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SINGAPORE COURT OF APPEAL DISMISSES BAYAN'S APPEAL

29 August 2018 - White Energy Company Limited (ASX: WEC; OTCQX:WECFY) ("White Energy" or "the Company") refers to its previous announcements in relation to the proceedings brought by its subsidiaries, BCBC Singapore Pte Ltd ("**BCBCS**") and Binderless Coal Briquetting Company Pty Limited against PT Bayan Resources Tbk ("**BR**") and Bayan International Pte Ltd in connection with the KSC joint venture.

The Singapore Court of Appeal released its judgment in relation of BR's appeal against the second tranche judgment of the Singapore International Commercial Court ("**SICC**") earlier today.

The Company is pleased to announce that the Singapore Court of Appeal ("**CA**") dismissed substantially the whole of BR's appeal, save only that a certain question regarding causation was remitted to the SICC for its determination, being whether BCBCS had the ability to fund KSC by itself.

The CA judgment dealt with the following four issues arising from BR's appeal:

- Whether BR was obliged to procure and/or ensure the supply of coal to KSC;
- If BR was under such an obligation, whether BR had breached its coal supply obligation, and if so, whether that breach constituted a repudiation of the JV Deed;
- Whether BR repudiated the JV Deed by issuing a termination notice; and
- If BR were guilty of repudiating the JV Deed, whether such repudiation caused any loss to BCBCS, and if so, what is the period for which BCBCS is entitled to damages.

The Company is still reviewing the CA judgment. However the key findings of the CA include the following:

- BR was obliged to ensure a supply of coal to KSC.
- BR had breached its coal supply obligation, including by conditioning the supply of coal to KSC on BCBCS / WEC buying out its 49% stake in KSC for US\$45 million.
- BCBCS did not commit any repudiatory breaches of the JV Deed.
- BR had repudiated the JV Deed by breaching its coal supply obligation and wrongfully issuing a Termination Notice.
- In regards to causation, the CA found as follows:
 - (i) BCBCS was willing to fund KSC by itself;
 - (ii) The SICC ought to have decided the question of whether BCBCS had the ability to fund KSC by itself;
 - (iii) The SICC was correct to defer the other causation issues raised by BR to the third tranche of the trial.

White Energy (BCBCS) will now seek costs associated with the appeal process.



The issue as to whether BCBCS had the ability to fund KSC by itself is to now be remitted to the SICC for its determination. Following such determination, White Energy (BCBCS) will commence preparation for Tranche 3 of the proceedings seeking damages and costs.

The White Energy group had invested over US\$110 million in the Tabang project in Indonesia up until 2012 when BR repudiated the joint venture.

For Further Information Call:

Brian Flannery
Managing Director & CEO
White Energy Company Limited
+ 61 7 3229 9035

Forward Looking Statements

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the aforementioned forward-looking statements.