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SEC instructs EARTH to clarify the existence and the fair value of mining property rights

Bangkok, 16 March 2018 – The SEC has instructed Energy Earth Public Company Limited (EARTH) to clarify the information regarding the existence and the fair value of the mining property rights over two mines located in Indonesia, and to publicly disclose the information within 30 days.

In June 2017, the SEC required EARTH to arrange a special audit on the transactions of the advanced payments for goods and the payment for the right to purchase goods. The EARTH's plan preparer later submitted the special audit report in November 2017, which indicated that EARTH had used the advanced payments, the payment for the right to purchase goods and other assets in exchange for the mining property rights over the two mines in Indonesia, at the total amount of USD731 million.

After considering the disclosed information, the SEC questioned its appropriateness and the assumptions used in calculating the fair value of the mining property rights over the two Indonesian mines. Moreover, no information was available with regard to the examination of the legal ownership of those mining property rights and that of other legal issues. Such ownership rights are core assets of the company that could have a direct and material impact on EARTH's financial condition and may also affect the rights and benefits of the shareholders or the decision-making of investors.

The SEC therefore, by virtue of Section 58(1) of the *Securities and Exchange Act B.E. 2535 (1992)*, has instructed EARTH to (1) clarify whether the mining property rights over the two mines truly exist, (2) report the re-assessment results of the fair value of the mining property rights, and (3) disclose all clarifications via the SET Information System within 30 days.
