



MARCH 2020 QUARTERLY REPORT

30 April 2020

<p>STERLING PLANTATIONS LIMITED</p> <p>ASX: SBI</p> <p>Office address: Level 1, 15 Altona Street, West Perth, WA 6005</p> <p>Telephone: +618 9352 5900 Email: cosec@sterlingplantations.com Web: www.sterlingplantations.com</p> <p>Capital: Ordinary shares: 65,000,000</p>	<p>HIGHLIGHTS</p> <ul style="list-style-type: none"> • The Oil Palm Plantation is being put up for tender by the Liquidator. SBI will be entitled to 39.7% of the net sale proceeds. • Management is currently evaluating proposals for the new direction with or without the sale proceeds from the Oil Palm Plantation. • The Company has remaining loan facilities for \$50,000 available for use in the short-term.
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REVIEW OF OPERATIONS

Golden Palm Growers Berhad

Sterling Plantations Limited holds 100% of the ordinary shares in Golden Palm Growers Berhad ("GPGB"). The main activity of GPGB is the development of a 4,565 hectare Oil Palm Plantation in Kelantan, Malaysia.

The financing model was through a Growers Scheme in 2010, where the public subscribed for Grower Plots in the Growers Scheme. The Growers Scheme allowed for redemption of these Grower Plots effective from August 2016. Due to the onerous requests for redemption, the Growers Scheme was closed and with a Court Order in November 2019, a liquidator was appointed. GPGB at the date of liquidation has ownership of 39.7% of the Grower Plots.

The liquidation involves the process of selling the Plantation and a proportion of sale proceeds accruing to SBI. During the quarter, the Liquidator has taken steps to enhance the Plantation and prepared to put the Plantation for open tender. However, with the advent of Covid-19, they have had to defer the exercise, until the Movement Control Order has been lifted. This is currently extended to 12 May 2020, with the likelihood of further extension.

The Liquidator has taken control of the bank account of GPGB and the receipts (including the opening cash balances) and expenditures relating to the Plantation are managed by the Liquidator.

CORPORATE

SBI's securities remain suspended from official quotation.

BUSINESS DEVELOPMENT

Management is currently evaluating proposals for the new direction with or without the sale proceeds from the Oil Palm Plantation. The directors believe that Company will be well positioned to find new opportunities in the future.

This Quarterly Report is authorised for release to the market by the board of Sterling Plantations Limited.

For further information, please contact:

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