

GCCP Resources Limited

(Company Registration No. OI-282405)

(Incorporated in the Cayman Islands on 1 November 2013)

Unaudited Financial Results for the Third Quarter Ended 30 September 2019**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3) AND FULL YEAR RESULTS**

- 1(a)(i) 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					
	Three Months Ended			Nine Months Ended		
	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000	Change %	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000	Change %
Revenue	2,300	6,260	(63)	7,510	15,432	(51)
Cost of sales	(1,755)	(3,882)	(55)	(5,180)	(8,945)	(42)
Gross profit	545	2,378	(77)	2,330	6,487	(49)
Other items of income						
Interest income	7	7	-	30	347	(91)
Rental of equipment	27	-	n.m.	72	-	n.m.
Other income	1	18	(94)	1	18	(94)
Gain on disposal of property, plant and equipment	84	-	n.m.	84	-	n.m.
Items of expense						
Foreign exchange (loss)/gain, net	-*	32	n.m.	(1)	169	n.m.
General and administrative expenses	(2,155)	(2,401)	(10)	(6,999)	(7,192)	(3)
Selling and distribution expenses	(244)	(804)	(70)	(1,398)	(2,914)	(52)
Finance costs	(247)	(498)	(50)	(763)	(1,690)	(55)
Loss before tax	(1,982)	(1,268)	56	(6,644)	(4,775)	39
Income tax expense	-	-	-	-	-	-
Loss for the period, representing total comprehensive loss attributable to owners of the Company	(1,982)	(1,268)	56	(6,644)	(4,775)	39

n.m. – not meaningful

* Amount less than MYR500

1(a)(ii) Loss before tax for the period is arrived at after charging the following:

	Group					
	Three Months Ended			Six Months Ended		
	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000	Change %	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000	Change %
Interest income	7	7	-	30	347	(91)
Rental of equipment income	27	-	n.m.	72	-	n.m.
Gain on disposal of property, plant and equipment	84	-	n.m.	84	-	n.m.
Finance costs	(247)	(498)	(50)	(763)	(1,690)	(55)
Amortisation of leasehold lands	(658)	(664)	(1)	(1,975)	(1,986)	(1)
Depreciation of property, plant and equipment	(687)	(707)	(3)	(2,077)	(2,094)	(1)
Foreign exchange (loss)/gain, net	-*	32	n.m.	(1)	169	n.m.
Exploration expenditure	(147)	(387)	(62)	(517)	(888)	(42)

n.m. – not meaningful

* Amount less than MYR500

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	
	30 September 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000	30 September 2019 (Unaudited) MYR'000	31 December 2018 (Audited) MYR'000
ASSETS				
Non-current assets				
Property, plant and equipment	85,432	89,648	-	-
Investments in subsidiaries	-	-	2,414	2,414
	<u>85,432</u>	<u>89,648</u>	<u>2,414</u>	<u>2,414</u>
Current assets				
Inventories	2,872	2,613	-	-
Trade and other receivables	1,102	2,205	92,276	92,402
Pledged deposits	1,235	1,204	-	-
Cash and short-term deposits	26	268	7	8
	<u>5,235</u>	<u>6,290</u>	<u>92,283</u>	<u>92,410</u>
Total assets	<u>90,667</u>	<u>95,938</u>	<u>94,697</u>	<u>94,824</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	15,608	12,316	4,946	3,145
Loans and borrowings	9,466	8,281	-	-
	<u>25,074</u>	<u>20,597</u>	<u>4,946</u>	<u>3,145</u>
Net current (liabilities)/assets	<u>(19,839)</u>	<u>(14,307)</u>	<u>87,337</u>	<u>89,265</u>
Non-current liabilities				
Loans and borrowings	3,970	7,074	-	-
Total liabilities	<u>29,044</u>	<u>27,671</u>	<u>4,946</u>	<u>3,145</u>
Net assets	<u>61,623</u>	<u>68,267</u>	<u>89,751</u>	<u>91,679</u>
Equity attributable to owners of the Company				
Share capital	164,588	164,588	164,588	164,588
Treasury shares	(9,086)	(9,086)	(9,086)	(9,086)
Other reserves	4,307	4,307	4,307	4,307
Accumulated losses	(98,186)	(91,542)	(70,058)	(68,130)
Total equity	<u>61,623</u>	<u>68,267</u>	<u>89,751</u>	<u>91,679</u>
Total equity and liabilities	<u>90,667</u>	<u>95,938</u>	<u>94,697</u>	<u>94,824</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 September 2019 (Unaudited)		As at 31 December 2018 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
9,466	-	8,281	-

Amount repayable after one year

As at 30 September 2019 (Unaudited)		As at 31 December 2018 (Audited)	
Secured MYR'000	Unsecured MYR'000	Secured MYR'000	Unsecured MYR'000
3,970	-	7,074	-

Details of any collateral

The secured loans and borrowings comprised:

	As at 30 September 2019 (Unaudited)	As at 31 December 2018 (Audited)	Secured by
	MYR'000	MYR'000	
Term loans	6,011	6,965	Charges on 2 plots of leasehold quarry lands, a crusher plant, two units of excavators, pledged deposits, an executive director's guarantee and corporate guarantee.
Term loan for the purchase of office units	1,370	1,476	Charges on the leasehold quarry lands and office units, charge on pledged deposits, jointly and severally guaranteed by the executive directors of the Group.
Obligations under finance leases	948	1,567	Charges on the assets bought under the leases and jointly and severally guaranteed by the executive directors of the Group.
Bank overdrafts	2,095	2,326	Charge on the leasehold quarry lands, pledged deposits, jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	2,014	2,014	Charge on the leasehold quarry lands and jointly and severally guaranteed by executive directors of the Group.
Bank overdrafts	998	1,007	Charge on the leasehold industrial land and jointly and severally guaranteed by executive directors of the Group.
	<u>13,436</u>	<u>15,355</u>	

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.

	Group			
	Three Months Ended		Nine Months Ended	
	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000
Operating activities				
Loss before income tax	(1,982)	(1,268)	(6,644)	(4,775)
<u>Adjustments for:</u>				
Amortisation of leasehold lands	658	664	1,975	1,986
Depreciation of property, plant and equipment	687	707	2,077	2,094
Gain on disposal of property, plant and equipment	(84)	-	(84)	-
Write off of property, plant and equipment	-	2	-	2
Exploration expenditure	147	387	517	888
Interest income	(7)	(7)	(30)	(347)
Foreign exchange loss, net	-*	(32)	(1)	(169)
Finance costs	247	498	763	1,690
Operating cash flows before changes in working capital	(334)	951	(1,427)	1,369
<u>Changes in working capital</u>				
Decrease/(increase) in trade and other receivables	400	732	1,104	614
Increase/(decrease) in trade and other payables	759	(1,079)	3,293	519
Decrease/(Increase) in inventories	194	731	(259)	217
Net changes in working capital	1,353	384	4,138	1,350
Cash generated from operations	1,019	1,335	2,711	2,719
Exploration expenditure	(147)	(387)	(517)	(888)
Interest received	7	7	30	347
Interest paid	(247)	(498)	(763)	(1,690)
Income tax refunded	-*	-*	(1)	-*
Net cash generated from operating activities	632	457	1,460	488
Investing activity				
Purchase of property, plant and equipment	(6)	(52)	(6)	(642)
Proceeds from disposal of property, plant and equipment	253	-	253	-
Net cash generated from/(used) in investing activities	247	(52)	247	(642)
Financing activities				
Repayment of term loans	(516)	(21,425)	(1,060)	(22,012)
Repayment of obligations under finance leases	(325)	(189)	(620)	(510)
Loan from director	-	(91)	-	915
(Placement) / withdrawal of pledged deposits	(7)	21,655	(30)	21,000
Net cash used in from financing activities	(848)	(50)	(1,710)	(607)
Net decrease in cash and cash equivalents	31	355	(3)	(761)
Cash and cash equivalents at beginning of period	(5,112)	(5,249)	(5,079)	(4,270)
Effect of exchange rate changes on cash and cash equivalents	-*	32	1	169
Cash and cash equivalents at end of the period (Note A)	(5,081)	(4,862)	(5,081)	(4,862)

* Amount less than MYR500

Note A: Cash and cash equivalents

	30 September 2019 (Unaudited) MYR'000	30 September 2018 (Unaudited) MYR'000
Cash and short-term deposits as per statement of financial position	26	398
Bank overdraft	(5,107)	(5,260)
Cash and cash equivalents as per statement of cash flow	(5,081)	(4,862)

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

Group

3QFY2019 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 July 2019	164,588	(96,204)	(9,086)	4,307	63,605
Loss for the period, representing total comprehensive loss for the period	-	(1,982)	-	-	(1,982)
Balance as at 30 September 2019	<u>164,588</u>	<u>(98,186)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>61,623</u>
Balance as at 1 July 2018	164,588	(86,559)	(9,086)	4,307	73,250
Profit for the period, representing total comprehensive profit for the period	-	(1,268)	-	-	(1,268)
Balance as at 30 September 2018	<u>164,588</u>	<u>(87,827)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>71,982</u>

Company

3QFY2019 (Unaudited)	Share Capital MYR'000	Accumulated Losses MYR'000	Treasury Shares MYR'000	Other Reserves MYR'000	Total Equity MYR'000
Balance as at 1 July 2019	164,588	(68,901)	(9,086)	4,307	90,908
Loss for the period, representing total comprehensive loss for the period	-	(1,157)	-	-	(1,157)
Balance as at 30 September 2019	<u>164,588</u>	<u>(70,058)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>89,751</u>
Balance as at 1 July 2018	164,588	(69,294)	(9,086)	4,307	90,515
Loss for the period, representing total comprehensive loss for the period	-	1,466	-	-	1,466
Balance as at 30 September 2018	<u>164,588</u>	<u>(67,828)</u>	<u>(9,086)</u>	<u>4,307</u>	<u>91,981</u>

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 period 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 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.

Share Capital – Ordinary Shares

	Number of issued shares (excluding treasury shares)	Share capital (MYR)
Balance as at 30 June 2019 and 30 September 2019	1,169,445,976	155,501,496

As at 30 September 2019, the Company held 23,986,957 treasury shares (30 September 2018: 23,986,957), equivalent to 2.05% of the total number of issued and paid up share capital of the Company.

The Company did not have any outstanding convertibles or subsidiary holdings as at 30 September 2019 and 30 September 2018. There have been no awards or options granted pursuant to the GCCP Performance Share Plan or GCCP Employee Share Option Scheme since adoption.

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 30 September 2019	As at 31 December 2018
Total number of issued shares excluding treasury shares	1,169,445,976	1,169,445,976

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as the Company did not have any subsidiary holdings 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 or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

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 for the adoption of the International Financial Reporting Standards ("**IFRSs**") and amendments to IFRSs applicable for the financial period beginning on or after 1 January 2019, the same accounting policies and methods of computations have been applied in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 31 December 2018, being the latest audited financial statements of the Company as at the date of this announcement.

The adoption of new IFRSs and amendments to IFRSs did not result in any significant change to the Group's and the Company's accounting policies and has no significant impact on the financial statements of the Group and the Company for the current financial reporting period.

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

Please refer to paragraph 4 above.

6. **Loss per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Loss per share "LPS"	Group			
	Three Months Ended		Nine Months Ended	
	30 September 2019 (Unaudited)	30 September 2018 (Unaudited)	30 September 2019 (Unaudited)	30 September 2018 (Unaudited)
Loss attributable to owners of the Company (MYR'000)	(1,982)	(1,268)	(6,644)	(4,775)
Weighted average number of ordinary shares	1,169,445,976	1,169,445,976	1,169,445,976	1,169,445,976
Basic and diluted LPS (MYR cents) ⁽¹⁾	(0.2)	(0.1)	(0.6)	(0.4)

Notes:

(1) The basic and diluted LPS are the same as there were no potentially dilutive securities in issue as at 30 September 2019 and 30 September 2018 respectively.

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 period reported on; and
(b) Immediately preceding financial year

Net asset value	Group		Company	
	30 September 2019 (Unaudited)	31 December 2018 (Audited)	30 September 2019 (Unaudited)	31 December 2018 (Audited)
Net asset value attributable to the owners of the Company (MYR'000)	61,623	68,267	89,751	91,679
Net asset per share at the end of the period (MYR)*	0.05	0.06	0.08	0.08

* The calculation of net asset value per ordinary share was based on 1,169,445,976 ordinary shares (excluding treasury shares) as at 30 September 2019 and 31 December 2018.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss on 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; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review for the performance of the Group for the three months ended 30 September 2019 ("3QFY2019") as compared to the three months ended 30 September 2018 ("3QFY2018").

Consolidated Statement of Comprehensive Income

Revenue

Revenue for the Group decreased due to the reduced orders for precipitated calcium carbonate ("PCC") amid the slowdown in the global economy. The decrease was also attributable to the temporary discontinuation of the sales of ground calcium carbonate ("GCC") stones as a result of the cessation of operations at Hyper Act Quarries due to some major repair works required on the crusher plant since 1QFY2019.

Cost of sales

Cost of sales decreased due to the decline in quarrying activities, which was in line with the lower sales and cessation of quarry activities at Hyper Act Quarries.

Gross profit/margin

The decrease in gross profit margin was mainly due to a higher proportion of sales of PCC crushed stones with lower margin from Gridland Quarry recorded in 3QFY2019, compared to a higher proportion of sales of GCC stones, which commands a better margin, from Hyper Act Quarries in 3QFY2018.

Items of expense

General and administrative expenses ("G&A Expenses")

G&A Expenses recorded a slight decrease due to the reduction of salaries and wages as a result of the lower headcount in 3QFY2019.

Selling and distribution expenses

Selling and distribution expenses decreased in line with the lower sales recorded in 3QFY2019.

Finance costs

The decrease in finance costs was due to lower interest expenses incurred after the repayment of a significant amount of term loans in the third quarter of FY2018.

Exploration expenditure

Exploration expenditure decreased in line with the decrease in exploration activities, due to the shift of focus to the repair works at Hyper Act Quarries.

Consolidated Statement of Financial Position

Non-current assets

Non-current assets decreased from 31 December 2018 mainly due to depreciation of property, plant

and equipment and amortisation on leasehold lands

Current assets

Current assets decreased mainly due to:-

- a) a decrease in trade and other receivables in line with lower sales and collection from customers;
- b) the decrease of cash and short-term deposits was mainly due to lower collections from customers in the current quarter in line with the lower sales in the current quarter offset by:-
- c) an increase in inventories mainly from the lower sales of crushed stones from Gridland Quarry.

Non-current liabilities

As at 30 September 2019, non-current liabilities decreased from 31 December 2018 due to the repayment of certain loans and borrowings and the reclassification of loans and borrowings that are due in the next twelve months to current liabilities.

Current liabilities

Current liabilities increased mainly due to:-

- a) an increase in trade and other payables largely due to the slower payment to the trade creditors in the current quarter due to longer payment terms negotiated with the creditors; and
- b) an increase in loans and borrowings mainly due to the reclassification of borrowings from non-current liabilities as mentioned above, offset by the repayments of loans.

Negative Working Capital

As at 30 September 2019, the Group was at a negative working capital position of MYR19.8 million. The increase in negative working capital of approximately MYR5.5 million compared to as at 31 December 2018 is mainly due to the increase in trade payables and decrease in trade and other receivables during the quarter under review.

After taking into consideration (i) the continual support from the Group's lenders and stakeholders such as the creditors, vendors and suppliers who extended their credit terms to the Group and continue to provide us with uninterrupted supplies and services which will ease the cash outflow at this critical time faced by the Group; (ii) the stream of revenue expected to be generated from sales of the limestone at Gridland Quarry as announced by the Company on 4 September 2019 (the "Announcement"), which includes (A) the one-year supply contract from 1 January 2020 with the European customer (a customer of the Group since April 2019) who is in its advanced stage of finalisation. The Group has delivered monthly orders ranging from an average of 8,000 MT to 10,000 MT from April to October 2019 and (B) the renewed contract from another existing customer which commenced in July 2019, had an average monthly delivery of no less than 10,000MT from July to October 2019 and the Group expects to deliver such amounts until July 2020. The deliveries as mentioned are able to provide for the costs of operations; and (iii) the undertaking by a Director as disclosed in the Announcement to provide financial support to the Company whenever necessary. In view of the foregoing, the Board is of the opinion that the Group is able to operate as a going concern and able to meet its obligations as they fall due and the Group's working capital is sufficient to meet its present requirements and for the next twelve months.

Consolidated Statement of Cash Flow

The net cash generated from operating activities in 3QFY2019 was approximately MYR0.6 million. The changes in working capital were mainly due to (i) a decrease in trade and other receivables, in line with the lower sales, (ii) an increase in trade and other payables due to the slower payments to vendors and; (ii) a decrease in inventories due to the lower level of productions as a result of the ceased operations at Hyper Act Quarries. Net cash was generated from investing activities from the disposal of two motor vehicles amid purchases of property, plant and equipment. Net cash used in

financing activities was mainly due to the repayment of term loans and obligations under finance leases.

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

Overall, the financial results are in line with previous discussion under Section 10 of the Company's unaudited financial results announcement for the second quarter ended 30 June 2019 dated 14 August 2019 and the Announcement dated 4 September 2019.

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.

Gridland Quarry continues to deliver high quality PCC crushed stones to existing customers while the Group is actively looking to secure more contracts. The Group is in the advanced stages of finalising the formal contract with the European customer as disclosed in the Announcement and expects it to be executed by December 2019.

The Group does not expect any revenue contribution from Hyper Act in the next financial quarter due to the major repair works of the crusher plant at Hyper Act Quarries. Notwithstanding the complication of the repair works at Hyper Act Quarries, the Group is determined to expedite the repairs in order to resume quarry operations as soon as possible.

We believe the Group will be able to sustain for the next 12 months with the income generated from the existing PCC sales, the continual support from the creditors and also the financial support provided by a Director of the Company.

With reference to the announcement made on 10 October 2019 regarding the proposed acquisition of PT Arjuna Utama Sawit, the Parties are currently working on the Definitive Agreement and the appointment of the various professionals. The Parties will, on a best effort basis, endeavor to complete the Proposed Acquisition within the 6 months exclusivity period, unless mutually extended by the Parties. The terms and definitions used are to be read with the announcement made on 10 October 2019 and the Company will provide further updates through further announcement(s) when appropriate.

11. Dividend

If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) **The date the dividend is payable.**

Not applicable.

(e) **The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

12. **If no dividend has been declared/recommended, a statement to that effect, and the reason(s) for the decision.**

No interim dividend for the third quarter ended 30 September 2019 has been recommended, as the Group was not profitable.

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 did not obtain a general mandate from shareholders for IPT pursuant to Rule 920(1)(a)(ii). There were no IPTs that exceeded S\$100,000 during the financial period under review.

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

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

i. **Use of funds/cash for the quarter:-**

For the quarter ended 30 September 2019 (“**3QFY2019**”), funds / cash were mainly used for the following activities:-

Purpose	Projected Usage Amount (MYR)	Actual Usage Amount (MYR)
Development cost	300,000	-
Total	300,000	-

Variance Explanation:

No development activities took place at both quarries during 3QFY2019 as efforts were placed on repair works at Hyper Act Quarries.

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

For the next immediate quarter (financial period from 30 September 2019 to 31 December 2019 (“**4QFY2019**”)), the Company’s use of funds/cash for development activities is expected to be as follows:-

Purpose	Projected Usage Amount (MYR)
Development cost	100,000
Total	100,000

For the Group's development plan, please refer to the sections entitled "General Information on our Company and our Group – Our Quarries" and "General Information on our Company and our Group – Business Strategies and Future Plans" of our Offer Document dated 20 April 2015.

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

The Board of Directors hereby 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 aspect.

15. Rule 705 (7) of the Catalist Listing Manual

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation 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;

Hyper Act Quarries

In the quarter under review, Hyper Act Quarries had incurred a small amount of MYR3,000 on exploration activity in order to retrieve samples for testing amid concentrating on the maintenance and repair works of the crusher plant which is more severe than expected. The further delay in the completion of repair works is due to the breakdown of some major parts in addition to the complicated underground water pipes leakages. The Company will expedite the repair works to ensure the crusher plant resumes operation as soon as possible. There was no production of crushed stones at Hyper Act Quarries in 3QFY2019.

Gridland Quarry

Gridland Quarry had incurred MYR144,000 for exploration activities which involved blasting to open new faces in the current quarter under review. The Gridland Quarry produced 47,859 MT of crushed stones in 3QFY2019.

16. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the SGX-ST Listing Manual Section B: Rules of Catalist.

17. Confirmation Pursuant to Rule 705(5) of the Catalist Listing Manual.

The Board of Directors of the Company hereby confirms that to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements of the Company and the Group for the third quarter ended 30 September 2019 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD
GCCP RESOURCES LIMITED**

Loo An Swee, Alex
Executive Director and CEO
11 November 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. 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 Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)