

30 March 2015

ORPHEUS COMMENCES BANKRUPTCY PROCEEDINGS AGAINST NUGROHO SUKSMANTO

Key Points:

- **Bankruptcy petition against Suksmanto has been lodged in the Jakarta Commercial Court**
- **Suksmanto now owes Orpheus and its group ~ around US\$7,500,000 with the debt dating back to April 2014**
- **Suksmanto provided a personal undertaking in June 2014, to also personally settle all outstanding debts by PT Mega Coal and related parties**
- **Penalty for bankruptcy includes transforming the debtor's estate into cash to pay creditors**

After exhaustive negotiations with Nugroho Suksmanto since the announced and shareholder approved sale of Orpheus's ("**Orpheus**" or "**the Company**") Indonesian assets in August 2014, and despite innumerable promises, none of the ~US\$7,500,000 in outstanding funds has yet been paid by Suksmanto to Orpheus and its group.

Consequently, the Orpheus board has decided the Company had no choice but to initiate bankruptcy proceedings against Suksmanto to recover all outstanding funds. Orpheus instructed its lawyers, Hadiputranto, Hadinoto & Partners, a member firm of Baker & McKenzie International, to lodge the bankruptcy petition in the Jakarta Commercial Court at the Central Jakarta District Court, on Thursday 26 March 2015.

The Commercial Court will make a determination on Suksmanto's bankruptcy position following the Court hearing within 60 days of the petition lodgement. This decision is enforceable even if Suksmanto files an appeal to the Supreme Court. The Supreme Court must give its decision within 60 days of the date the request for appeal is filed. The Supreme Court decision is subject to civil review in the Supreme Court. Should Suksmanto pay Orpheus during the process, the Company can withdraw the legal action.

Orpheus will keep shareholders updated on the legal process.

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Disclaimer – Forward looking statements

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