GEO ENERGY GROUP

GEO ENERGY RESOURCES LIMITED

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

LIFTING OF MORATORIUM ON SHARES

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 circular dated 30 November 2016 and the announcements made by the Company on 18 July 2016, 28 November 2016 and 27 June 2017, 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**").

1.2. The TBR Acquisition was completed on 23 June 2017. Pursuant to the terms 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 the Company has provided prior written consent for such sale or disposal (the "**Moratorium**").

1.3. The Board of the Company wishes to announce that the Company has approved the lifting of the Moratorium in respect of the Vendor.

2. DETAILS OF THE MORATORIUM

2.1. Under the terms of the Agreement, a total of 117,000,000 Consideration Shares have been issued to the Vendor on 23 June 2017. Accordingly, the Consideration Shares are subject to the Moratorium until 23 June 2020.

2.2. The Vendor has requested the Board to consider lifting the Moratorium to allow the Vendor to collateralise its Shares for other investments and businesses and increase its asset liquidity.

3. RATIONALE FOR THE LIFTING OF THE MORATORIUM

3.1. Upon deliberation, the Board has approved the lifting of the Moratorium imposed on the Consideration Shares currently held by the Vendor for the following reasons:

(a) the Consideration Shares was originally intended to reduce the cash consideration on the TBR Acquisition and for the Vendor to hold for the long term. However, the Vendor has now requested that it be allowed to collateralise its Shares for other investments and businesses is not expected to be prejudicial to the Company;

(b) the Consideration Shares currently held by the Vendor constitute only 8.8% of the existing issued and paid-up capital of the Company, and the Vendor is currently not a controlling shareholder of the Company;

(c) the Vendor does not have any board representation or management control of the Company;

(d) the Company has issued Shares as part consideration for almost all its acquisitions. Allowing some of the strategic investors, such as the Vendor, an opportunity to potentially monetise their investments, partially or fully, will make the use of Shares and moratoriums more acceptable in future acquisitions as the Company expands its business; and

(e) the Vendor has confirmed in writing that he is not aware of any material or price sensitive information of the Group which have not been disclosed to the public.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their shareholdings in the Company, none of the directors or controlling shareholders of the Company or their associates has any interest, direct or indirect, in the lifting of the Moratorium.

5. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully and to exercise caution when trading or dealing in their Shares in the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.

BY ORDER OF THE BOARD

Charles Antonny Melati
Executive Chairman

7 December 2017