

**DISCLOSURE TO THE SHAREHOLDERS
PT GOLDEN ENERGY MINES Tbk**

In order to comply with the Financial Services Authority Regulation ("OJK") Number 32/POJK.04/2015 concerning Capital Increases of a Public Company by Granting Pre-emptive Rights as amended by OJK Regulation Number 14/POJK.04/2019 concerning Amendment to OJK Rule Number 32/POJK.04/2015 concerning Capital Increases of a Public Company by Granting Pre-emptive Rights ("POJK No. 32/2015")



Business Activities:

Engaged in mining through investment in the subsidiaries and coal trading

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INFORMATION AS CONTAINED IN THE INFORMATION DISCLOSURE ("INFORMATION DISCLOSURE") ARE IMPORTANT TO BE CONSIDERED BY THE COMPANY' SHAREHOLDERS TO TAKE THE DECISION IN RELATION TO THE COMPANY' CAPITAL INCREASE PLAN WITH PRE-EMPTIVE RIGHTS.

ALL INFORMATION CONTAINED IN THE INFORMATION DISCLOSURE IS A PROPOSAL THAT IS SUBJECT TO THE APPROVAL OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ("MEETING") AND PROSPECTUS THAT WILL BE ISSUED IN THE ORDER OF COMPANY' CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS.

MEETING WILL BE HELD TO APPROVE THE COMPANY' PLAN TO INCREASE THE CAPITAL WITH PRE-EMPTIVE RIGHTS AS STATED IN THIS INFORMATION DISCLOSURE WHICH WILL BE HELD ON WEDNESDAY, 12 AUGUST 2020 AS ANNOUNCE IN THE ANNOUNCEMENT OF MEETING ON E-GMS PROVIDER'S WEBSITE, COMPANY'S WEBSITE, INDONESIA STOCK EXCHANGE'S WEBSITE, AND KONTAN NEWSPAPER DATED 6 JULY 2020. WHILE THE INFORMATION DISCLOSURE HAS BEEN ANNOUNCED IN THE COMPANY'S WEBSITE AND INDONESIA STOCK EXCHANGE'S WEBSITE ON 6 JULY 2020.

THE INFORMATION DISCLOSURE IS ONLY INFORMATION AND IS NOT AN OFFERING OR OFFERING FOR OPPORTUNITY TO SELL, OR ANY OFFERING OR INVITATION TO OBTAIN OR TAKE NEW SHARES (AS WILL DEFINED BELOW) IN ANY JURISDICTION WHERE THE OFFERING OR INVITATION IS CATEGORIZED AS UNLAWFUL ACT. NO PARTY COULD OBTAIN THE PRE-EMPTIVE RIGHTS OR NEW SHARES UNLESS ON THE BASIS OF INFORMATION CONTAINED IN THE PROSPECTUS WHICH WILL BE ISSUED IN RESPECT OF THE CAPITAL INCREASE WITH PRE-EMPTIVE RIGHT.

THE DISTRIBUTION OF INFORMATION DISCLOSURE TO JURISDICTIONS OTHER THAN INDONESIA CAN BE LIMITED BY THE RELEVANT STATES LAW. FAILURE TO MEET THOSE LIMITATIONS MAY BECOME A VIOLATION OF CAPITAL MARKET REGULATIONS FROM EACH JURISDICTION.

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I. MAXIMUM AMOUNT OF CAPITAL INCREASE PLAN WITH PRE-EMPTIVE RIGHTS

Referring to POJK No. 32/2015, the Company's Board of Directors hereby plan to conduct a Limited Public Offering ("PUT") for Capital Increase with a maximum of 588.235.300 (five hundred eighty eight million two hundred thirty five thousand three hundred) shares or 10% (ten percent) of the Company's paid up capital at the time of the announcement of the EGMS.

The shares to be issued by the Company are name shares with a nominal value as the same as the nominal value of the Company' shares that have been issued, which is Rp.100 (one hundred Rupiah) per share. The issuance of the Company' shares through Capital Increase with Pre-emptive Rights will be carried out subject to the conditions and implementation prices in accordance with the provisions of the applicable laws and regulations in the Capital Market.

New Shares will be issued from the Company's portfolio and listed on the Indonesia Stock Exchange ("IDX") in accordance with the applicable laws and regulations, including IDX Regulation No. I-A concerning Recording of Shares and Equity Securities Other Than Shares Issued by Listed Companies, Decision of IDX Board of Directors No. KEP-00183/BEI/12-2018 dated 26 December 2018 ("IDX Regulation No. I-A"). New Shares will have the same rights as other Company's shares issued by the Company prior to PUT, including the rights on dividends.

Referring to POJK No. 32/2015, the implementation of Capital Increase by granting the Pre-emptive Rights can be implemented after:

1. The Company obtained approval from the Meeting with respect to additional capital by granting Pre-emptive Rights;
2. The Company submits a registration statement in the context of increasing the capital by granting Pre-emptive rights along with its supporting documents to OJK; and
3. The Company' registration statement, which will be submitted to the OJK, in connection with the plan to increase the capital by granting Pre-emptive Rights is declared effective by the OJK.

For the avoidance of doubt, the Company has the right to issue part or all of the maximum number of shares agreed to be issued based on a decision of the Meeting. Provisions for increasing the capital by granting Pre-emptive Rights, including the final implemented price of Pre-emptive Rights and the final amount of New Shares to be issued, will be disclosed in the Prospectus issued in the context of PUT, which will be provided to the Company' shareholders who are entitled in due course, in accordance with applicable laws and regulations.

II. ESTIMATED PERIOD FOR THE IMPLEMENTATION OF CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS

The Company plans to increase the Capital with Pre-emptive Rights by the end of the first semester of 2021 and/or based on POJK No. 32/2015 that the implementation of Capital Increase with the Pre-emptive Rights must obtain an effective statement from the OJK within a period less than 12 (twelve) months from the date of approval of the Meeting.

III. ANALYSIS OF THE EFFECT OF CAPITAL INCREASE WITH PRE-EMPTIVE RIGHTS ON THE FINANCIAL CONDITIONS AND SHAREHOLDERS

The Company estimates that the plan to Increase Capital with Pre-emptive Rights to its shareholders will have a positive effect on the condition of the Company where by implementing Capital Increase with Pre-emptive Rights, the Company will meet the free float provisions of the IDX Regulation No. I-A, where currently the Company's free float shares have fulfilled the minimum 50,000,000 shares requirement and are owned by a minimum of 300 shareholders, but the percentage is only around 3.0%, so it still does not fulfill the minimum free float percentage of 7.5%.

In addition, the Capital Increase with Pre-emptive Rights by the Company can also strengthen the Company' capital structure and invite local and foreign investors to participate in investing capital in the Company to add value to the Company' performance.

After the implementation of the Capital Increase with Pre-emptive Rights, for the Company' shareholders who do not exercise their rights to pre-order the shares, their percentages of total share ownership will be diluted by a maximum of 9% (nine percent).

IV. GENERAL USE OF PROCEED PROJECTION

The funds raised from the Capital Increase, after deducting the issuance costs, all will be used by the Company for the Company's working capital.



**Jakarta, 6 July 2020
PT Golden Energy Mines Tbk
Board of Directors**