



Geo Energy receives additional prepayment of US\$40 million from Engelhart CTP for 2018

- Engelhart CTP (Singapore) Pte Ltd ("ECTP") to increase its coal offtake volume to a minimum of 7.5 million tonnes for 2018
- Thermal coal of 4,200 GAR is to be delivered from Geo Energy's PT Sungai Danau Jaya ("SDJ") coal mine
- ECTP will make an advance payment of US\$40 million to Geo Coal International Pte. Ltd. ("GCI"), a testament of the demand for SDJ coal and Geo Energy's ability to deliver

SINGAPORE, 26 December 2017 – Geo Energy Resources Limited ("Geo Energy" and together with its subsidiaries, the "Group"), an integrated Indonesian coal mining group, is pleased to announce that the Group has received an additional prepayment of US\$40 million from ECTP for 2018 and that GCI will supply a minimum quantity of 7.5 million tonnes of coal in 2018 to ECTP. Thermal coal of 4,200 GAR is to be delivered from the Group's SDJ coal mine.

The Group has on 5 July 2016 entered into a Life of Mine ("LOM") Agreement with ECTP to supply 4,200 GAR thermal coal over the life of the SDJ coal mine subject to the terms of the agreement. Following the LOM Agreement, the Group had secured two coal offtake agreements with ECTP to supply 4 million tonnes of coal by January 2017 and an additional 7 million tonnes of coal by December 2017. The Group had, to-date fulfilled the terms of its coal offtake agreement for 2017. Since the Group commenced coal production in December 2015, the group has delivered 5.5 million tonnes of coal to ECTP in 2016 and 5.6 million tonnes of coal for the nine months ending September 2017.

Commenting on the additional prepayment for 2018, Mr Tung Kum Hon, Chief Executive Officer of Geo Energy said, ***"The additional prepayment from ECTP for 2018 is a testament of the demand for SDJ coal and our ability to deliver. We would like to express our appreciation towards ECTP for their unwavering support in our capabilities, quality of coal and delivery track record. SDJ's low sulphur and ash content coal has continued to generate great demand from major Chinese power plants. ECTP plays a major role in distributing our brand of coal in China and will also efficiently map out demand in other regions such as South-east Asia. On 1 December 2017, we achieved a new milestone and shipped the first capesize vessel of 153,000 tonnes of coal to Adani (www.adani.com) for the Indian market. The sales of 7.5 million tonnes of coal to ECTP in 2018 is expected to yield the Group more than US\$345.0 million in revenue next year based on the current Indonesian Coal Index ("ICI") price for 4,200 GAR coal of approximately US\$46.00 per tonne.***

We are also in the midst of discussions and finalising the offtake prepayment and mining services contracts for our newly acquired Tanah Bumbu Resources ("TBR") mine, which we will be announced

shortly. This would put us in good stead as the Group grows towards becoming one of the biggest coal producers in Indonesia.”

Separately, on 11 December 2017, the Group appointed Prof. Dr. Mohammad Mahfud MD, S.H., S.U. as Special Advisor to the Group, who brings along strong legal and regulatory experience and government knowledge in Indonesia to the Group, having served as the Chief Justice of the Constitutional Court of Indonesia as well as the Minister of Defence of Indonesia. Prof. Dr. Mahfud is a strong addition to the Group’s advisory management and will assist and advise the Group on legal, regulatory and other matters in Indonesia.

In addition on 13 December 2017, the Group also welcomed Prof. Dr. M. Ryaas Rasyid as President Commissioner SDJ. Prof. Dr. M. Ryaas Rasyid will also be appointed the President Commissioner of PT Geo Energy Coalindo (“GEC”) upon approval of the governing authority in Indonesia. Both SDJ and GEC are subsidiaries of the Company in Indonesia. Prof. Dr. M. Ryaas Rasyid will provide greater perspective and insights to the Group’s operations and businesses in Indonesia, having served as the Minister of Local Autonomy, the Minister of State Administrative Reform, a Member of National Parliament and a Member of Presidential Advisors in Indonesia. Prof. Dr. M. Ryaas Rasyid is a strong addition to the Group’s advisory panel and will assist and advise the Group on governmental matters in Indonesia.

Commenting on the dual appointment of special advisors to the Group, Mr Charles Antonny Melati, Executive Chairman of Geo Energy said, ***“We are delighted to appoint both Prof. Dr. Mahfud and Prof. Dr. M. Ryaas Rasyid as Special Advisor to Geo Energy and President Commissioner of SDJ respectively to the Group. We believe their advice and strategic counsel will prove to be invaluable to the Group, which would also help to raise the profile of Geo Energy in Indonesia, enhance local government relations and improve regulatory governance and compliance of the Group.”***

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ABOUT GEO ENERGY RESOURCES LIMITED (Bloomberg Ticker: GERL SP)

Geo Energy Resources Limited (“Geo Energy” or the “Group”) is part of the FTSE ST China index. The Group’s operations are primarily located in Indonesia. Geo Energy is a coal mining specialist with an established track record in the operation of coal mining sites for the purpose of coal production and coal sales since 2008.

Geo Energy owns major mining concessions and coal mines in East and South Kalimantan, Indonesia with JORC marketable coal reserves of over 90 million tonnes.

For more information, please visit www.geocoal.com

For more information please contact:

Romil SINGH, Colin LUM

geoenergy@financialpr.com.sg

Tel: (65) 6438 2990 Fax: (65) 6438 0064