GEO ENERGY GROUP
天然煤矿集団

GEO ENERGY RESOURCES LIMITED

(Incorporated in the Republic of Singapore on 24 May 2010)
(Company Registration Number 201011034Z)

SGX Announcement

Geo Energy Resources Limited Results Announcement

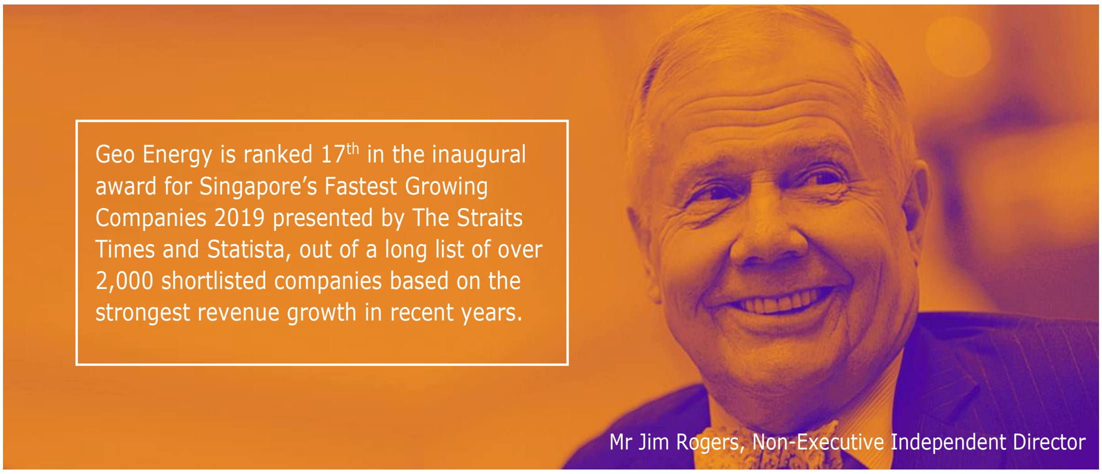
Fourth Quarter and Twelve Months Ended 31 December 2018

FORWARD LOOKING STATEMENTS

This announcement contains statements that are, or may be deemed to be, "forward looking statements" which are prospective in nature. These forward looking statements may generally be identified by the use of forward looking terminology, or the negative thereof such as "plans", "expects" or "does not expect", "is expected", "seeks", "continues", "assumes", "is subject to, "budget", "scheduled", "estimates", "aims", "forecasts", "risks", "intends", "positioned", "predicts", "projects", "anticipates" or "does not anticipate", or "believes", or variations of such words or comparable terminology and phrases or statements that certain actions, events or results "may", "could", "should", "shall", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, assumptions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy, any of which could prove to be inaccurate. By their nature, forward looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of Geo Energy Resources Limited ("Geo Energy"). Forward looking statements are not guarantees of future performance and may and often do differ materially from actual results. There is no certainty or assurance as at the date of this announcement that any transaction disclosed in this announcement will proceed or be completed or that no changes will be made to the terms thereof. Important factors that could cause these uncertainties include, but are not limited to, those discussed in Geo Energy's Annual Report 2017 and/or the offering memorandum dated 27 September 2017 in relation to the US$300 million 8.00% senior notes due 2022 offering by Geo Coal International Pte. Ltd., a wholly-owned subsidiary of Geo Energy. Neither Geo Energy nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements which only speak as of the date of this announcement. Other than in accordance with its legal or regulatory obligations (including under the listing rules of the Singapore Exchange Securities Trading Limited), Geo Energy is not under any obligation and Geo Energy and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This announcement shall not, under any circumstances, create any implication that there has been no change in the business or affairs of Geo Energy since the date of this announcement or that the information contained herein is correct as at any time subsequent to its date. No statement in this announcement is intended as a profit forecast or a profit estimate. This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities. The making of this announcement does not constitute a recommendation regarding any securities. Shareholders, investors and other persons are advised to exercise caution in trading the securities of the Group.

Results Review and Strategy Update

Fourth Quarter and Twelve Months Ended 31 December 2018



In 2018, Geo Energy achieved an underlying net profit of US$36 million and cash profit of US$80 million despite weakened coal prices

The Group's results were impacted by the weaker coal price in 2018 and higher production costs in the first 9 months of the year, resulting in a loss of US$5 million for 4Q2018. We adjusted our coal production in 4Q2018 to a lower coal production volume due to weaker coal prices, achieving a total of 7.9 million tonnes of coal production for the 12 months ended 31 December 2018 compared to our 2018 planned production and sales of 8-9 million tonnes (which was revised previously for the later start of the TBR coal mine production during the year). The coal that we do not mine will remain underground. We will be able to deliver a greater value for our stakeholders when the market conditions improve.

Despite weakened coal prices with the Indonesian Coal Index Price ("ICI") for 4,200 GAR coal falling as low as US$28.85 per tonne on 30 November 2018 causing a 4Q2018 loss of US$5 million, the Group managed to achieve a cash profit of US$80 million in 2018. Underlying net profit for 2018 was US$36 million, a decrease of 25% compared to US$48 million in 2017.

Following the Life of Mine Coal Offtake ("Offtake") for its TBR coal mine with Macquarie Bank Limited ("Macquarie") in November 2018, the Group has completed its first shipment of export sales to Macquarie of 38,400 metric tonnes in January 2019. Together with the existing SDJ coal mine's offtake, the Group is confident in delivering stronger cash profits to enhance the shareholder returns going forward as the coal prices improve; coal prices have increased US$6.72 from US$30.29 on 28 December 2018 to US$37.01 on 22 February 2019. Current market prices for 4,200 GAR coal loading in March 2019 is at US$38.00 to US$38.50 per tonne.

Although coal prices weakened in 4Q2018 mainly due to policies in China restricting imports of seaborne thermal coal[1], these import restrictions have since eased in 2019, as reported by increased trading activity across key Asian thermal markets. According to DBS Group Research report, the view remains positive on coal prices in the long run, as China's proactive supply control will prevent the recurrence of any structural global coal oversupply.[2]

S&P Global Ratings said in their report on 13 February 2019 that the earnings and cash flows of Indonesian mining companies could come under strain in 2019 if pricing remains subdued for coal with low calorific value. However, they believe the fundamentals in the Indonesian market remains strong and even a period of lasting lower realised prices should be manageable for Geo Energy due to a strong balance sheet and competitive low mining costs.[3]

The Group maintained existing cash balance of over US$200 million as at 31 December 2018 for investment in new coal assets and businesses and for working capital. Barring any unforeseen circumstances, we believe in continuing our growth momentum and staying on strategy for sustainable growth in the years ahead.

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[1] Chinese authorities tighten port restrictions to control coal imports, S&P Global Platts, 16 November 2018

[2] DBS Group Research. Equity – Indonesia Industry Focus Thermal Coal, 22 November 2018

[3] S&P Global Ratings, Indonesian Coal Miners Could See Weaker Earnings in 2019, 13 February 2019

2018 HIGHLIGHTS

- Revenue decreased by 5% from US$316 million in 2017 to US$299 million in 2018 due to lower volume of coal sold. The Group sold 7.1 million tonnes of coal in 2018, compared to 7.7 million tonnes sold in 2017. In 2018, SDJ coal mine sold 6.7 million tonnes of coal while TBR coal mine sold 0.4 million tonnes mainly to the Indonesian domestic coal market. The Group adjusted to a lower production and sales volume due to weaker coal prices, but will be ready to ramp up quickly when market conditions improve.

- The Group achieved an Average Selling Price ("ASP") of US$42.08 per tonne for 2018, higher than US$40.29 per tonne in 2017. The increase of 2018 ASP was mainly driven by our pricing which is based on the average index prices of 3 and 4 weeks prior to laycan shipment date and higher coal prices in the first 9 months of 2018.

- Cash profit for coal mining in 2018 was an average of US$11.28 per tonne compared to an average of US$12.74 per tonne in 2017. This was mainly due to increased cost of production linked to higher coal prices in the first 9 months of 2018. Average production cash costs increased from US$27.55 per tonne in 2017 to US$30.81 per tonne in 2018. During the year, the cost was partially offset by lower stripping ratio of SDJ coal mine from 3.7 in 2017 to 2.9 in 2018.

- The Group achieved an underlying net profit of US$36 million in 2018, a decrease of 25% compared to US$48 million in 2017. This was mainly due to the reduction of cash profit from US$100 million in 2017 to US$80 million in 2018. The difference between the cash profit of US$80 million and underlying net profit of US$36 million mainly relates to general and administrative expenses of US$12 million, depreciation and amortisation of US$14 million, income tax of US$11 million, and after excluding the increase in finance cost of US$18 million due to issuance of Senior Notes in 4Q2017. The Group has successfully controlled and maintained general and administrative expenses.

We continue to remain focused on our strategic objectives in 2019:

- Continue monitoring market opportunities and optimising business value
- Actively assessing and implementing cost reduction measures
- Strengthening our capital position; and
- Returning value to shareholders

The Directors have recommended a final dividend of S$0.004 per share as our commitment to deliver returns to shareholders. Including the interim dividend paid of S$0.01 paid on 5 September 2018 (2017: S$0.02 paid), this implies a dividend yield of 7.4% based on the closing price of S$0.19 on 27 February 2019.

The Group targets production and sales of at least 8 million tonnes of coal for both SDJ and TBR in 2019 based on the production quota received and set out in the Rencana Kerja Anggaran Biaya **("RKAB")** - Work Plan and Budget which specifies the given export volumes and what is to be set aside for the Domestic Market Obligation **("DMO")**. We will be reviewing the RKAB in 6 months to increase the production quota with the Indonesian mining authorities, if needed.

Investing in Environment, Social, Governance **("ESG")** is important and much emphasis is now given by asset managers and investors on their investments in companies. The Group incurred US$1.1 million in sustainability efforts in 2018 and has committed further resources for 2019, including building of schools, bridges and local infrastructure for communities, cattle and livestock breeding, scholarships and university bursaries. We believe in creating sustainable value through good ESG practices and corporate governance. The Group had issued its first Sustainability Report[4] in December 2018.

Geo Energy was ranked 35th in the Corporate Governance and Transparency Index 2018, placed amongst the top listed companies. Our Board, including Independent Director Mr. Jim Rogers, together with the management team, have worked closely in maintaining a high standard of corporate governance.

The Group is pleased to be ranked 17th in the inaugural award for Singapore's Fastest Growing Companies 2019 presented by The Straits Times and Statista, out of a long list of over 2,000 shortlisted companies based on the strongest revenue growth in recent years. This award recognises the increased scale of Geo Energy's business following the commencement of our SDJ and TBR coal mines, despite the weakened coal prices in 4Q2018.

[4] http://www.geocoal.com/images/sustain/GEGSR2017.pdf

The Group has also submitted a non-binding offer for a producing coal mine in East Kalimantan, and if successful, will increase the Group's production, EBITDA and net earnings to be a major coal producer in Indonesia. The payment of the acquisition is to be financed by internal funding and a certain amount of debt, subject to the existing debt covenants. The Company will update shareholders in due course.

Tung Kum Hon
Chief Executive Officer/Director

27 February 2019

Unaudited Financial Statements Announcement for the Fourth Quarter and Twelve Months Ended 31 December 2018

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF RESULTS FOR FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2018

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Consolidated statement of profit or loss

	Group			Group		
	3 months ended 31.12.2018 US$ (Unaudited)	**3 months ended 31.12.2017 US$ (Unaudited)**	**% Change**	**12 months ended 31.12.2018 US$ (Unaudited)**	**12 months ended 31.12.2017 US$ (Audited)**	**% Change**
Revenue	56,246,405	92,826,636	(39)	299,241,768	316,303,055	(5)
Cost of sales	(49,878,934)	(74,870,104)	(33)	(232,398,770)	(237,881,571)	(2)
Gross profit	**6,367,471**	**17,956,532**	**(65)**	**66,842,998**	**78,421,484**	**(15)**
Other income	705,353	1,768,332	(60)	5,306,022	3,526,804	50
General and administrative expenses	(4,529,609)	(3,780,023)	20	(12,506,605)	(11,566,069)	8
Other expenses	(1,174,017)	(1,691,468)	(31)	(4,310,954)	(5,383,543)	(20)
Finance costs	(3,720,083)	(8,841,654)	(58)	(26,537,070)	(12,734,876)	108
(Loss) profit before income tax	**(2,350,885)**	**5,411,719**	**nm**	**28,794,391**	**52,263,800**	**(45)**
Income tax expense	(2,677,912)	(1,987,487)	35	(10,793,018)	(15,586,063)	(31)
(Loss) profit for the period/year	**(5,028,797)**	**3,424,232**	**nm**	**18,001,373**	**36,677,737**	**(51)**
Other comprehensive income, net of tax:						
Item that may be subsequently reclassified to profit or loss:						
- Exchange differences on translation of foreign operations	1,561,286	(599,653)	nm	(498,150)	(2,745,389)	(82)
Item that will not be subsequently reclassified to profit or loss:						
- Remeasurement of defined benefit obligations	336,935	(223,298)	nm	336,935	(223,298)	nm
Total comprehensive income	**(3,130,576)**	**2,601,281**	**nm**	**17,840,158**	**33,709,050**	**(47)**

nm - not meaningful

1(a)(ii) Consolidated statement of profit or loss and other comprehensive income

	Group			Group		
	3 months ended 31.12.2018 US$ (Unaudited)	3 months ended 31.12.2017 US$ (Unaudited)	% Change	12 months ended 31.12.2018 US$ (Unaudited)	12 months ended 31.12.2017 US$ (Audited)	% Change
(Loss) profit attributable to:						
Owners of the Company	(5,032,807)	3,442,679	nm	18,020,537	36,685,787	(51)
Non-controlling interests	4,010	(18,447)	nm	(19,164)	(8,050)	138
	(5,028,797)	**3,424,232**	**nm**	**18,001,373**	**36,677,737**	**(51)**
Total comprehensive income attributable to:						
Owners of the Company	(3,134,753)	2,633,831	nm	17,848,809	33,741,943	(47)
Non-controlling interests	4,177	(32,550)	nm	(8,651)	(32,893)	(74)
	(3,130,576)	**2,601,281**	**nm**	**17,840,158**	**33,709,050**	**(47)**

nm - not meaningful

1(a)(iii) (Loss) profit before income tax is arrived at after charging/(crediting) the following:

	Group			Group		
	3 months ended 31.12.2018 US$ (Unaudited)	3 months ended 31.12.2017 US$ (Unaudited)	% Change	12 months ended 31.12.2018 US$ (Unaudited)	12 months ended 31.12.2017 US$ (Audited)	% Change
Interest income	(705,353)	(1,266,221)	(44)	(4,561,358)	(1,538,591)	196
Loss (gain) on disposal of property, plant and equipment (net)	2,478	(17,918)	(114)	8,433	(35,444)	(124)
Foreign exchange loss (gain) (net)	1,038,106	(484,193)	(314)	2,598,812	2,046,628	27
Interest expense	6,016,931	6,993,923	(14)	24,068,278	10,887,145	121
Amortisation of transaction costs of Senior Notes	(2,296,848)	1,743,701	nm	2,468,792	1,743,701	42
Allowance for inventory written-down value	193,069	748,703	(74)	193,069	748,303	(74)
Bad debt written-off	-	745,624	(100)	-	746,331	(100)
Depreciation of property, plant and equipment	2,829,052	5,199,449	(46)	11,909,782	16,206,411	(27)
Amortisation of deferred stripping costs	639,101	565,085	13	1,738,309	2,003,437	(13)
Share-based payment expense	108,937	495,570	(78)	433,698	495,570	(12)
Loss on financial asset carried at amortised cost	-	131,272	nm	577,564	131,272	340

nm - not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group			Company		
	31.12.2018 US$ (Unaudited)	31.12.2017 US$ (Restated)	1.1.2017 US$ (Restated)	31.12.2018 US$ (Unaudited)	31.12.2017 US$ (Restated)	1.1.2017 US$ (Restated)
ASSETS						
Current assets						
Cash and bank balances	202,590,402	265,770,740	67,703,681	28,933,622	40,574,203	53,417,879
Trade and other receivables	25,043,611	50,855,857	103,493,933	57,493,923	45,141,410	74,659,464
Deposits and prepayments	23,631,249	22,066,330	7,415,552	962,906	190,185	194,271
Inventory	14,823,301	7,677,179	8,890,420	-	-	-
Total current assets	**266,088,563**	**346,370,106**	**187,503,586**	**87,390,452**	**85,905,798**	**128,271,614**
Non-current assets						
Trade and other receivables	20,216,791	-	-	3,144,300	-	-
Restricted cash deposits	3,435,846	4,146,072	590,254	-	-	-
Deposits and prepayments	25,238,521	5,993,338	4,477,510	105,420	91,978	82,285
Investment in subsidiaries	-	-	-	185,877,305	185,877,305	98,024,126
Deferred stripping costs	57,899,708	7,936,884	9,940,321	-	-	-
Property, plant and equipment	172,128,800	181,599,647	102,529,077	105,642	114,448	134,882
Investment property	-	-	542,572	-	-	-
Deferred tax assets	3,420,792	3,747,651	3,347,593	11,954	11,272	263,418
Other non-current asset	153,698	153,698	143,263	153,698	153,698	143,263
Total non-current assets	**282,494,156**	**203,577,290**	**121,570,590**	**189,398,319**	**186,248,701**	**98,647,974**
Total assets	**548,582,719**	**549,947,396**	**309,074,176**	**276,788,771**	**272,154,499**	**226,919,588**
LIABILITIES AND EQUITY						
Current liabilities						
Trade and other payables	74,364,428	92,180,890	106,899,123	151,264,683	166,423,237	65,929,218
Current portion of finance leases	152,325	110,273	14,718	18,598	17,825	14,718
Financial guarantee liability	-	-	-	1,576,536	1,576,536	-
Income tax payable	2,137,945	11,842,792	7,447,250	1,162,081	573,950	-
Total current liabilities	**76,654,698**	**104,133,955**	**114,361,091**	**154,021,898**	**168,591,548**	**65,943,936**
Non-current liabilities						
Other payables	2,185,207	-	-	-	-	-
Finance leases	89,451	156,880	43,887	13,396	30,601	43,887
Notes payable	290,523,353	288,028,289	68,675,591	-	-	68,675,591
Provisions	1,753,433	1,707,800	1,335,862	105,540	101,131	90,350
Financial guarantee liability	-	-	-	4,353,831	5,930,367	-
Deferred tax liabilities	3,273,809	1,474,264	-	-	-	-
Total non-current liabilities	**297,825,253**	**291,367,233**	**70,055,340**	**4,472,767**	**6,062,099**	**68,809,828**
Capital, reserves and non-controlling interests						
Share capital	106,513,187	95,069,461	89,670,842	106,513,187	95,069,461	89,670,842
Capital and other reserves	2,019,246	871,762	316,251	4,265,302	495,570	-
Translation reserve	4,865,233	5,373,471	-	4,464,506	4,464,506	-
Retained earnings	60,524,888	51,819,138	34,448,969	3,051,111	(2,528,685)	2,494,982
Equity attributable to owners of the Company	**173,922,554**	**153,133,832**	**124,436,062**	**118,294,106**	**97,500,852**	**92,165,824**
Non-controlling interests	180,214	1,312,376	221,683	-	-	-
Total equity	**174,102,768**	**154,446,208**	**124,657,745**	**118,294,106**	**97,500,852**	**92,165,824**
Total liabilities and equity	**548,582,719**	**549,947,396**	**309,074,176**	**276,788,771**	**272,154,499**	**226,919,588**

Note:

The Group's and Company's opening statement of financial position as at 1 January 2017 are restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)s"). Please refer to paragraph 5 for the details on the financial impact from the adoption of SFRS(I)s.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	Group					
	31.12.2018 US$ Secured (Unaudited)	**31.12.2018 US$ Unsecured (Unaudited)**	**31.12.2017 US$ Secured (Restated)**	**31.12.2017 US$ Unsecured (Restated)**	**1.1.2017 US$ Secured (Restated)**	**1.1.2017 US$ Unsecured (Restated)**
Amount repayable in one year or less, or on demand	152,325	-	110,273	-	14,718	-
Amount repayable after one year	89,451	290,523,353	156,880	288,028,289	43,887	68,675,591
	241,776	**290,523,353**	**267,153**	**288,028,289**	**58,605**	**68,675,591**

Details of any collateral and security:

As at 31 December 2018, the Group's finance lease liabilities are secured by the leased assets, motor vehicles.

On 4 October 2017, the Company's subsidiary, Geo Coal International Pte. Ltd. ("GCI") issued US$300 million in aggregate amount of 8.0% Senior Notes due 2022. The proceeds of which was used to redeem the Medium-Term Notes of S$100 million due in January 2018, and the remainder will be used to make potential acquisitions of coal mining assets and for working capital purposes. The Senior Notes are listed on the SGX. They are unsecured and guaranteed by the Company and certain subsidiaries of the Group ("Financial Guarantees"). The Financial Guarantees are effectively subordinated to secure obligations of each guarantor, to the extent of the value of assets serving as security. As at 31 December 2018, the Company recognised the fair value of its Financial Guarantee of US$7,887,000 on the statement of financial position as deemed investment in a subsidiary. Amortisation of the financial guarantee liability amounted to US$1,576,536 was credited to the Company's profit or loss during the financial year ended 31 December 2018.

Please refer to the relevant announcements.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		Group	
	3 months ended 31.12.2018 US$ (Unaudited)	**3 months ended 31.12.2017 US$ (Unaudited)**	**12 months ended 31.12.2018 US$ (Unaudited)**	**12 months ended 31.12.2017 US$ (Audited)**
Operating activities				
(Loss) profit before income tax	**(2,350,885)**	**5,411,719**	**28,794,391**	**52,263,800**
Adjustments for:				
Depreciation of property, plant and equipment	2,829,052	5,199,449	11,909,782	16,206,411
Amortisation of deferred stripping costs	639,101	565,085	1,738,309	2,003,437
Loss (gain) on disposal of property, plant and equipment	2,478	(17,918)	8,433	(35,444)
Loss on financial asset carried at amortised cost	-	131,272	577,564	131,272
Bad debt written-off	-	745,624	-	746,331
Share-based payment expense	108,937	495,570	433,698	495,570
Allowance for inventory written-down value	193,069	748,703	193,069	748,703
Loss on early redemption of Medium Term Note	-	104,030	-	104,030
Amortisation of transaction costs of Senior Notes	(2,296,848)	1,743,701	2,468,792	1,743,701
Interest expense	6,016,931	6,993,923	24,068,278	10,887,145
Interest income	(705,353)	(1,266,221)	(4,561,358)	(1,538,591)
Retirement benefit obligations	33,970	(206,454)	392,104	26,024
Net foreign exchange loss (gains)	1,266,093	(528,128)	(424,285)	2,234,379
Operating cash flows before movements in working capital:	**5,736,545**	**20,120,355**	**65,598,777**	**86,016,768**
Trade and other receivables	(9,974,758)	(17,102,585)	4,877,736	(14,873,796)
Deposits and prepayments	2,828,238	11,134,782	(20,704,029)	(14,564,695)
Inventories	(1,521,963)	868,887	(4,913,184)	1,257,833
Trade and other payables	19,546,104	10,401,677	(34,389,733)	(1,573,542)
Cash generated from operations	**16,614,166**	**25,423,116**	**10,469,567**	**56,262,568**

	Group		Group	
	3 months ended 31.12.2018 US$ (Unaudited)	**3 months ended 31.12.2017 US$ (Unaudited)**	**12 months ended 31.12.2018 US$ (Unaudited)**	**12 months ended 31.12.2017 US$ (Audited)**
Income tax paid	-	(1,678,264)	(18,477,557)	(10,079,831)
Income tax refund	-	-	-	114,387
Retirement benefit obligation paid	(49,403)	(3,003)	(49,403)	(3,003)
Net cash from (used in) operating activities	**16,564,763**	**23,741,849**	**(8,057,393)**	**46,294,121**
Investing activities				
Interest received	390,250	1,307,492	3,990,367	1,489,898
Acquisition of subsidiaries	-	-	-	18,696
Addition to deferred stripping costs	(25,261,530)	-	(36,113,352)	-
Reversal of deferred expenditure	63,674	-	-	-
Advance payments for purchase of property, plant and equipment	(57,289)	(17,141)	(523,584)	(37,941)
Deferred payment for acquisition of property, plant and equipment	-	-	-	(4,482,388)
Purchase of property, plant and equipment	(2,577,805)	(233,608)	(3,931,425)	(30,349,909)
Proceeds from disposal of property, plant and equipment	228	36,590	42,835	131,783
Net cash (used in) from investing activities	**(27,442,472)**	**1,093,333**	**(36,535,159)**	**(33,229,861)**
Financing activities				
(Increase) decrease in deposits pledged	(400,000)	2,788,869	(2,091,983)	2,620,114
(Increase) decrease in restricted cash deposits	(31,722)	(2,059,315)	510,081	(3,555,818)
Interest paid	(12,004,418)	(1,783,090)	(24,018,081)	(6,800,052)
Dividend paid	-	(9,836,995)	(9,651,297)	(18,599,684)
Proceeds from issuance of Senior Notes, net of transaction costs	-	287,284,267	-	287,284,267
Early redemption of Medium Term Note	-	(74,250,074)	-	(74,250,074)
Repayment of obligations under finance leases	(35,460)	(27,031)	(148,872)	(81,256)
Proceeds from issue of shares	14,779,760	-	14,779,760	-
Net cash from (used in) financing activities	**2,308,160**	**202,116,631**	**(20,620,392)**	**186,617,497**
Net (decrease) increase in cash and cash equivalents	**(8,569,549)**	**226,951,813**	**(65,212,944)**	**199,681,757**
Cash and cash equivalents at beginning of the period/year	205,666,619	35,510,272	262,462,723	62,761,457
Effect of exchange rate changes on the balance held in foreign currencies	93,332	638	(59,377)	19,509
Cash and cash equivalents at end of the period/year (Note A)	**197,190,402**	**262,462,723**	**197,190,402**	**262,462,723**

Note A

Cash on hand and at banks	39,190,402	262,462,723	39,190,402	262,462,723
Deposits	163,400,000	3,308,017	163,400,000	3,308,017
Cash and bank balances	202,590,402	265,770,740	202,590,402	265,770,740
Restricted cash deposits (non-current)	3,435,846	4,146,072	3,435,846	4,146,072
	206,026,248	269,916,812	206,026,248	269,916,812
Less: Deposits pledged	(5,400,000)	(3,308,017)	(5,400,000)	(3,308,017)
Less: Restricted cash deposits (non-current)	(3,435,846)	(4,146,072)	(3,435,846)	(4,146,072)
Cash and cash equivalents	**197,190,402**	262,462,723	**197,190,402**	262,462,723

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	**Share capital US$**	**Capital and other reserves US$**	**Translation reserve US$**	**Retained earnings US$**	**Equity attributable to owners of the Company US$**	**Non-controlling interests US$**	**Total US$**
At 1.1.2018 As restated	**95,069,461**	**871,762**	**(12,858,989)**	**70,051,598**	**153,133,832**	**1,312,376**	**154,446,208**
Effects of adopting SFRS(I) 1	-	-	18,232,460	(18,232,460)	-	-	-
At 1.1.2018 As restated	**95,069,461**	**871,762**	**5,373,471**	**51,819,138**	**153,133,832**	**1,312,376**	**154,446,208**
Profit for the period	-	-	-	23,053,344	23,053,344	(23,174)	23,030,170
Other comprehensive income for the period	-	-	(2,069,249)	(533)	(2,069,782)	10,346	(2,059,436)
Transactions with owners, recognised directly in equity:							
Deemed capital contribution**	-	324,761	-	-	324,761	-	324,761
Dividend	-	-	-	(9,651,297)	(9,651,297)	-	(9,651,297)
Effects of disposal of a subsidiary	-	-	-	-	-	(1,123,511)	(1,123,511)
At 30.9.2018 As restated	**95,069,461**	**1,196,523**	**3,304,222**	**65,220,652**	**164,790,858**	**176,037**	**164,966,895**
Loss for the period	-	-	-	(5,032,807)	(5,032,807)	4,010	(5,028,797)
Other comprehensive income for the period	-	-	1,561,011	337,043	1,898,054	167	1,898,221
Transactions with owners, recognised directly in equity:							
Issue of share capital	11,443,726	-	-	-	11,443,726	-	11,443,726
Issue of warrants	-	713,786	-	-	713,786	-	713,786
Deemed capital contribution**	-	108,937	-	-	108,937	-	108,937
At 31.12.2018 (unaudited)	**106,513,187**	**2,019,246**	**4,865,233**	**60,524,888**	**173,922,554**	**180,214**	**174,102,768**

Group	Share capital US$	Capital and other reserve US$	Translation reserve US$	Retained earnings US$	Equity attributable to owners of the Company US$	Non-controlling interests US$	Total US$
At 1.1.2017 (audited)	**89,670,842**	**316,251**	**(18,232,460)**	**52,681,429**	**124,436,062**	**221,683**	**124,657,745**
Effects of adopting SFRS(I) 1	-	-	18,232,460	(18,232,460)	-	-	-
At 1.1.2017 As restated	**89,670,842**	**316,251**	**-**	**34,448,969**	**124,436,062**	**221,683**	**124,657,745**
Profit for the period	-	-	-	33,243,108	33,243,108	10,397	33,253,505
Other comprehensive income for the period	-	-	(2,134,996)	-	(2,134,996)	(10,740)	(2,145,736)
Transactions with owners, recognised directly in equity:							
Effects of acquisitions of subsidiaries	-	59,941	-	-	59,941	-	59,941
Issue of share capital	13,000,000	-	-	-	13,000,000	-	13,000,000
Dividend	-	-	-	(8,762,689)	(8,762,689)	-	(8,762,689)
Non-controlling interests arising from acquisition of subsidiaries	-	-	-	-	-	1,123,586	1,123,586
At 30.9.2017 As restated	**102,670,842**	**376,192**	**(2,134,996)**	**58,929,388**	**159,841,426**	**1,344,926**	**161,186,352**
Profit for the period	-	-	-	3,442,679	3,442,679	(18,447)	3,424,232
Other comprehensive income for the period	-	-	(92,914)	(715,934)	(808,848)	(14,103)	(822,951)
Effects of change in functional currency	(7,601,381)	-	7,601,381	-	-	-	-
Transactions with owners, recognised directly in equity:							
Dividend	-	-	-	(9,836,995)	(9,836,995)	-	(9,836,995)
Deemed capital contribution**	-	495,570	-	-	495,570	-	495,570
At 31.12.2017 (unaudited)	**95,069,461**	**871,762**	**5,373,471**	**51,819,138**	**153,133,832**	**1,312,376**	**154,446,208**

Company	Share capital US$	Capital and other reserves US$	Translation reserve US$	Retained earnings US$	Total US$
At 1.1.2018 (as restated)	**95,069,461**	**495,570**	**4,464,506**	**(2,528,685)**	**97,500,852**
Profit for the period	-	-	-	10,145,733	10,145,733
Transactions with owners, recognised directly in equity:					
Deemed capital contribution**	-	324,761	-	-	324,761
Dividend	-	-	-	(9,651,297)	(9,651,297)
At 30.9.2018 (unaudited)	**95,069,461**	**820,331**	**4,464,506**	**(2,034,249)**	**98,320,049**
Profit for the period	-	-	-	5,085,360	5,085,360
Transactions with owners, recognised directly in equity:					
Issue of share capital	11,443,726	-	-	-	11,443,726
Issue of warrants	-	3,336,034	-	-	3,336,034
Deemed capital contribution**	-	108,937	-	-	108,937
At 31.12.2018 (unaudited)	**106,513,187**	**4,265,302**	**4,464,506**	**3,051,111**	**118,294,106**
At 1.1.2017 (audited)	**89,670,842**	**-**	**(4,464,506)**	**6,959,488**	**92,165,824**
Effects of adopting SFRS(I) 1	-	-	4,464,506	(4,464,506)	-
At 1.1.2017 as restated	**89,670,842**	**-**	**-**	**2,494,982**	**92,165,824**
Profit for the period	-	-	-	14,050,179	14,050,179
Other comprehensive income for the period	-	-	(1,984,075)	-	(1,984,075)
Transactions with owners, recognised directly in equity:					
Issue of share capital	13,000,000	-	-	-	13,000,000
Dividend	-	-	-	(8,762,689)	(8,762,689)
At 30.9.2017 as restated	**102,670,842**	**-**	**(1,984,075)**	**7,782,472**	**108,469,239**
Loss for the period	-	-	-	(474,162)	(474,162)
Other comprehensive income for the period	-	-	(1,152,800)	-	(1,152,800)
Effect of change in functional currency	(7,601,381)	-	7,601,381	-	-
Transactions with owners, recognised directly in equity:					
Deemed capital contribution**	-	495,570	-	-	495,570
Dividend	-	-	-	(9,836,995)	(9,836,995)
At 31.12.2017 as restated	**95,069,461**	**495,570**	**4,464,506**	**(2,528,685)**	**97,500,852**

** Other reserve pertains to deemed capital contribution by Master Resources International Limited ("MRIL"), the substantial shareholder of the Company for issuance of shares to a director (and the Chief Executive Officer) of the Company, as share-based payment.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

As at 31 December 2018, the Company's share capital comprised 1,399,273,113 shares (30 September 2018: 1,329,273,113 shares). There were no outstanding convertibles or treasury shares as at 31 December 2018 and 31 December 2017.

On 19 November 2018, the Company issued 74,000,000 non-listed, transferable, free warrants exercisable within two years from the date of issue, with each warrant carrying the right to subscribe for one ordinary share in the Company at an exercise price of S$0.33 per share. As at 31 December 2018, no warrant was exercised.

On 11 January 2019, the Group has announced the grant of share options pursuant to the Geo Energy share option scheme. A total of 24,850,000 options was granted at the exercise price of S$0.19 per share. The vesting period of the options commences after the first anniversary from the date of the grant.

Please refer to relevant announcements.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31.12.2018	**31.12.2017**
Total number of issued shares (excluding treasury shares)	1,399,273,113	1,329,273,113

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. Our Company does not hold any treasury shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by our Company's auditors, unless otherwise stated.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those of the audited financial statements for the year ended 31 December 2017.

5. If there are any changes in accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted a new financial reporting framework, and has prepared its financial information under SFRS(I)s for the year ended 31 December 2018.

In adopting SFRS(I)s, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group's and Company's opening statement of financial position under SFRS(I)s has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I)s. The Group has elected for the optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition at 1 January 2017. As a result, cumulative translation losses of US$18,232,460 was reclassified from foreign exchange translation account to retained earnings as at 1 January 2017. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

Other than as disclosed above, the adoption of SFRS(I)s will have no material impact on the Group's financial statements in this year of initial application.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividend

	Group		Group	
	3 months ended 31.12.2018 (Unaudited)	**3 months ended 31.12.2017 (Unaudited)**	**12 months ended 31.12.2018 (Unaudited)**	**12 months ended 31.12.2017 (Audited)**
Earnings per share ("EPS")				
Earnings for computing EPS (US$)	(5,032,807)	3,442,679	18,020,537	36,685,787
Weighted average number of ordinary shares [(1)]	1,361,990,504	1,329,273,113	1,337,519,688	1,273,818,318
Basic and diluted EPS based on weighted average number of ordinary shares (US cent) [(2)]	(0.37)	0.26	1.35	2.88
Basic and diluted EPS based on weighted average number of ordinary shares (SG cent) [(3)]	(0.50)	0.35	1.84	3.85

(1) The calculation for the basic and diluted EPS is based on the weighted average number of ordinary shares in issue during the respective financial period or year.

(2) The basic and diluted EPS were the same, as the warrants issued by the Group only have a dilutive effect when the average market price of ordinary shares during the period exceeds the exercise price of the warrants.

(3) Numbers were translated using the 31 December 2018 and 2017 US$:S$ exchange rates of 1.3657 and 1.3369 respectively.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31.12.2018 (Unaudited)	**31.12.2017 (Audited)**	**31.12.2018 (Unaudited)**	**31.12.2017 (Audited)**
Net asset value (US$)	173,922,554	153,133,832	118,294,106	97,500,852
Number of issued shares	1,399,273,113	1,329,273,113	1,399,273,113	1,329,273,113
Net asset value per ordinary share (US cent)	12.43	11.52	8.45	7.33
Net asset value per ordinary share (SG cent) [(1)]	16.97	15.40	11.55	9.80

(1) Numbers were translated using the 31 December 2018 and 2017 US$:S$ exchange rates of 1.3657 and 1.3369 respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

8.1 Income Statement

	Group		Group	
	3 months ended 31.12.2018 (Unaudited)	**3 months ended 31.12.2017 (Unaudited)**	**12 months ended 31.12.2018 (Unaudited)**	**12 months ended 31.12.2017 (Audited)**
Revenue				
Sales Volume (million tonnes)	1.6	2.2	7.1	7.7
- SDJ	1.3	2.1	6.7	7.6
- TBR	0.3	-	0.4	-
- BEK	-	0.1	-	0.1
Average Indonesian Coal Index Price (US$/tonne)	33.48	45.69	41.96	42.91
Average Selling Price (US$/tonne)	35.16	42.40	42.08	40.29
Production				
Production Volume (million tonnes)	1.9	2.1	7.9	7.3
- SDJ	1.4	2.1	7.0	7.3
- TBR	0.5	-	0.9	-
Strip Ratio (times)				
- SDJ	1.4	4.6	2.9	3.7
- TBR	1.1	-	2.4	-
Production Cash Cost (US$/tonne)	29.59	29.97	30.80	27.55
Cash Profit (US$/tonne)	**5.57**	**12.43**	**11.28**	**12.74**

Financial performance (4Q2018 vs. 4Q2017)

Revenue decreased by US$36.6 million to US$56.2 million due to lower volume of coal sold and decrease in the average Indonesian Coal Index Price ("ICI") in 4Q2018 compared to 4Q2017.

The Group sold 1.3 million tonnes of 4,200 GAR coal from the SDJ coal mine and another 0.3 million tonnes from the TBR coal mine, totalling 1.6 million tonnes of coal sold during the quarter. This is comparable with the quantity sold in 3Q2018 and a decrease from the 2.2 million tonnes sold in 4Q2017. The Group adjusted to a lower coal production and sales volume due to weaker coal prices.

The average ICI price for 4,200 GAR coal was US$33.48 per tonne in 4Q2018, down from US$41.50 per tonne in 3Q2018 and US$45.69 in 4Q2017. The steep fall in prices in November was largely driven by policies in China restricting imports of seaborne thermal coal in November and December 2018. The Group recorded an Average Selling Price ("ASP") of US$35.16 per tonne for 4Q2018, lower than US$42.40 per tonne in 4Q2017. The higher ASP compared to the ICI price was due to our pricing based on the average index prices of 3 and 4 weeks prior to laycan shipment date.

Gross profit was lower at US$6.4 million compared to US$18.0 million in 4Q2017. This was mainly due to lower ASP and the lower sales volume in the quarter, offset by the lower production cash costs in 4Q2018 at US$29.59 per tonne compared to US$29.97 per tonne in 4Q2017.

The average stripping ratio for SDJ coal mine improved in 4Q2018. The stripping ratio decreased from 3.0 in 3Q2018 and 4.6 in 4Q2017 to 1.4 in 4Q2018. Overall, average stripping ratio at the SDJ coal mine was 2.9 in 2018, compared to 3.7 in 2017.

The stripping ratio for TBR coal mine decreased from 3.6 in 3Q2018 to 1.1 in 4Q2018. The average stripping ratio for TBR coal mine was 2.4 in 2018.

Cash profit for coal mining averaged of US$5.57 in 4Q2018 per tonne compared to an average of US$12.76 per tonne in 3Q2018 and US$12.43 per tonne in 4Q2017. The lower cash profit was mainly due the lower ASP caused by lower ICI price in the quarter.

Group (All figures in US$'000 except as indicated)	**Coal mining**	**Coal trading**	**Coal mining management services**	**Total**
3 months ended 31.12.2018 (unaudited)				
Volume (tonnes)	1,599,494	-	-	1,599,494
Revenue	56,246	-	-	56,246
Cost of sales	(49,879)	-	-	(49,879)
Gross profit	6,367	-	-	6,367
Non-cash items:				
Depreciation & amortisation	2,342	-	-	2,342
Allowance for inventory written-down value	193	-	-	193
Cash profit	**8,902**	**-**	**-**	**8,902**
3 months ended 30.9.2018 (unaudited)				
Volume (tonnes)	1,593,166	-	-	1,593,166
Revenue	69,264	-	-	69,264
Cost of sales	(52,057)	-	-	(52,057)
Gross profit	17,207	-	-	17,207
Non-cash items:				
Depreciation & amortisation	3,124	-	-	3,124
Cash profit	**20,331**	**-**	**-**	**20,331**
3 months ended 31.12.2017 (unaudited)				
Volume (tonnes)	2,158,308	-	-	2,158,308
Revenue	91,513	-	1,314	92,827
Cost of sales	(74,174)	-	(696)	(74,870)
Gross profit	17,339	-	618	17,957
Non-cash items:				
Depreciation & amortisation	5,626	-	-	5,626
Allowance for inventory written-down value	749	-	-	749
	23,714	-	618	24,332
Adjusted for:				
One-off additional assessment on mining royalties	3,118	-	-	3,118
Cash profit	**26,832**	**-**	**618**	**27,450**

The Group's coal mining management service and coal trading with PT Angsana Jaya Energi ("AJE"), a holder of coal mining concession for an area that is adjacent to SDJ and TBR coal mines, was completed in 1Q2018 and the Group has yet to sign any new coal mining management services or coal trading with other parties.

Loss before income tax of US$2.4 million includes:

- Other income of US$0.7 million. The decrease of US$1.1 million was mainly due to lower interest income earned from the lower yield and amount placed in the short term investments and deposits;

- General and administrative expenses of US$4.5 million. The increase of US$0.7 million was mainly due to higher professional fees incurred, offset by lower staff costs and share-based payments expense;

- Other expenses of US$1.2 million. The decrease of US$0.5 million was mainly due to bad debt written-off in 4Q2017. There were no similar occurrences during the period.

- Finance costs of US$3.7 million. The decrease of US$5.1 million was mainly due to the absence of the additional costs incurred in 2017 due to the early redemption of the Medium Term Note and adjustment on the amortisation of transaction costs; and

- Depreciation and amortisation of US$3.5 million. The decrease of US$2.3 million was mainly due to lower volume of coal production and sales in the quarter.

Income tax expense amounted to US$2.7 million. This was mainly due to non-deductible expenses, mainly depreciation of mining properties and amortisation of transaction costs of Senior Notes.

Overall, the Group incurred a loss of US$5.0 million for the period, mainly due the lower volume sold, lower ASP and other income, and higher general and administrative costs. This was partially offset by lower production, other expenses and finance costs.

Financial performance (2018 vs. 2017)

Revenue decreased by US$17.1 million to US$299.2 million in 2018, mainly due to a lower sales volume. The Group sold 6.7 million tonnes of coal from the SDJ coal mine and 0.4 million tonnes of coal for the TBR coal mine, totalling 7.1 million tonnes of coal sold in 2018. This was lower than the 7.7 million tonnes sold in 2017. ASP of coal was US$42.08 per tonne in 2018 against US$40.29 per tonne in 2017.

Gross profit was US$66.8 million. Excluding non-cash items mentioned below, the Group's cash profit was US$80.3 million, of which US$80.1 million was contributed by the coal mining.

Cash profit for coal mining was US$11.28 per tonne in 2018 as compared with US$12.74 per tonne in 2017, mainly due to increased cost of production linked to higher coal prices in the first 9 months of 2018.

Group (All figures in US$'000 except as indicated)	**Coal mining**	**Coal trading**	**Coal mining management services**	**Total**
Year ended 31.12.2018 (unaudited)				
Volume (tonnes)	7,099,034	-	-	7,099,034
Revenue	298,755	-	487	299,242
Cost of sales	(232,135)	-	(264)	(232,399)
Gross profit	66,620	-	223	66,843
Non-cash items:				
Depreciation & amortisation	13,237	-	-	13,237
Allowance for inventory written-down value	193	-	-	193
Cash profit	**80,050**	-	223	**80,273**
Year ended 31.12 2017 (audited)				
Volume (tonnes)	7,717,407	52,250	-	7,769,657
Revenue	310,919	2,097	3,287	316,303
Cost of sales	(234,090)	(2,045)	(1,747)	(237,882)
Gross profit	76,829	52	1,540	78,421
Non-cash items:				
Depreciation & amortisation	17,644	-	-	17,644
Allowance for inventory written-down value	749	-	-	749
	95,222	52	1,540	96,814
Adjusted for:				
One-off additional assessment on mining royalties	3,118	-	-	3,118
Cash profit	**98,340**	**52**	**1,540**	**99,932**

Profit before income tax of US$28.8 million includes:

- Other income of US$5.3 million. The increase of US$1.8 million was mainly due to higher interest income earned on short term investments and deposits from undeployed cash;

- General and administrative expenses of US$12.5 million. The Group has successfully controlled and maintained its expenses. Slight increase of US$0.9 million was mainly due to increase in the number of staff for starting the new TBR coal mine and professional fees, partially offset by lower bank charges incurred;

- Other expenses of US$4.3 million. These comprised mainly corporate social responsibility expenses of US$1.1 million and forex loss of US$2.6 million arising from the translation of Rupiah advance payments for the provision of integrated coal mining support and infrastructure services from the SDJ and TBR coal mines. The decrease of US$1.1 million was mainly due to one-off bad debt written-off and additional assessment on mining royalties in 2017, offset by increase in forex loss;

- Finance costs of US$26.5 million. The increase of US$13.8 million was mainly due to higher interest expense on the Senior Notes as compared to the Medium Term Note that was redeemed on 13 October 2017; and

- Depreciation and amortisation of US$13.6 million. The decrease of US$4.6 million was mainly due to lower volume of coal production and sales in the year.

Income tax expense decreased by US$4.8 million in 2018, in line with the decrease in the Group's profit before tax. Effective tax rate was higher at 37% due to certain non-deductible expenses (mainly depreciation of mining properties and amortisation of transaction costs of Senior Notes) and under-accrual of tax arising from tax assessments received.

The Group's **profit for the year** decreased by US$18.7 million, mainly due to lower coal sales volume, higher general and administrative expenses and higher finance costs, which were partially offset by higher ASP, higher other income, lower other expenses and lower income tax expense. Overall, the Group's underlying net profit for 2018 was US$36.5 million (2017: US$47.6 million).

Underlying net profit and underlying EBITDA [1]

In order to provide additional insight and understanding of the performance of the Group, the following sets out the underlying net profit and underlying EBITDA. The differences between profit, underlying net profit and underlying EBITDA are as below:

Group (All figures in US$'000 except as indicated)	**4Q2018** **US$'000**	**4Q2017** **US$'000**	**2018** **US$'000**	**2017** **US$'000**
(Loss) profit for the period/year	**(5,029)**	3,424	**18,001**	36,678
Items excluded from (loss) profit:				
Impairment charges	**193**	1,308	**193**	1,308
Additional assessment on prior year's mining royalties	**-**	3,602	**-**	3,602
Share-based payment expense	**109**	496	**434**	496
Increased finance cost due to issuance of Senior Notes in 4Q2017 (net of tax)	**2,119**	5,913	**17,827**	5,473
Underlying net (loss) profit for the period/year	**(2,608)**	14,743	**36,455**	47,557
Net interest expense	**896**	1,663	**4,149**	5,724
Depreciation and amortisation	**3,468**	5,765	**13,648**	18,210
Income tax	**3,112**	600	**14,444**	14,198
Underlying EBITDA for the period/year	**4,868**	22,771	**68,696**	85,689

(1) EBITDA represents earnings before tax, interests, depreciation and amortisation.

8.2 Financial Position

Group

Current Assets
Current assets decreased by US$80.3 million to US$266.1 million as at 31 December 2018.

Cash and bank balances decreased by US$63.2 million to US$202.6 million as at 31 December 2018, mainly due to advance payment in relation to the agreement the Group entered with third parties for the provision of integrated coal mining support and infrastructure services from the SDJ and TBR coal mines, dividend payment, other payments for operating expenses and tax, offset by receipts from coal sales.

Trade and other receivables of US$25.0 million as at 31 December 2018 comprise mainly trade receivables of US$15.2 million and non-trade receivables of US$9.8 million. The decrease of US$25.8 million from US$50.9 million as of 31 December 2018 was mainly due to receipt from coal sales and lower sales in the 4Q2018, and the reclassification of certain trade and other receivables of US$20.2 to non-current receivables in 2018.

Deposits and prepayments increased by US$1.6 million to US$23.6 million as at 31 December 2018 mainly due to the advance payment made to third parties for the provision of integrated coal mining support and infrastructure services.

Inventory increased by US$7.1 million to US$14.8 million as at 31 December 2018 due to coal stockpiled at the TBR coal mine (which commenced operation in 2Q2018) and higher production costs in 2018 as compared to 2017.

Non-current Assets
Non-current assets increased by US$78.9 million to US$282.5 million as at 31 December 2018, mainly due to increases in deferred stripping costs by US$50.0 million (pre-stripping cost upon commencement of production at the TBR coal mine), deposits and prepayments by US$19.2 million (due to abovementioned advance payment for provision of integrated coal mining support and infrastructure services), and the reclassification of certain trade and other receivables of US$20.2 from current receivables in 2018. These were partially offset by decreases in property, plant and equipment ("PPE") by US$9.5 million (mainly due to depreciation), restricted cash deposits by US$0.7 million and deferred tax assets ("DTA") by US$0.3 million.

Current Liabilities
Current liabilities decreased by US$27.5 million to US$76.7 million as at 31 December 2018, mainly due to decreases in trade and other payables by US$17.8 million and income tax payable by US$9.7 million. Decrease in trade and other payables was mainly due to the decreases in advance from customers, other payables and deposit received. These were partially offset by increases in trade payables, accrued interest on Senior Notes and accruals, and the recognition of the current portion of the deferred gain of US$0.5 million from the issuance of new ordinary shares and warrants in connection with the Offtake of TBR coal mine with Macquarie.

Non-current Liabilities
Non-current liabilities increased by US$6.5 million to US$297.8 million as at 31 December 2018, mainly due to the higher interests accrued on the Senior Notes by US$2.5 million, increase in deferred tax liability by US$1.8 million and the recognition of the non-current portion of deferred gain of US$2.2 million from the issuance of new ordinary shares and warrants in connection with the Offtake of TBR coal mine with Macquarie.

Contingent Liability
In 2016, some subsidiaries were audited by Indonesian Tax Office ("ITO"). ITO assessed an underpayment of tax expenses of approximately US$3.9 million (IDR53 billion) in respect of a subsidiary for capitalisation of an intercompany loan as equity.

Management has sought advice from professional tax consultants and legal firm in Jakarta, Indonesia. Closing Statements with our point of view had been submitted to the Court of Appeal in July 2018. Final decision is expected to be received within the next 12 months. No provision has been recognised in the financial statements as the Group does not consider that there is any probable loss.

Financial Guarantee
As at 31 December 2018, the Company and some subsidiaries have issued corporate guarantees to bondholders for Senior Notes issued by a subsidiary of US$300,000,000 (2017: US$300,000,000).

Company

Current Assets
Current assets increased by US$1.5 million to US$87.4 million as at 31 December 2018, mainly due to decrease in cash and bank balances by US$11.6 million (mainly due to dividend payment of US$9.7 million) and the reclassification of certain other receivable of US$3.1 to non-current receivables in 2018. These are offset by increases in deposits and prepayments by US$0.8 million and intercompany receivables by US$12.4 million.

Current assets of US$87.4 million as at 31 December 2018 mainly comprised cash and bank balances of US$28.9 million, intercompany receivables of US$57.5 million and deposits and prepayments of US$1.0 million.

Non-current Assets
Non-current assets mainly comprised investment in subsidiaries of US$185.9 million, same as 2017, and the reclassification of certain other receivable of US$3.1 from current receivables in 2018.

Current Liabilities
Current liabilities decreased by US$14.6 million to US$154.0 million as at 31 December 2018. This was mainly due to repayment of US$3.0 million deposit received from a mining contractor, decreases in accruals by US$0.2 million and intercompany payables by US$12.4 million. These are partially offset by increases in other payables of US$0.5 million and income tax payable of US$0.6 million.

Net current Liabilities
Net current liabilities were negative US$66.6 million, mainly due to the decrease in cash and bank balances and the recognition of deferred gain from the issuance of new ordinary shares and warrants. Based on the Group's current financial performance and financial position as at 31 December 2018 with a total cash of US$202.6 million and positive working capital of US$189.4 million, the Company will be able to pay its debt as and when they fall due.

Non-current Liabilities
Non-current liabilities as at 31 December 2018 comprise financial guarantee liability, provisions and finance leases. The decrease of US$1.6 million to US$4.5 million, was mainly due to the amortisation of financial guarantee liability of US$1.6 million to the profit and loss as deemed guarantee income.

8.3 Cash Flow

<u>Group</u>

Cash Flow (4Q2018 vs. 4Q2017)

Net cash from operating activities was US$16.6 million. Operating cash flows before movements in working capital was an inflow of US$5.7 million, mainly due to the Group's operating profit. Less cash was used in working capital in 4Q2018 compared to 4Q2017 due to less settlement of trade and other payables.

Working Capital
Movement in working capital was positive, generating cash of US$10.9 million in 4Q2018. This was mainly due to less payment to suppliers and receipts from customers. Net cash from operating activities were lower by US$7.2 million compared to 4Q2017 due to lower volume of coal sales in the quarter. In 4Q2017, the Group received US$40 million offtake prepayment from ECTP, which was repaid in 2018. In 4Q2018, the Group received US$25 million offtake prepayment from Macquarie.

Net cash used in investing activities of US$27.4 million was mainly due to addition to deferred stripping costs of US$25.3 million following the commencement of TBR coal mine operation and purchase of PPE of US$2.6 million. These were partially offset by interest received of US$0.4 million.

Net cash from financing activities was due to the proceeds received from the issuance of new ordinary shares of US$14.8 million to Macquarie offset by the payment of Senior Note interest of U$12.0 million and increase of US$0.4 million in deposits pledged.

Overall, total cash and cash equivalent as of 31 December 2018 was US$197.2 million, excluding the pledged deposits of US$5.4 million.

Cash Flow (2018 vs. 2017)

Net cash used in operating activities was US$8.1 million. Operating cash flows before movements in working capital was an inflow of US$65.6 million, mainly due to the Group's operating profit. The Group's cash generated from operations decreased from net cash inflow of US$56.3 million in 2017 to US$10.5 million in 2018.

Working Capital
Movement in working capital was negative, representing cash outflow of US$55.1 million in 2018. This was mainly due to repayment of offtake prepayment from ECTP (US$40 million), settlement of trade payables (mainly to our mining contractor, BUMA) and repayment of refundable deposit (US$3 million). Deposits and prepayments of US$20.7 million was due to advance payment for provision of integrated coal mining support and infrastructure services from the SDJ and TBR coal mines.

The Group paid US$18.5 million of corporate taxes in Indonesia and Singapore during the year.

Net cash used in investing activities of US$36.5 million was mainly due to addition to deferred stripping costs of US$36.1 million following the commencement of TBR coal mine operation and purchase of PPE of US$3.9 million. These were partially offset by interest received of US$4.0 million.

Net cash used in financing activities of US$20.6 million was mainly due to payment for Senior Notes interest of US$24.0 million, dividend payment of US$9.7 million and increase in deposits pledged of US$2.1 million, offset by the proceeds received from the issuance of new ordinary shares of US$14.8 million and the decrease in restricted cash deposits by US$0.5 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group had previously indicated a planned production and sales of 8-9 million tonnes, which was revised previously for the delay in the start of production of the TBR coal mine during the year.

The Group had also reduced the coal production volume with the weakening of coal prices in 4Q2018, achieving a total of 7.1 million tonnes for 2018, which is approximately 89% of the Group's 2018 planned production.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The average ICI price for 4,200 GAR coal underwent a period of volatility in 2018, with coal prices hitting a high of US$51.04 per tonne in 23 February 2018 and fell as low as US$28.85 per tonne on 30 November 2018. For the 3 months ended 31 December 2018, the average ICI price for 4,200 GAR coal was at US$33.48 per tonne, a decrease of US$8.02 per tonne as compared to US$41.50 per tonne in 3Q2018. The steep fall in prices in November was largely driven by policies in China restricting imports of seaborne thermal coal in November and December 2018, as reported by S&P Global Platts[5].

These import restrictions have since eased in 2019, as reported by increased trading activity across key Asian thermal markets. Buyers continued to seek bargains, although prices were firming amid reports of Indonesian supply restrictions and fresh Chinese enquiries. China will continue to rely on coal despite its plans to reduce pollution. China has 921k MW coal-fired power plants in operations, 280k MW plants still in active development, 145k MW plants under construction and 134.4k MW plants at pre-construction stages. Beyond China, there is still strong coal demand from ASEAN countries such as Thailand and Indonesia, where both countries need to rely on affordable and reliable energy to grow their economies. Thailand is phasing out its gas focus and moving towards coal, while Indonesia's 35,000 MW power plant projects will lead to higher demand for coal, as approximately 40%-50% of these projects involved coal-fired power plants. In 2019, the coal demand for India, Indonesia and China is forecasted at 505mt, 77mt and 1,945mt respectively.[6] According to DBS Group Research report, it remains positive on coal prices in the long run, as it believes that China's proactive supply control will prevent the recurrence of any structural global coal oversupply.[7]

The Group has targeted a production and sales of at least 8 million tonnes of coal for both SDJ and TBR for 2019 based on the production quota received and set out in the RKAB which specifies the given export volumes and what is to be set aside for DMO. We will be reviewing the RKAB in 6 months to increase the production quota with the Indonesian mining authorities, if needed.

The current coal prices have shown an upward of US$6.72 from US$30.29 on 28 December 2018 to US$37.01 on 22 February 2019. With the coal prices improved and barring any unforeseen circumstances, we believe in continuing our growth momentum and staying on strategy for sustainable growths in the years ahead.

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[5] Chinese authorities tighten port restrictions to control coal imports, S&P Global Platts, 16 November 2018

[6] McCloskey Fax Issue 923, 18 January 2019

[7] DBS Group Research . Equity – Indonesia Industry Focus Thermal Coal, 22 November 2018

The Group maintained existing cash balance of over US$200 million as of 31 December 2018 for investment in new coal assets and businesses and for working capital. As at the date of this announcement, the Group has submitted a non-binding offer for a producing coal mine in East Kalimantan, and if successful, it will increase the Group's production, EBITDA and net earnings to be a major coal producer in Indonesia. The Company will make announcement in due course.

11. If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared

An interim dividend of S$0.01 was paid on 5 September 2018.

The Directors recommend the payment of a final dividend in respect of the financial year ended 31 December 2018, subject to the approval of shareholders at the forthcoming annual general meeting of the Company.

(b)(i) Amount per share

Name of dividend:	Final
Dividend type:	Cash
Dividend rate:	S$0.004 per ordinary share

(b)(ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived

Dividend declared is tax exempt (one-tier).

(d) The date the dividend is payable

To be announced at a later date.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

To be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

No IPT mandate has been obtained from shareholders and there is no IPT during the year.

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

For the purpose of assessment of segment performance, our Group's chief operating decision makers have focused on the business operating units which in turn, are segregated based on their sale of goods and provision of services. This forms the basis of identifying the segments of our Group under SFRS(I) 8.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristic, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, method of distribution, and if applicable, the nature of the regulatory environment. Our Group's reportable segments under SFRS(I) 8 are as follows:

Segment	Principal Activities
Coal Mining	Production and sale of coal produced from operating own coal mines
Coal Trading	Purchase and sale of coal from third parties
Mining Services	Mining contracting and project management for mining activities conducted at third party mines

Segment revenue represents revenue generated from external. Segment results represent the profit earned from each segment after allocating costs directly attributable to a segment as well as those that can be allocated on a reasonable basis. This is the measure reported to the chief operating maker for the purpose of resource allocation and assessment of segment performance.

	Revenue		**Gross Profit**		**Net Profit**	
Group	**12 months ended 31 December 2018 US$ (Unaudited)**	**12 months ended 31 December 2017 US$ (Audited)**	**12 months ended 31 December 2018 US$ (Unaudited)**	**12 months ended 31 December 2017 US$ (Audited)**	**12 months ended 31 December 2018 US$ (Unaudited)**	**12 months ended 31 December 2017 US$ (Audited)**
Coal Mining	298,754,745	310,918,843	66,619,794	76,828,947	66,230,869	75,124,307
Coal Trading	-	2,096,793	-	52,250	612,452	1,939,798
Mining Services	487,023	3,287,419	223,204	1,540,287	223,204	1,540,287
	299,241,768	316,303,055	66,842,998	78,421,484	67,066,525	78,604,392
Depreciation of property, plant and equipment					(411,582)	(565,856)
Other gains and losses					771,541	(2,039,647)
Group administration costs and directors' remuneration					(12,095,023)	(11,000,213)
Finance costs					(26,537,070)	(12,734,876)
Profit before income tax					**28,794,391**	**52,263,800**
Income tax expense					(10,793,018)	(15,586,063)
Profit for the year					**18,001,373**	**36,677,737**

Revenue reported represents revenue generated	Revenue	
Group	**12 months ended 31 December 2018 US$ (Unaudited)**	**12 months ended 31 December 2017 US$ (Audited)**
Republic of Indonesia	26,608,713	12,817,818
People's Republic of China	241,223,917	286,801,296
Thailand	4,729,335	-
India	26,679,803	16,683,941
Total	**299,241,768**	**316,303,055**

15. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Revenue and earnings from Business segments

Coal mining remains the main business of the Group. Revenue and earnings from coal mining decreased by US$12.2 million to US$298.8 million and US$8.9 million to US$66.2 million, respectively, due to (1) lower volume of coal sold, (2) the steep fall in prices in November driven by policies in China restricting imports of seaborne thermal coal in November and December 2018, (3) higher production costs tied to increase in coal price in the first 9 months of the year and (4) higher interest expense on the Senior Notes of US$24 million. The Group sold 7.1 million tonnes of coal in 2018, compared to 7.7 million tonnes sold in 2017.

The Group's coal mining management service and coal trading with PT Angsana Jaya Energi ("AJE"), a holder of coal mining concession for an area that is adjacent to SDJ and TBR coal mines, was completed in 1Q2018 and the Group has yet to sign any new coal mining management services or coal trading with other parties.

Revenue from Geographical segments

The Group's exports most of its production through Offtake with ECTP and Macquarie to China and the ASEAN region. China remains the Group's major market.

Revenue from China of US$241.2 million was US$45.6 million lower than in 2017. This was due to policies in China restricting imports of seaborne thermal coal in November and December 2018, as reported by S&P Global Platts[8]. In 2018, the Group increased in its local sales in Indonesia to US$26.6 million, an increase of US$13.8 million over 2017 following the increased DMO requirements announced by the Indonesian Government in 2018 to fulfil Indonesia's projected growing energy needs.

The Group had coal sales to Thailand (a new market) and India market of US$4.7 million and US$26.7 million respectively, to extend its geographical reach and market presence. The Group intends to further develop these markets given the right opportunities.

[8] Chinese authorities tighten port restrictions to control coal imports, S&P Global Platts, 16 November 2018

16. **A breakdown of sales.**

	Group		
	12 months ended 31 December 2018 US$ (Unaudited)	**12 months ended 31 December 2017 US$ (Audited)**	**Change %**
Sales reported for first half of year	173,731,163	158,229,976	10
Operating profit after tax before deducting non-controlling interests reported for first half year	17,447,124	24,648,751	(29)
Sales reported for second half of year	125,510,605	158,073,079	(21)
Operating profit after tax before deducting non-controlling interests reported for second half year	554,249	12,028,986	(95)

17. **Additional disclosure required for Mineral, Oil and Gas companies**

(a) **Rule 705 (7)(a) – Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred in those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated**

During the year, the Group developed and started production of coal in the TBR coal mine in May 2018, with the first sales in September 2018. It also conducted further exploration of 23 extra drill holes in the TBR coal mine which added approximately 3.2 million tonnes of coal reserves.

The Group produced 7.0 million tonnes and 0.9 million tonnes in SDJ and TBR coal mines respectively.

(b) **Rule 705 (7)(b) – Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D**

The Group is in the process of updating its latest report on its reserves and resources, which will be circulated prior to the forthcoming Annual General Meeting.

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Company	
	2018 S$'000	**2017 S$'000**
Interim dividend of S$0.01 (2017: S$0.01) per share[(1)]	13,293	13,293
Proposed Final dividend of S$0.004 (2017: S$Nil) per share	5,597	-

(1) Interim dividend of S$0.01 per share for 1,329,273,113 issued ordinary shares were paid on 5 September 2018 and 5 December 2017.

19. **Confirmation Pursuant to Rule 720(1) of the Listing Manual**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1) of the Listing Manual.

20. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)**

Name	**Age**	**Family relationship with any director and/or substantial shareholder**	**Current position and duties, and the year the position was held**	**Details of changes in duties and position held, if any, during the year**
Yanti Ng	36	Sister of Charles Antonny Melati and Huang She Thong	Appointed in 2011 as Regional Operations and Administrative Manager. She is responsible for overseeing our Group's regional operational and administrative matters.	N.A.
Ng See Yong	41	Brother of Charles Antonny Melati and Huang She Thong	Appointed in 2012 as Head Corporate and Human Resource. He is responsible for our Group's human resource functions and organisational development.	N.A.
Lim Kok Wah, Eric	36	Brother-in-law of Charles Antonny Melati and Huang She Thong	Appointed in 2013 as Marketing Manager. He is involved in the sales and marketing functions of our Group.	N.A.
Ruddy	32	Nephew of Dhamma Surya	Appointed in 2016 as Mine Manager. He is responsible for all operations at site.	N.A.

On behalf of the Board of Directors

Charles Antonny Melati
Executive Chairman

Tung Kum Hon
Chief Executive Officer

27 February 2019

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

Geo Energy Resources Limited ("Geo Energy") is one of the major coal producers in Indonesia and is listed on the Singapore Stock Exchange and is part of the Singapore FTSE-ST index.

The Group is ranked 17th in the inaugural award for Singapore's Fastest Growing Companies 2019 presented by The Straits Times and Statista based on the strongest revenue growth in recent years.

The Group's operations are primarily located in Indonesia. It 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. It owns major mining concessions and coal mines in East and South Kalimantan, Indonesia.

For more information, please visit www.geocoal.com

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