

GEO ENERGY RESOURCES LIMITED

(Company Registration Number: 201011034Z)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF INTEREST IN COAL CONCESSION – ADDITIONAL AGREEMENT

1. The board of directors (the “**Board**”) of Geo Energy Resources Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcements dated 19 June 2014, 18 August 2014, 26 September 2014 and 3 November 2014 (collectively, the “**Announcements**”) in relation to the conditional sale and purchase agreement dated 18 June 2014 agreement (as supplemented by the supplemental agreement dated 18 August 2014) (collectively, the “**Sale and Purchase Agreement**”), the additional agreement dated 26 September 2014 (the “**Additional Agreement**”) and the second additional agreement dated 3 November 2014 (the “**Second Additional Agreement**”) entered into between the Company and Optimum Source Limited (the “**Vendor**”) in relation to the acquisition of a shareholding interest in the capital of Borneo International Resources Pte Ltd (the “**Ultimate Holding Company**”). All capitalised terms used and not defined herein shall have the same meanings given to them in the Announcements.
2. As announced by the Company on 18 August 2014, completion of the sale and purchase of the shares in the capital of Borneo International Resources Pte Ltd has taken place on 18 August 2014. The first tranche payment of US\$10 million (being approximately 18.2% of the Consideration) has been paid to the Vendor and 132 UHC Shares (representing 66% shareholding interest in the Ultimate Holding Company) have been delivered by the Vendor to the Company.
3. As announced on 26 September 2014, the Company entered into an Additional Agreement pursuant to which the Company shall make an advance payment of the sum of US\$15 million (the “**Prepayment Sum**”), being part of the Balance Consideration, to the Vendor. The Company has since paid the Prepayment Sum.
4. As announced on 3 November 2014, the Company entered into a Second Additional Agreement pursuant to which the Company shall make an advance payment of the sum of US\$10 million (the “**Second Prepayment Sum**”), being part of the Balance Consideration, to the Vendor. The Company has since paid the Second Prepayment Sum.
5. Since the entry of the Company and the Vendor into the Additional Agreement and the Second Additional Agreement and the resultant payments of the Prepayment Sum and the Second Prepayment Sum, the Vendor has requested that the Company make an additional payment of US\$12.7 million (the “**Third Prepayment Sum**”) to assist the Vendor in its efforts to satisfy the remaining Conditions Subsequent. The Company, acknowledging the efforts of the Vendor in procuring such satisfaction and wishing to provide the requested assistance to the Vendor, has acceded to the Vendor’s request. Accordingly, the Board wishes to announce that the Company has entered into a third additional agreement dated 19 December 2014 (the “**Third Additional Agreement**”), pursuant to which the Company shall pay the Third Prepayment Sum

to the Vendor. The Prepayment Sum, the Second Prepayment Sum and the Third Prepayment Sum shall be fully refunded by the Vendor in the event any of the remaining Conditions Subsequent is not satisfied by the CS Deadline.

5. The Third Additional Agreement is available for inspection during normal business hours at the Company's registered office at 12 Marina Boulevard #16-01, Marina Bay Financial Centre Tower 3, Singapore 018982 for three (3) months after the date of this announcement.

BY ORDER OF THE BOARD

Charles Antonny Melati
Executive Chairman
20 December 2014