
PT SUNGAI DANAU JAYA COMMENCED COAL PRODUCTION AT ITS COAL MINE AT SOUTH KALIMANTAN

The Board of Directors of Geo Energy Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s subsidiary, PT Sungai Danau Jaya (“**SDJ**”) has commenced commercial production of its coal mine asset.

The Company acquired a 66% stake in the SDJ mining concession in August 2014. The concession spans a total area of 235.5 hectares with coal reserves of approximately 42 million tonnes that contains thermal coal with a calorific value of 4,036 kcal/kg (GAR), moisture (36.3%), ash (4.5%), sulphur (0.19%) and volatile matter (41.7%) according to its Joint Ore Reserves Committee (“JORC”). The SDJ coal mine is located within 17 km from a port.

Barring unforeseen circumstances, the Group is expecting immediate production of 55,000 tonnes of coal by the end of December 2015, and production capacity to expand further to 500,000 tonnes by the end of March 2016 and exceeding 6 million tonnes a year once all operations are running at full capacity. In addition, the Group contracted its first shipment of 55,000 tonnes of coal to a customer in China with shipping scheduled in early January 2016.

BY ORDER OF THE BOARD

Charles Antonny Melati
Executive Chairman
16 December 2015