

## Geo Energy to Invest in an Online E-Commerce Portal in Indonesia

Geo Energy's subsidiary, PT Mitra Nasional Pratama ("**MNP**"), incorporated PT Geo Online Indonesia ("**Geo Online**") to invest in e-commerce trading in Indonesia

**SINGAPORE, 29 August 2017 – Geo Energy Resources Limited ("Geo Energy" or "the Group"), an integrated Indonesian coal mining group, is pleased to announce that its subsidiary, PT Mitra Nasional Pratama ("MNP") has incorporated PT Geo Online Indonesia ("Geo Online") with an authorised capital of IDR 10 billion and an issued and paid-up capital of IDR 2.5 billion, to invest in a controlling equity stake in an online e-commerce portal in Indonesia. Geo Online will engage in general trading, e-commerce, information technology and communication businesses.**

The Group is currently in discussions on the proposed investment and an appropriate announcement will be made later. Discussions are still at a preliminary stage. Securityholders and potential investors of Geo Energy are advised that there is no certainty that the proposed investment will take place and are therefore advised to exercise caution when dealing in the securities of Geo Energy.

The proposed investment will represent the Group's first foray into non-coal related business since its establishment in 2008, and to invest in the thriving e-commerce sector in Indonesia. It will enable the Group to gain access to an e-commerce platform and allow the Group to capitalize on Indonesia's fast-growing demand for online shopping with a growing internet consumer base in Indonesia.

According to Google's findings, out of 100 million internet users in Indonesia, 81 million of them transacted through e-commerce platforms<sup>1</sup>. Google's studies also revealed that Indonesia is a large market for online shopping transactions in the Southeast Asian region; an estimated market of 210 million people.

Commenting on the Group's new e-commerce business, Mr Tung Kum Hon, Chief Executive Officer of Geo Energy said, *"Our Group believes that our entrance into the e-commerce business in Indonesia represents a unique opportunity for Geo Energy. Incorporating Geo Online comes at an opportune time given the keen and active interest in Indonesia's online shopping market place shown by many major international investors. Indonesia, being the world's fourth most populous country, has much potential for growth in the e-commerce space. International e-commerce giant, Alibaba Group Holding Ltd, had recently led a group of investors to inject US\$1.1 billion in one of Indonesia's largest customer-to-customer retail platform where individual entrepreneurs and*

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<sup>1</sup> Google Indonesia: 81mn People Shop Online, Tempo, 15 August 2017

*small/medium businesses can operate online stores – Tokopedia<sup>2</sup>. Our Group envisages a great opportunity to invest in the fast-growing e-commerce market that is the next big business for Indonesia.*

*On the back of the Group's improving financial performance and positive cash profits since starting coal production in our SDJ coal mine in December 2015, Geo Online's proposed investment is expected to enhance and diversify the Group's revenue streams.*

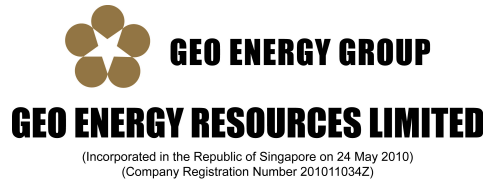
*Investment size into the e-commerce business is expected to be relatively small, but will enable the Group to enter into this high growth industry. This will supplement the Group's core business in the coal industry, where we remain committed in our goal to become one of the top ten coal producers in Indonesia. Our Group would like to remain rationale and flexible in our acquisition and investment strategy to pounce on immediate earnings-accretive opportunities that are scalable and require minimal initial investment in order to maintain our fiscal responsibilities to our shareholders."*

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The statements contained in this media release that are not historical facts are "forward-looking" statements. These forward-looking statements are subject to a number of substantial risks and uncertainties, many of which are beyond the Company's control and actual results and developments may differ materially from those expressed or implied by these statements for a variety of factors. These forward-looking statements are statements based on the Company's current intentions, beliefs and expectations about among other things, the Company's financial condition, prospects, growth, strategies and the industry in which the Company operates. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. In addition, from time to time, the Company or its representatives have made or may make forward-looking statements orally or in writing. Furthermore, such forward-looking statements may be included in, but are not limited to, press releases or oral statements made by or with the approval of an authorised executive officer of the Company. No assurance can be given that such future results will be achieved; actual events or results may differ materially from those expressed in or implied by these statements as a result of risks and uncertainties facing the Company and its subsidiaries. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as changes in taxation and fiscal policy, future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. The forward-looking statements contained in this media release speak only as of the date of this media release and the Company undertakes no duty to update any of them publicly in light of new information or future events, except to the extent required by applicable law or regulation.

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<sup>2</sup> Techcrunch.com: Alibaba leads \$1.1B investment in Indonesia-based e-commerce firm Tokopedia, 17 August 2017



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

Geo Energy Resources Limited (“Geo Energy” or the “Group”) is part of the Singapore FTSE 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](http://www.geocoal.com)

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