

Tuesday 2 July 2013



Company Update

The Board of Directors of Raya Group Limited would like to provide the following company update in relation to its existing assets and progress with identifying new opportunities.

New Project Opportunities

As noted in recent ASX announcements, Raya is currently in the process of reviewing a complimentary pipeline of project opportunities for the Company.

Raya has completed due diligence on a number of potential project opportunities (comprising both energy and precious metals projects) within various countries, for the main emphasis on improving shareholder wealth.

The due diligence that has been completed (on a selection of these projects) has included a detailed review of various technical, legal, commercial and financial parameters of these projects, and further information on the outcomes of this review is expected to be provided shortly.

Indonesian Geothermal Assets

The Company continues to move closer to execution of the Power Purchase Agreements ("PPA") for our projects, and specifically for the Sokoria and Dairi Prima Geothermal Projects.

The following key milestones and positive situations have recently been achieved:

- Positive discussions with PT PLN (Persero) ("PLN"), Raya expects the execution and signing of the Power Purchase Agreement ("PPA") to be fast approaching following the latest meeting between our country representative and PLN.
- Completion of the AMDAL Environmental Study for the Sokoria Project is now final, representing another major achievement for the Project. This now ensures that all required environmental permits and licences are in place, prior to development commencing.
- Raya continues to receive very strong interest from two major Asian Groups in relation to our portfolio of advanced geothermal development opportunities in Indonesia, at their own expense. Negotiations continue to progress towards a binding terms sheet agreement with each of these parties.

Future Funding

This company has completed discussions with key investors in the Asian region during the last two weeks. The discussions with the key Asian investors have identified the appetite for both funding and preference of energy assets. Notably, the focus of the company will be to secure a major project in the short term, and also provide funding for existing assets.

Recent EGM of Raya

Raya held its Extra-Ordinary General Meeting on 21 June 2013.

All resolutions presented to the meeting were passed on a show of hands, and all proxies received prior to the meeting voted overwhelmingly in favour of all resolutions.

Raya thanks each of its shareholders for their strong support in considering each of the key matters considered at the meeting.

The placement of shortfall shares under the Share Purchase Plan is proceeding, and a further announcement on this is expected shortly.

By Order of the Board