

For Immediate Release

**Geo Energy completes acquisition of equity interest in coal mine
for US\$55 million**

- Acquisition is part of Group's strategy to widen its product mix
- Group's coal reserve bank will increase from 11 million tonnes to more than 40 million tonnes
- Acquisition comes on heels of latest mining services contract and cooperation agreement
- Expansion of footprint into South Kalimantan

SINGAPORE, 18 August 2014 – Geo Energy Resources Limited (“Geo Energy” or the “Group”); an Indonesian coal mining specialist, is pleased to announce that it has today completed the targeted acquisition of approximately 66% of Borneo International Resources Pte Ltd (“**BIR**”) for US\$55 million.

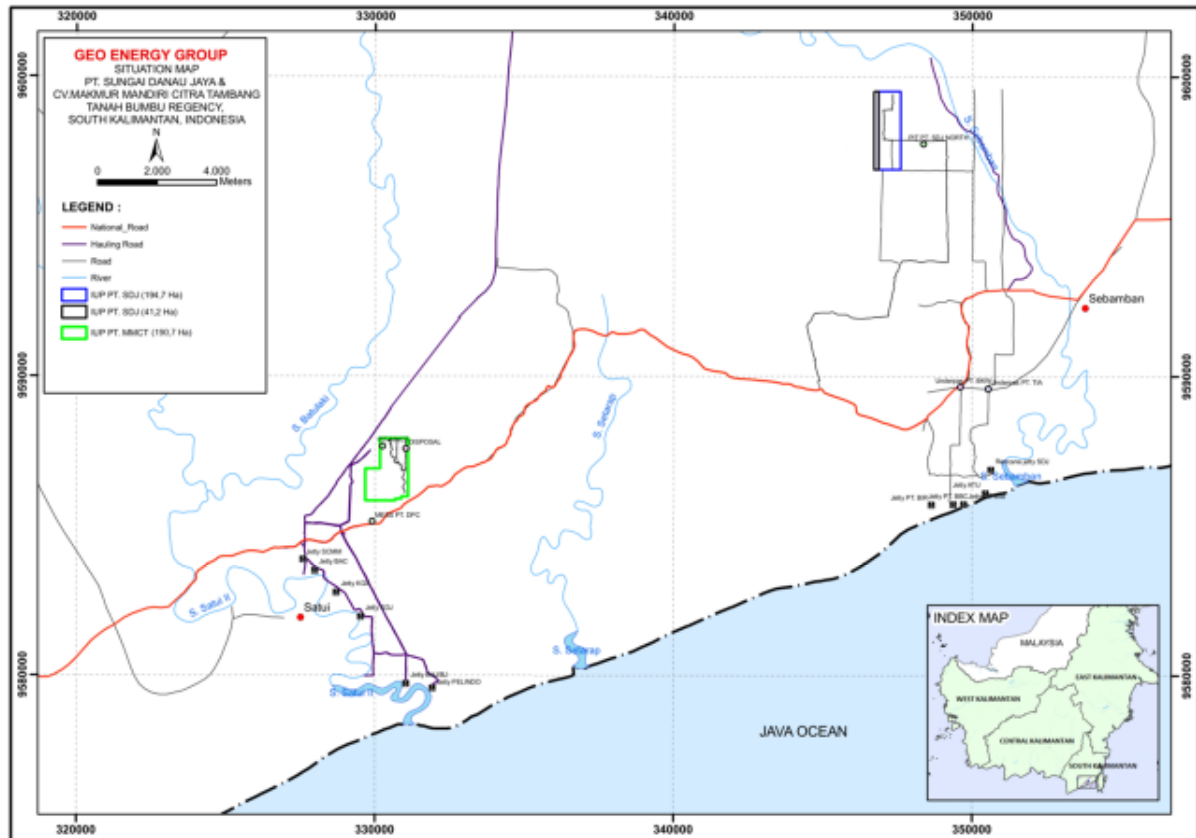
The Group had previously announced its intentions to acquire BIR, which through its Indonesian's subsidiaries owns the new concession (“**SDJ**”), located in South Kalimantan, Indonesia, in June 2014. SDJ, spanning a total area of 236.1 hectares, will contain coal with an average calorific value of 4,038 kcal/kg (GAR), comparatively higher than the Group's current BEK concession, which contains coal with an average calorific value of 3,470 kcal/kg (GAR). The acquisition will also increase the Group's coal reserve bank from approximately 11 million tonnes to more than 40 million tonnes.

The indirect acquisition of SDJ forms part of the Group's overall strategy to (i) shift its focus to include coal with calorific value ranging from 4,000 to 4,200 kcal/kg (GAR) as such coal are highly versatile as it meets the requirements of power plants in India, China and Indonesia; (ii) expand the Group's range of production.

Commenting on the completion of the acquisition, Mr Charles Antonny Melati, Executive Chairman of Geo Energy said, “With coal prices still relatively weak, we believe that this is an opportune time to push through the completion of the acquisition and increase our coal reserve bank. We believe that this concession offers good long term value and will not only allow the Group to possess a steady bank of coal deposits to monetise in the years to come, it also allows the Group to expand its footprint into South Kalimantan.”

In addition to the newly acquired concession, the Group also recently announced that it had entered into another mining services contracts and mining cooperation agreement with CV. Mandiri Makmur Citra Tambang (“**MMCT**”) in July 2014. Under the terms of the agreement, the Group will provide mining services, comprising overburden removal, including land clearing and dewatering in the concession also located in South Kalimantan, spanning a total area of 190.7 hectares. The Group will also purchase the coal from the concession owner at US\$35.35 per tonne, and has contracted for 1.9 million tonnes of coal with a calorific value of 4,100 kcal/kg (GAR).

Location map of SDJ and MMCT



Both the acquisition and the new mining services and offtake agreement will allow the Group to increase its presence and strengthen its foothold in South Kalimantan. The Group is expected to benefit from the simple logistics and short distance between each concession and the Java Ocean of approximately 20km or less. The close proximity of MMCT and SDJ to one another will also provide synergies and economies of scale operationally.

Elaborating further on the Group's future plans, Mr. Charles Antonny Melati, Executive Chairman of Geo Energy, said, "The Group has put in place a long term plan which seeks out viable coal concessions for the two segments in our business model. We believe that this will allow us to diversify our product range in addition to maintaining the operational excellence and efficacy that we have come to be known for."

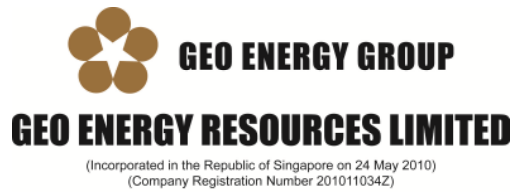
The Group will continue to look out for business expansion opportunities, which may include acquisitions, joint ventures and/or strategic alliances to expand its business operations and increase its coal production levels.

Signing ceremony between Geo Energy Resources Limited and Optimum Source Limited (Vendor)



Left: Representatives from Optimum Source Limited, Right: Mr Huang She Tong (Executive Director, Geo Energy Resources Limited)

--The End --



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

Geo Energy Resources Limited ("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. The Geo Energy group's operations are primarily located in Indonesia.

Geo Energy primarily operates as a mine owner cum operator and a mine contractor. The Group has obtained mining concessions in 2011 and 2014 to undertake coal production activities in Kutai Barat Regency, East Kalimantan Province and Tanah Bumbu Regency, South Kalimantan Province, respectively. In addition, the Group also operates as a mine contractor providing specific mine contracting services to third party mine owners.

Issued for and on behalf of Geo Energy Resources Limited By Financial PR Pte Ltd

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