.

Loan payable decreased from Rp 94.1b to Nil as at 31 December 2013 as the loan payable was due to the Company (then known as Hartawan Holdings Limited) and following the acquisition, it was eliminated upon consolidation of the Groupionhinancial statement.

Cashflow

The net operating cash outflow of Rp 12.0b was due mainly to higher cash generated by working capital of Rp 21.5b, offset by the operating loss before working capital changes of Rp 9.5.

Cash generated by working capital amounted to Rp 21.5b, due mainly to higher other payables/accruals of Rp 19.0b and trade payables of Rp 1.9b.

Net cash generated by investing activities of Rp 262.9b was due mainly to proceeds from the disposal of subsidiaries of Rp 30.3b and net cash inflow of Rp 246.0b from the reverse acquisition, offset by investments in EEA and MP of Rp 13.8b.

As at 31 December 2013, the Group had a cash and cash equivalents balance of Rp 275.5b, representing an increase of Rp 273.8b from Rp 1.7b as at 30 June 2013.

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

Not Applicable.

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.

In the Circular relating to the RTO of Hartawan Holdings Limited dated 26th September, 2013, both the Independent Qualified Person's Report prepared by SRK Consulting (China) Ltd ("SRK"), and the Independent Valuation Report prepared by Greater China Appraisal Limited recommended that the proposed mining methods and processing options for the project be further studied before commencement of development. Additional drilling, both to upgrade the Mineral Resource and Ore Reserve estimates as well as to expand the project life was also recommended.

Subsequent to the publication of the Circular and prior to the commissioning of additional studies as recommended in the Independent Qualified Person's Report, further independent reviews of the project by various experts above have suggested that an initial phase of open pit mining might strongly enhance the viability of the project, while considerably de-risking the investment.

The depth of oxidation of the lodes at Ciemas is known to extend up to 100 metres. Oxidation results in the breakdown of sulfide minerals which contain some of the gold, which has the effect of making the ore cheaper to treat. The oxidation also results in redistribution of the gold into lower grade haloes surrounding the lodes. This lower grade mineralisation is not believed to be technically and/or economically feasible via underground mining but might be easily and cheaply extracted via open pit mining methods. The Group is of the view that the potentially attractive economics of this alternative method of mining are such that further investigative studies are warranted.

In accordance with these recommendations and its stated development plans, the Group has embarked upon the following programmes:

Resource Upgrade Programme:

Inclusive of the 4 DDH drilled in December 2013, the Group has completed 7 Diamond Core drill holes ("DDH"), for a total depth of 787.9 metres in January 2014, over the prospective areas of Pasir Manggu, Cikadu, Cibatu and Sekolah, under the supervision of the Group's independent experts, SRK in accordance with their standard operating procedures. Barring any unforeseen circumstances and subject to additional drilling, this work is expected to result in an upgrade of the status of the Mineral Resources and Ore Reserves currently attributed to the deposits, and will be reported on by the Group's independent experts, SRK, in due course.

Production Programme:

The Group has decided to accept the advice of the independent experts and evaluate additional options for both the mining operation and processing plant. The evaluation will examine both the cut and fill underground mining methods, as previously proposed, as well as open pit mining methods for the near-surface ore. Additionally, and in accordance with the recommendations of the experts, representative samples of oxidised, transition and primary ore types will be collected in another round of drilling for the purpose of comprehensive metallurgical testwork of the various expected ore types. It is hoped that these two studies will enable the Group to determine the optimum development strategy for the property.

As a result of the above programmes, the Group has decided to suspend further ore production and postpone the implementation of the processing plant until the results of these further studies are available. The Group is targeting Q32014 for completion of the abovementioned studies.

The Group has engaged specialist mining services group, Mancala Pty Ltd (http://www.mancala.com.au) as a consultant to review all project data and determine a mining concept and design. Furthermore, the Group has appointed PT ERI Consultant through an open tender process to carry out a drilling programme of an additional 30 DDH in order to get sufficient quality core samples for use in comprehensive metallurgical testwork, as mentioned above.

Outlook:

The listing status has raised our corporate profile enabling the Group to gain access to further business opportunities. The volatility of gold prices may affect the business of the Group. The Group will continue to work towards the commencement of production for a sustainable and profitable business that will enhance shareholders' value.

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 second quarter ended 31 December 2013.

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.

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)
-	-[1]	-

Note:

(1) As disclosed in Section 8(b), as at 31 December 2013, the Group had an amount of Rp 23.3b receivable from Mr. Wijaya Lawrence, our Chairman and President, being the liabilities of the WRH Group up to the date of completion of the RTO, which was 12 December 2013. This was pursuant to a deed of indemnity provided by Mr. Wijaya Lawrence, as part of the conditions precedent for the completion of the sale and purchase agreement under the RTO.

The Company/Group does not have any general mandate from shareholders pursuant to Rule 920.

Additional disclosure required for Mineral, Oil and Gas Companies

14 (a) Rule 705(6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the quarter :

For 2QFY14, there were no mining and production activities. In December 2013, the Group commenced a drilling programme as part of its continuing exploration and evaluation activities and drilled 4 DDH, for a total depth of 444.3 metres as of 31 December 2013. For 2QFY14, drilling costs amounted to Rp 12.0b and site management expenses amounted to Rp 1.8b. These amounts were capitalised as exploration and evaluation assets and mine properties.

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

For the next immediate quarter (period from 1 January 2014 to 31 March 2014), the Group's use of funds/cash for mining and exploration activities are expected to be as follows:

Purpose	US$ million	Rp million*
Long-term lease of additional land within the Group's concession blocks for mining and exploration	1.5	14,442
Exploration and evaluation expenses	3.0	28,884
Total	**4.5**	**43,326**

**exchange rate Rp 9627.99 : US$1 as at 31 December 2013*

The Group's exploration and evaluation plans for the next immediate quarter are expected to be follows:

a) Drilling programme

The Group expects to complete approximately 1,700 metres depth of DDH. The drilling will take place on the four prospects, Pasir Manggu West, Cikadu, Cibatu and Sekolah. Data from the drill holes will be gathered and stored in compliance with best industry practices.

b) Core sampling and analysis

Once the drilling activity has concluded, approximately 1.5 tonnes of samples will be sent for metallurgical testwork, the results of which will be used in further studies to determine an efficient mining and processing plant design.

c) Data compilation

All field data will be recorded and stored according to best industry practices.

14 (b) Rule 705(6)(b) of the Catalist Listing Manual

The Board confirms that to the best of their knowledge, nothing has come to their 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 Catalist Listing Manual

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 2QFY14, there were no mining and production activities. In December 2013, the Group commenced a drilling programme as part of its continuing exploration and evaluation activities and drilled 4 DDH, for a total depth of 444.3 metres as of 31 December 2013.

For 2QFY14, drilling costs amounted to Rp 12.0b and site management expenses amounted to Rp 1.8b. These amounts were capitalised as exploration and evaluation assets and mine properties.

14 (d) Rule 705(7)(b) of the Catalist Listing Manual

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.

The Group has no material updates on our reserves and resources as at 31 May 2013, as set out in the Independent Qualified Persons Report in our Circular dated 26 September 2013.

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

The Board of Directors of the Company, do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board, which may render the unaudited financial statements for the second quarter and six months ended 31 December 2013 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Wijaya Lawrence
Chairman and President
14 February 2014