



2Q2017

RESULTS BRIEFING

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CEO & EXECUTIVE DIRECTOR
18 AUGUST 2017

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Geo Energy

**Building Strong Performance –
Delivering Growth – Performance
Delivered**

GEO ENERGY

/ .01

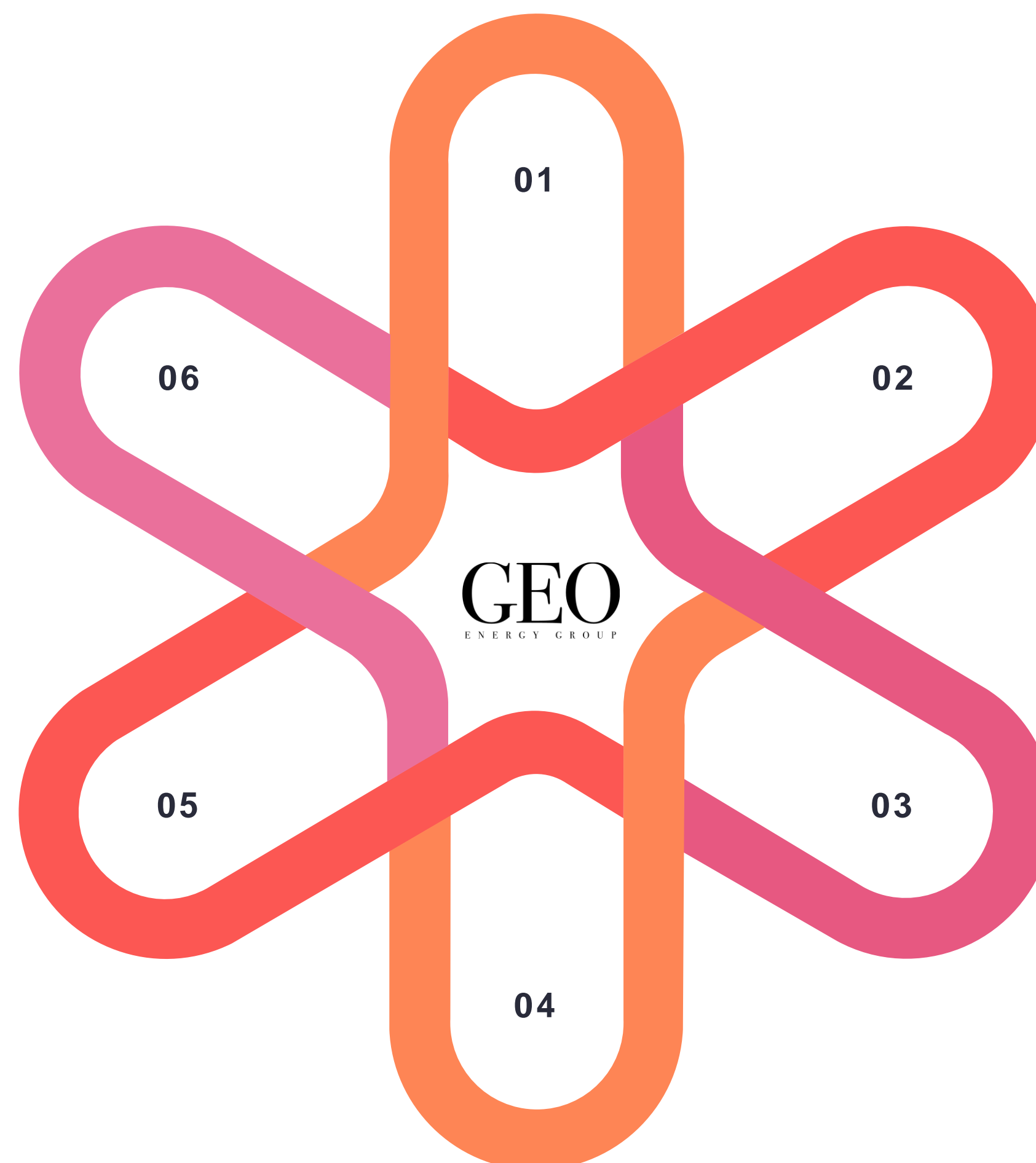
Geo is a coal mining group established in 2008, with Indonesian coal assets. It is listed on the SGX mainboard since 2012 and is part of the Singapore FTSE index.

/ .03

Key management personnel with deep experience in the industry. Strong independence of the Board. Award winning company by SIAS, SBR and others with strong governance.

/ .05

Transformation from a mining services operator to a low-cost coal producer employing sustainable mining techniques with JORC 2P reserves of more than 90 million tonnes. Potential to increase JORC reserves by increasing mining strip ratio beyond 3.5.



/ .02

Low risk business model with equipment and capex risk undertaken by mining operator. Robust offtake contracts with reputable offtakers. Optional offtake prepayments provide upfront cash flows.

/ .04

Embarked on a series of acquisition opportunities as Geo aims towards becoming one of Indonesia's top ten producers.

/ .06

Achieved record quarterly net profit in 4Q2016, highest since IPO – **Harnessing Strengths, Driving Growth and Delivering Value.**

2



The Coal Market

Growing demand for cheap electricity in China, India and Southeast Asia economies drive demand for coal

FUTURE OF COAL

Coal will remain the second largest source of energy until 2030

Coal is the cheapest fuel to power growing economies, translating to growing seaborne demand

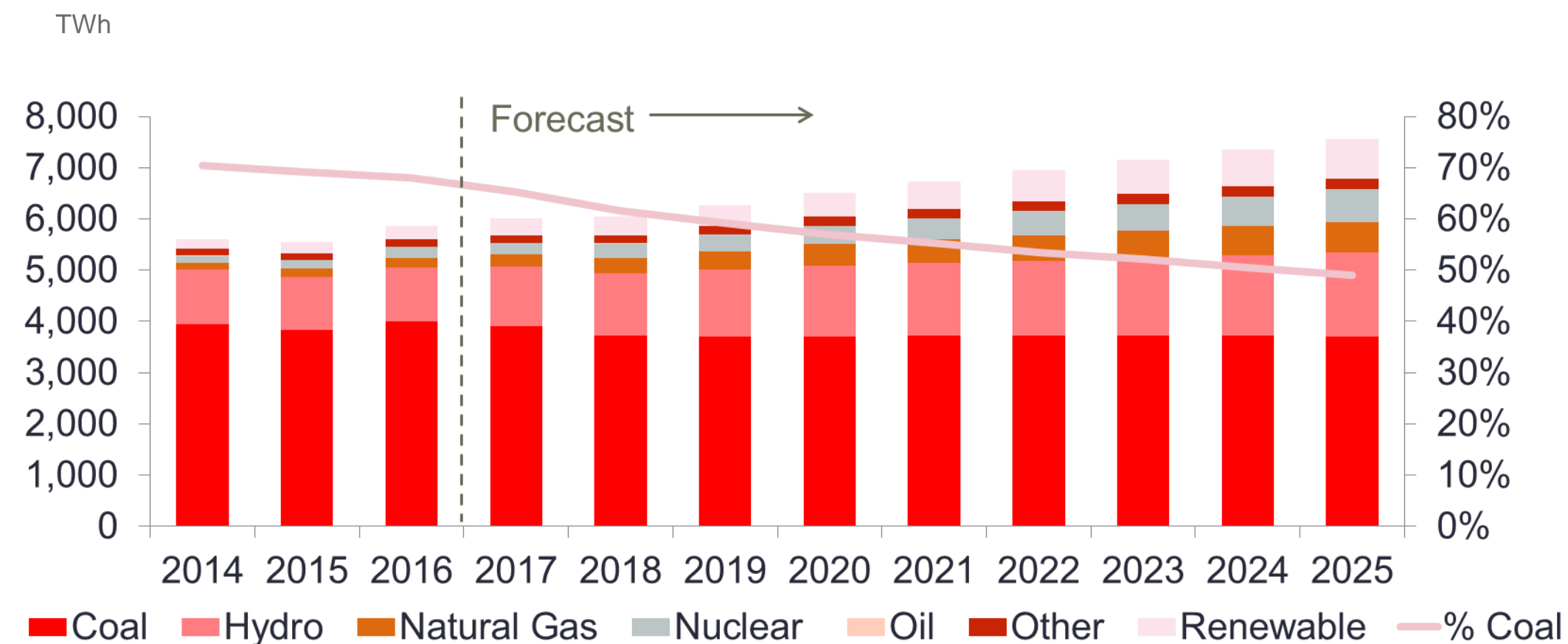
Indonesian coal generally has a low ash and sulphur content with proximity to high demand SEA markets.



Geo is strategically located in Indonesia (one of the largest coal exporting countries) and near the growing markets including Indonesia and SEA

CHINA AND INDONESIA CONTINUE TO DRIVE DEMAND FOR COAL

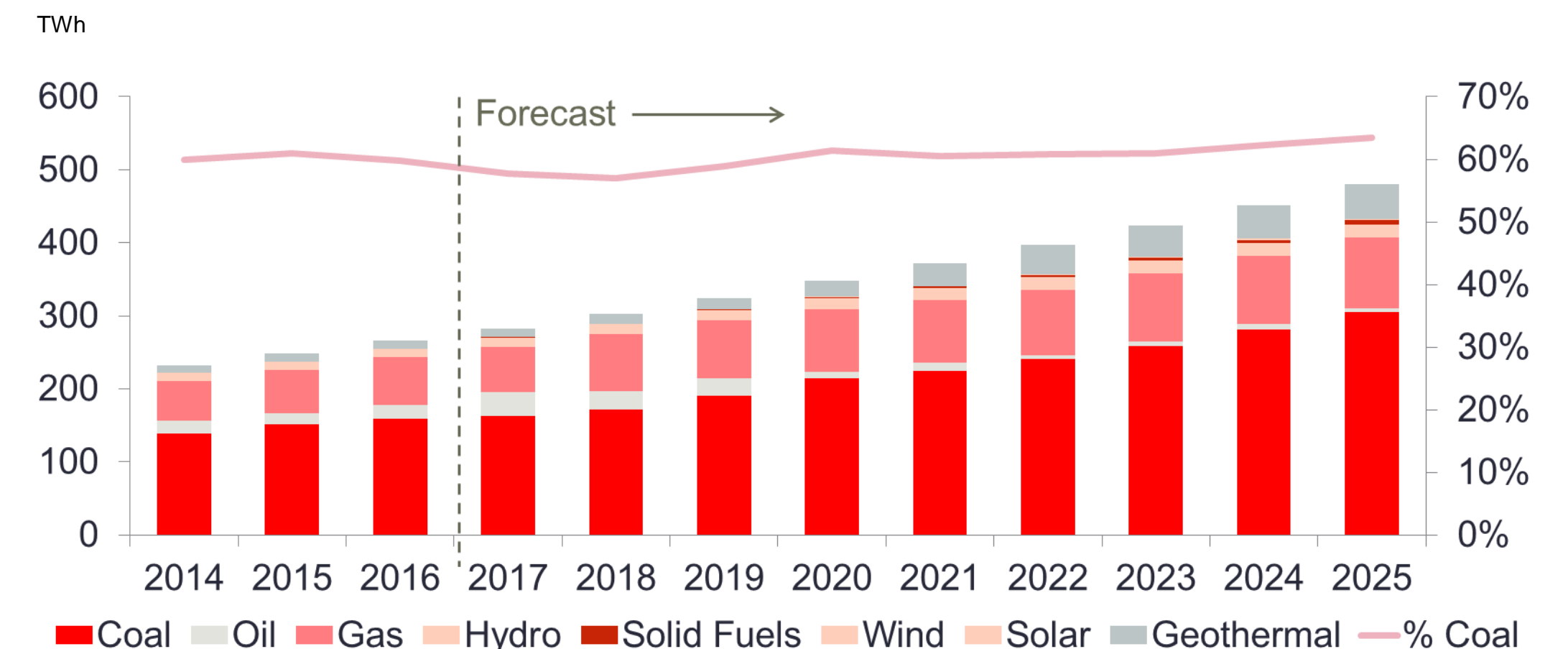
CHINA



China requires significant seaborne coal imports due to domestic supply issues such as mine cost inflation, insufficient infrastructure and barriers relating to the state-controlled power market

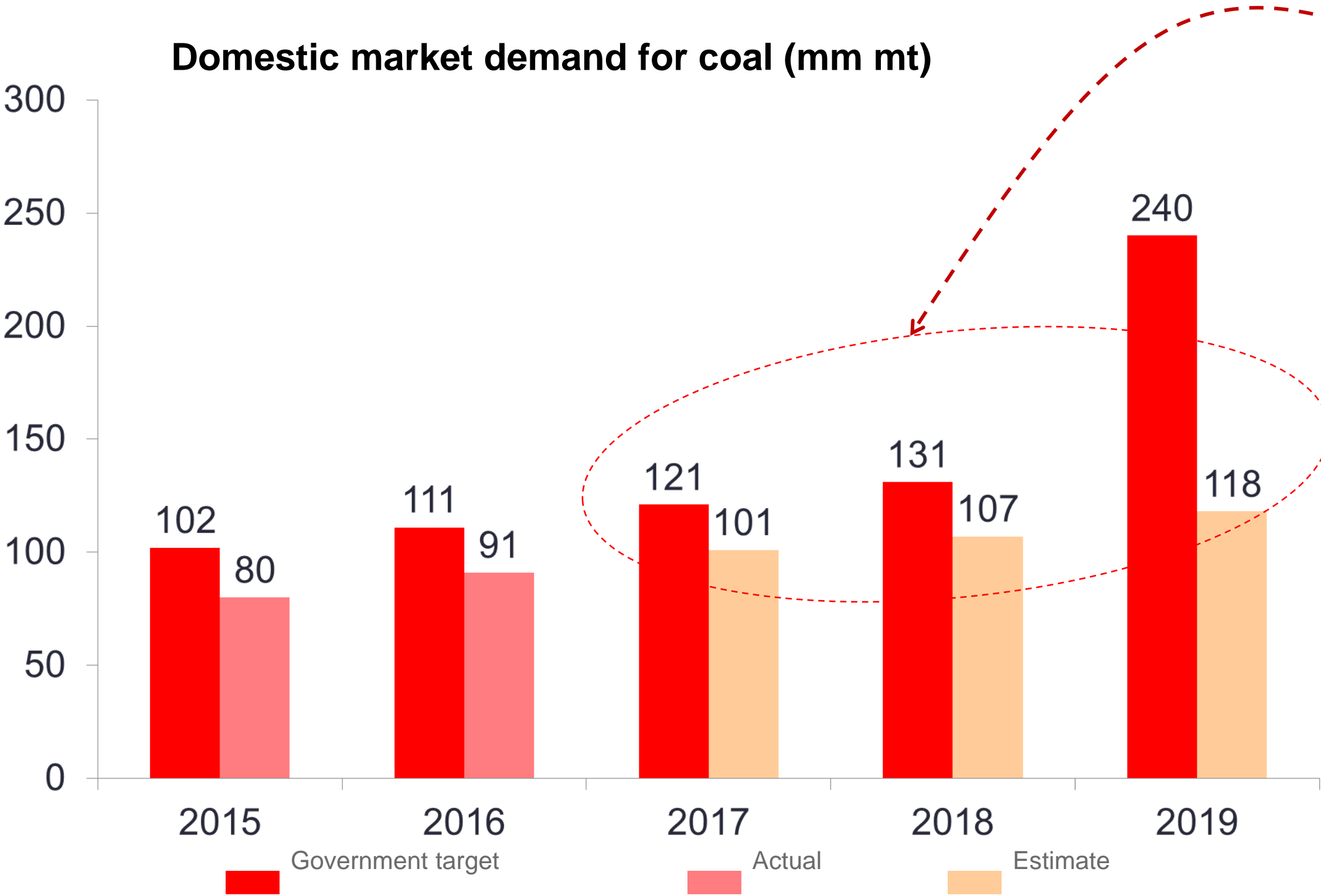
Indonesia provides the bulk of the supply to China (c. 48% in 2016)

INDONESIA



Coal will continue to be the dominant power generation fuel type in Indonesia for the next 10 years

WHAT IS NEXT FOR INDONESIA?



Geo being in Indonesia is positioned to supply to the 31.9GW program

Based on the Government’s plans, **approx. 21 GW in additional coal-fired capacity will be added over the next 5 years**, and 31.9 GW over the next 10 years.

The existing 23.2 GW of coal-fired capacity **requires about 75.4 MT of coal annually**.

Indonesian domestic demand will therefore **continue to increase**.

Source: Wood Mackenzie

3



2Q2017 Results

Geo Energy's Earnings Surges 136% to US\$10.0 million with Cash Profit from Operations of US\$22.1 million in 2Q2017

HOW DID WE DO IN 2Q2017?

“Today, we announced a net earnings of US\$10.0 million and a cash profit from operations of US\$22.1 million for 2Q2017 despite SDJ’s production being slowed down by the rainy season in 2Q2017. The Group expects a higher volume of coal sales for the second half of 2017 given better weather conditions.”



RESULTS HIGHLIGHTS

/ 01

AVERAGE SELLING PRICE

US\$40.11 per tonne

Increase US\$0.66 from 1Q2017;
consistent with average ICI price
of US\$40.12 per tonne

/ 02

VOLUME

1.5 million tonnes

Decrease 0.7 million tonnes from
1Q2017 due to rainfall in 2Q2017
which slowed down production

DIVIDEND

US\$8.8 million dividend paid

Paid out a dividend of 1.0 Singapore cent per share in May 2017

/ 03

CASH PROFIT

US\$15.24 per tonne (average)

Increase US\$2.08 per tonnes
from 1Q2017; US\$10.74 per
tonne from 2Q2016

/ 04

FINANCIAL RESULTS

**US\$58.9 million revenue; gross
profit margin of 32.4%**

Net profits from continuing
operations of US\$10.0 million

/ 05

CASH FLOW

**Net decrease in cash of
US\$31.4 million**

Mainly due to the completion of
the acquisition of TBR

/ 06

BALANCE SHEET

**Notes payable of US\$71.5
million**

MTN due in January 2018

FINANCIAL PERFORMANCE

FROM CONTINUING OPERATIONS

REVENUE OF US\$ 58.9 M
(**↑**176% FROM 2Q2016)



GROSS PROFIT MARGIN OF 32.4%
(**↑**26.6% FROM 2Q2016)



CASH PROFIT OF US\$ 22.1 M
(**↑**US\$ 18.3 M FROM 2Q2016)




NET PROFIT OF US\$ 10.0 M
(**↑**US\$ 5.7 M FROM 2Q2016)






AVERAGE SELLING PRICE

- 2Q2017 **US\$ 40.11** per tonne
- 1Q2017 **US\$ 39.45** per tonne
-  1.7% from 1Q2017



AVERAGE ICI PRICE

- 2Q2017 **US\$ 40.12** per tonne
- 1Q2017 **US\$ 42.77** per tonne
-  6.2% from 1Q2017

STRONG REVENUE AND CASH PROFITS



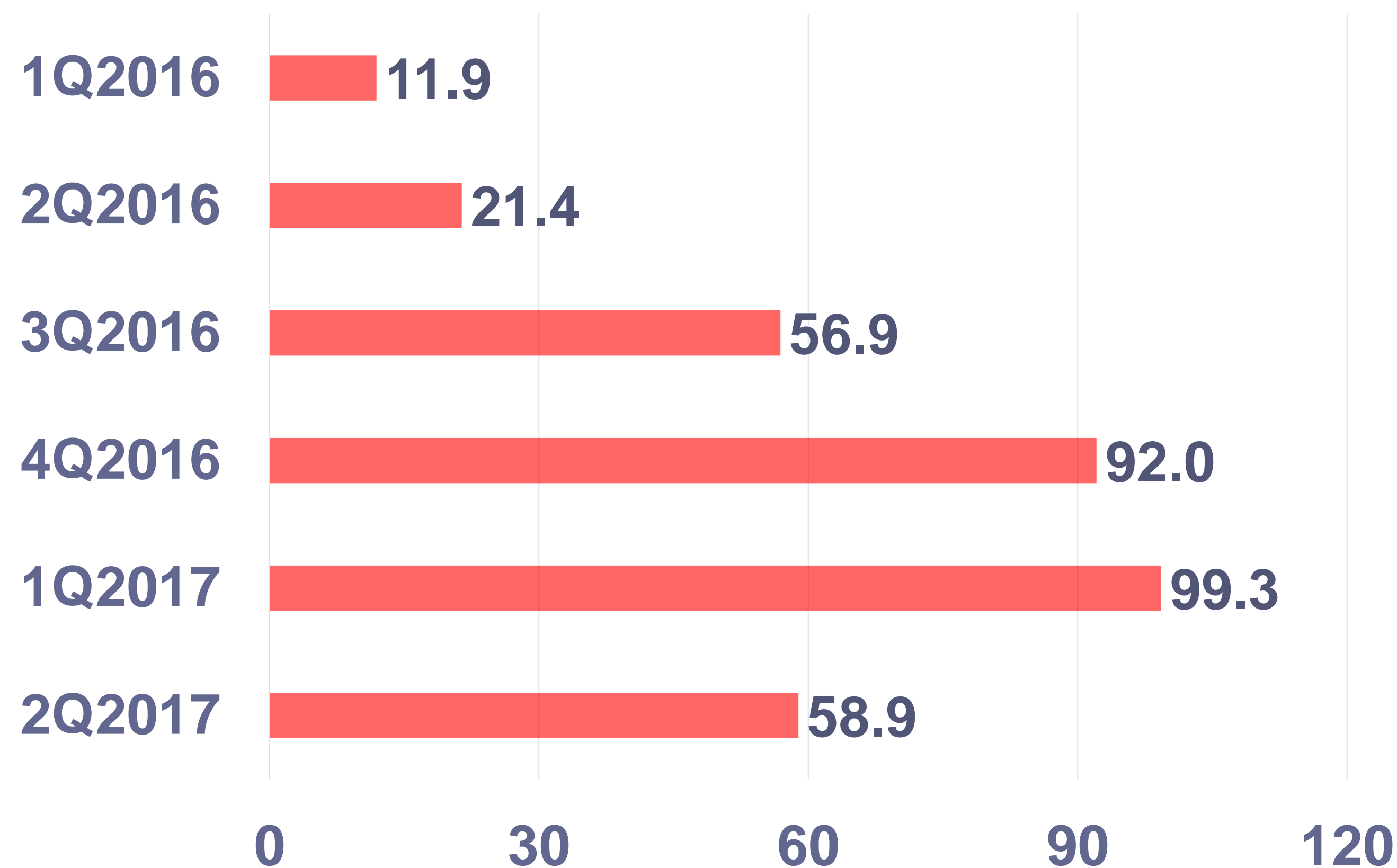
Revenue are from coal mining (which comprise of revenue from the production and sales of coal produced from operating owned coal mines) and coal mining management services by coal trading and coal mining management services.

Geo Energy achieved **1.5 million tonnes** of coal mining sales in 2Q2017. This translated to coal mining **revenue** of **US\$ 58.2 million**. With coal prices remaining strong in 2Q2017, this translated to a stable **cash profit**, averaging **US\$ 15.24 per tonne** in 2Q2017 as compared to an average of **US\$ 13.52 per tonne** in 1Q2017.

REVENUE

Continuing Operations

**12 MONTHS ROLLING
REVENUE US\$ 307.2 M
(3Q2016 – 2Q2017)**



SALES

Continuing Operations

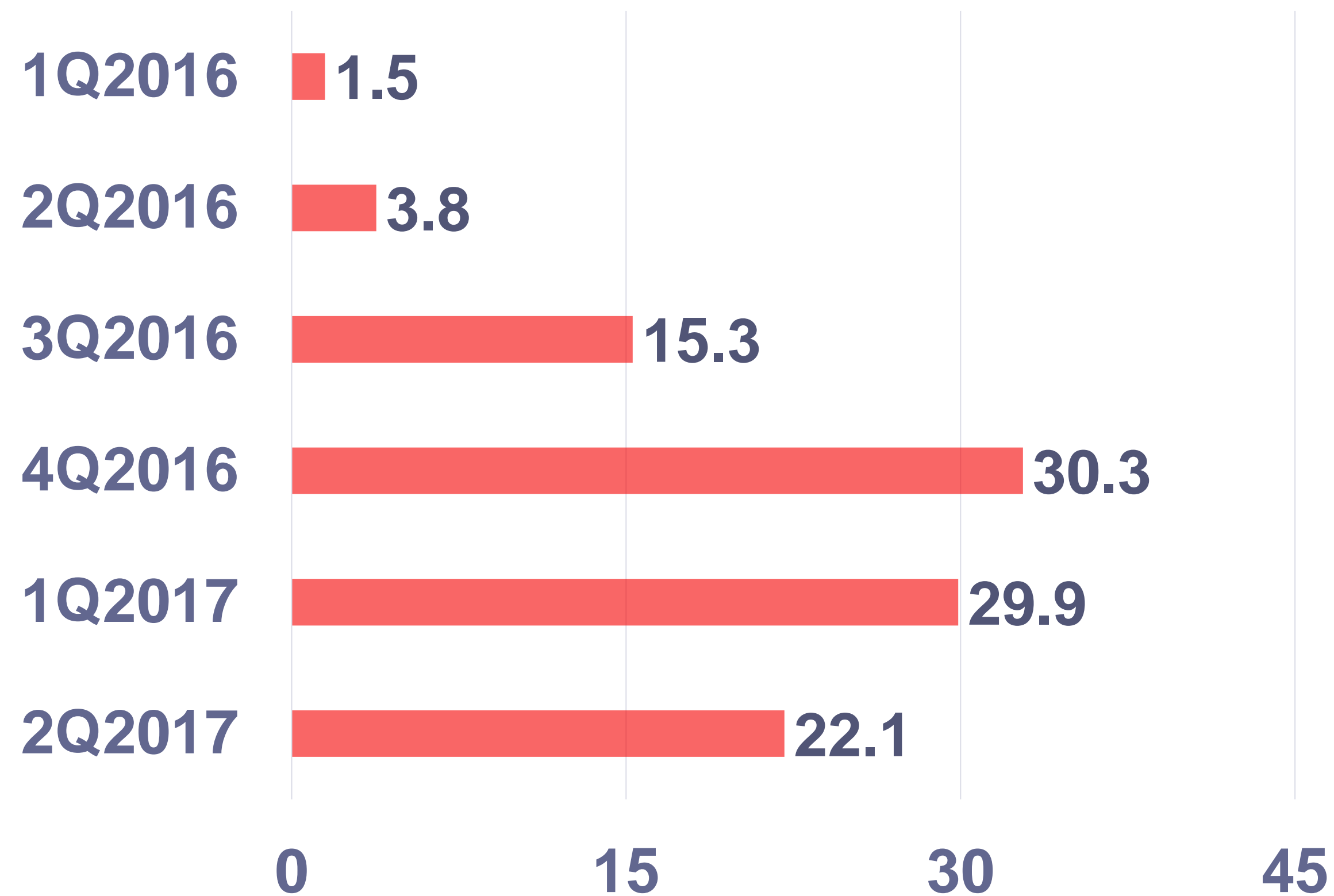
12 MONTHS ROLLING
SALES 7.9 M TONNES
(3Q2016 – 2Q2017)



CASH PROFIT

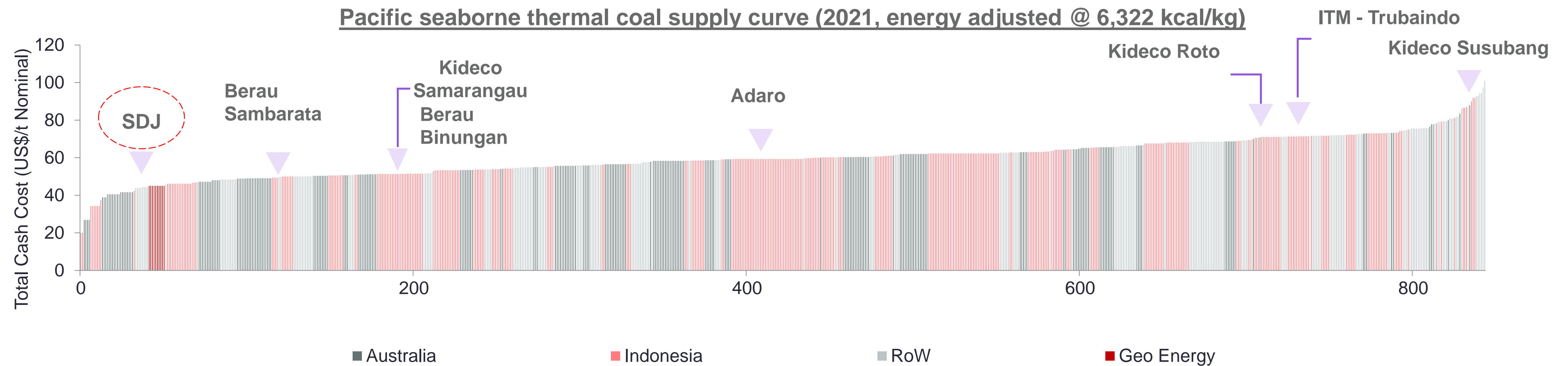
Continuing Operations

12 MONTHS ROLLING
CASH PROFIT US\$ **97.6** M
(3Q2016 – 2Q2017)



CASH COST CURVE

Superior infrastructure, close proximity to port and one of the lowest strip ratios result in Geo's cash cost profile being in the **top 5%**, ahead of other top producers in the industry.



Source: Wood Mackenzie



FINANCIAL POSITION

On a position of financial strength, we paid a dividend of 1.0 Singapore cent per share.

PROFIT AND LOSS

(US\$ M)	2Q2017	2Q2016	1Q2017
Revenue	58.9	21.4	99.3
Cost of Sales	(39.8)	(20.2)	(74.0)
Gross Profit	19.1	1.2	25.3
Other (Expenses) / Income	(0.1)	6.4	(1.9)
G&A Expenses	(2.6)	(1.7)	(1.8)
Finance Costs	(1.2)	(1.6)	(1.8)
Income Tax	(5.2)	(0.1)	(5.2)
Net Profit - continuing operations	10.0	4.2	14.6

BALANCE SHEET

(US\$ M)	30-6-2017	31-3-2017	31-12-2016
Current Assets	95.9	208.4	187.5
Non-Current Assets	209.2	118.8	121.6
Total Assets	305.1	327.2	309.1
Current Liabilities	149.9	186.5	114.4
Total Liabilities	152.0	188.1	184.4
Total Equity	153.1	139.1	124.7
Total Liabilities and Equity	305.1	327.2	309.1
Net Worth:	153.1	139.1	124.7

CASH FLOW

USES OF FUNDS	(US\$ M)
Net Cash used in Operating Activities	5.4
Net Cash used in Investing Activities	15.9
Net Cash used in Financing Activities	10.1
Total Use of Funds	31.4

Net Decrease In Cash: US\$ 31.4 million

Mainly due to completion of the TBR acquisition and dividend payment

4



Value Proposition

**Building Strong Performance –
Delivering Growth – Performance
Delivered**

VALUE PROPOSITION

1

LONG TERM STRATEGY

Optimise Portfolio by exploring acquisitions and divestment opportunities for collaboration with strategic partners

Quality Assets by stringent acquisition criteria for cash cost competitive assets

Develop Partnerships through collaboration with major players

2

DRIVING GROWTH

TBR acquisition completed in June 2017

176% Growth in Revenue to US\$58.9 million in 2Q2017

US\$22.1M Cash Profit from operations in 2Q2017, an increase of US\$18.3M from 2Q2016

3

MITIGATING RISKS

Price Risk mitigated through quality assets with low cash costs

Operational Risk mitigated by outsourcing and securing a long term mining services provider with a guaranteed minimum annual production

Offtake Risk mitigated through long term coal offtake contract

4

DELIVERING RETURNS

US\$8.8M Cash Returns to shareholders through dividend paid at 1.0 Singapore cent

147% Gain in Share Price over the last 12-months

Strong Asset Base with a total JORC coal reserves of over 90M tonnes

2P RESERVES VALUATION

**US\$10 per
tonne**

CASH PROFIT PER
TONNE OF COAL

- Cash profit was over US\$13 per tonne in 2Q2017

x

**100 M
tonnes**

TOTAL JORC PROVEN
AND PROBABLE (2P)
RESERVES

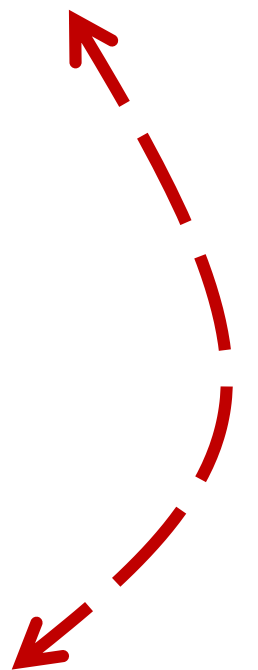
- Combined SDJ, TBR, BEK and STT

=

>US\$600 M

DISCOUNTED AT
WACC TO BE MINED
OUT IN 5-8 YEARS

**CURRENT MARKET
VALUATION OF SHARES –
US\$253M**



SDJ: PT Sungai Danau Jaya
TBR: PT Tanah Bumbu Resources
BEK: PT Bumi Enggang Khatulistiwa
STT: PT Surya Tambang Tolindo

SHARE PRICE PERFORMANCE



12 MONTH SHAREHOLDERS RETURN

- 01. CAPITAL GAIN – 147%**
- 02. DIVIDEND – 9.5%**
- 03. TOTAL RETURN – 156.5%**

UNDERVALUED COMPARED TO ITS PEERS

Geo Energy is undervalued based on its Price / Earnings (P/E) ratio, which is trading below its industry peers.
(GEO P/E Ratio: 4.9; Average: 11.6)

Company name	P/E Ratio	Trailing 12-month			Market Cap	Price change 12-month
		Revenue	EBITDA	Net Profit		
		(US\$M)	(US\$M)	(US\$M)	(US\$M)	
Geo Energy Resources Ltd	4.9	307.1	91.0	46.8	253.3	147.0%
Resource Alam Indonesia Tbk	10.6	82.2	18.8	11.9	130.2	90.9%
Adaro Energy Tbk PT	11.9	2,664.3	990.6	372.1	4,356.9	69.5%
Rio Tinto PLC	12.6	37,600.0	15,424.0	6,209.0	81,262.4	47.7%
Harum Energy Tbk PT	14.8	302.2	69.7	31.3	483.6	129.7%
Golden Energy & Resources Ltd *	14.9	565.6	129.8	61.6	917.7	n.m.
Peers Average	11.6					

Source: Bloomberg, 15 August 2017

Disclaimer: Annualised results may not be representative of actual annual results

* Annualised based on 1H2017

n.m: not meaningful

Thank you!

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