



GSS ENERGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201432529C)

Disposal of Shares in Cepu Sakti Energy Pte Ltd

The Board of Directors (the “**Board**”) of GSS Energy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the following:

- (i) the Company’s announcement dated 24 July 2015 regarding the termination of the Cooperation Agreement (as defined therein) between Village Cooperative (Koperasi Unit Desa) Sumber Pangan and PT Cepu Sakti Energy (“**PT CSE**”); and
- (ii) the Company’s announcement dated 17 August 2015 regarding the Company’s entry into the Settlement Agreement (as defined therein).

The Board wishes to inform that the Company’s wholly-owned subsidiary, GSS Energy Investment Holdings Limited (the “**Vendor**”), had on 31 May 2016, entered into a sales and purchase agreement (the “**Agreement**”) with PT Megah Kharisma Lestari (the “**Purchaser**”), pursuant to which it shall sell, and the Purchaser shall purchase, its entire shareholding interest in all the issued and paid-up ordinary shares (the “**Sale Shares**”) in the share capital of Cepu Sakti Energy Pte. Ltd. (“**CSE**”) for a consideration (the “**Consideration**”) of S\$1.00 (the “**Transaction**”). Additionally, under the Agreement, the Purchaser shall transfer any rights to all of the old wells in the Trembul area, Indonesia, currently held by CSE or its subsidiaries, to the Vendor for a consideration of 1,000 Indonesian Rupiah.

The Consideration was arrived at following arm’s length negotiations on a willing-buyer, willing-seller basis. Based on the latest announced unaudited consolidated financial statements of the Group for the period ended 31 March 2016, the equity deficit attributable to the Sale Shares was S\$3.2 million. The Transaction will result in a net book gain of S\$3.2 million for the Group as the Group has, following the termination of the Cooperation Agreement, made full provision of its investment in CSE, and CSE and its subsidiaries have made full provision of its assets.

As all of the relative figures for the Transaction computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited’s Listing Manual Section B: Rules of Catalyst, amount to less than 5%, the Transaction is a non-discloseable transaction. The Transaction is not expected to have any material impact on the net tangible asset or earnings per share of the Group for the financial year ending 31 December 2016.

Mr Muhammad Saleh, a director of CSE and the President Director of PT CSE, and his associates are the shareholders of PT MKL. Save for Mr Muhammad Saleh, none of the directors or controlling shareholders of the Company has any interest (other than through their shareholdings in the Company) in the Transaction.

By Order of the Board
GSS Energy Limited

Ng Say Tiong
Chief Financial Officer
31 May 2016

Tel: 6259-9133
Fax: 6259-9822
Email: saytiong@qiken.com.sg

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by SGX-ST and SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Bernard Lui, at telephone no. (65) 6389 3000; email address bernard.lui@morganlewis.com