
COMPLETION OF ACQUISITION OF INTEREST IN COAL CONCESSION

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**”) of Geo Energy Resources Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcements made by the Company on 18 July 2016 and 28 November 2016, in relation to the conditional sale and purchase agreement dated 18 July 2016 (the “**Agreement**”) with International Resources Investment Ltd (the “**Vendor**”) for the acquisition of ordinary shares representing 100% shareholding interest in Fortune Coal Resources Pte. Ltd. (the “**Ultimate Holding Company**” that holds an indirect effective equity interest of 98.73% in PT Tanah Bumbu Resources (“**TBR**”), the shares representing 100% shareholding interest in the Ultimate Holding Company, the “**UHC Shares**”), and the proposed acquisition, (the “**TBR Acquisition**”).

2. NOVATION

- 2.1. On 23 June 2017, the Company, the Vendor and Geo Energy Investments Ltd (“**GEI**”), a wholly owned subsidiary in the Company entered into a novation agreement (the “**Novation**”) for GEI to acquire the 100% shareholding interest in the Ultimate Holding Company and all payments already made by the Company to the Vendor as part of the purchase consideration shall be deemed to be payments made by GEI under the TBR Acquisition.

3. COMPLETION

- 3.1. Following the Novation, the Company is pleased to announce that the conditions precedents pursuant to the Agreement have been fully met, and successful completion of the TBR Acquisition has taken place on 23 June 2017.

4. PAYMENT OF CONSIDERATION AND LISTING AND QUOTATION OF CONSIDERATION SHARES

- 4.1. As part of the consideration payable under the Agreement for the TBR Acquisition, GEI has paid:
- (i) US\$37.0 million in the form of cash including a refundable deposit of US\$8.5 million paid earlier;
 - (ii) US\$13.0 million in the form of 117,000,000 ordinary shares in the Company (the “**Consideration Shares**”) which were allotted and issued as a payment consideration by the Company on behalf of GEI to the Vendor. A further announcement will be

made to inform shareholders of the Company when the Consideration Shares are expected to be listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and

- (iii) transfer and assignment of US\$40.0 million worth of trade and other receivables for the remaining balance of the purchase consideration.

- 4.2. Shareholders should note that pursuant to Clause 3.4 of the Agreement, the Vendor has undertaken and warranted that it shall not sell or otherwise dispose of any of the Consideration Shares for a period of 3 years from the date on which the Consideration Shares have been validly issued to the Vendor, except where GEI has provided prior written consent for such sale or disposal.

BY ORDER OF THE BOARD

Charles Antonny Melati
Executive Chairman

27 June 2017