



The Manager
Company Announcements Office
Australian Stock Exchange

SICC JUDGEMENT TRANCHE 1

13 May 2016 - 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 first tranche of the trial was heard by the Singapore International Commercial Court ("**SICC**") in November 2015. The SICC released its judgement in relation to the first tranche of the trial yesterday evening.

The first tranche of the trial was to determine certain issues relating to Bayan's obligations to fund the joint venture and its obligation to supply coal to the joint venture. Further, the Court also considered Bayan's counterclaims brought against the WEC parties.

The Company is still reviewing the decision. The findings of the SICC in summary include the following:

- Bayan's counterclaims against the WEC parties were rejected, with the Court finding that BCBCS was not under an implied contractual duty to use the reasonable skill and care to be expected of a competent designer, builder and operator of coal preparation and briquetting plants in providing technical assistance to KSC. Further, there was no implied term of the JV Deed that BCBCS was under a contractual obligation to procure that KSC produce 1 MTPA of upgraded coal briquettes within a reasonable period of time.
- As for the coal supply obligation, the Court has declined to answer this question at this stage, concluding that it is a matter to be decided at the next tranche of the trial.
- BR was not obliged to provide funding to the joint venture in the period between November 2011 and 2 March 2012.

The Company is pleased that Bayan's counter claim has been rejected and the Company is continuing to review the judgement and will provide further updates as appropriate.

Separately, in relation to the freezing order held by BCBCS in respect of Bayan's shares in Kangaroo Resources Limited, the Company notes that the parties have agreed a settlement amount of \$330,000 which is to be paid by Bayan to the Company in respect of the costs awarded to BCBCS. Payment is to be made following completion of the necessary forms relating to Indonesian withholding tax.

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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.