

CIRCULAR DATED 30 NOVEMBER 2016

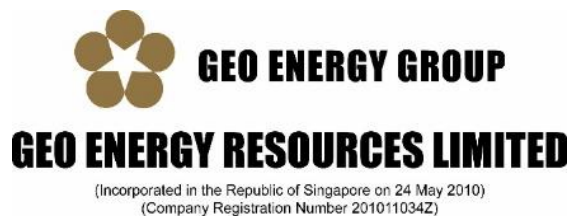
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Geo Energy Resources Limited (the “**Company**”). If you are in doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID UP CAPITAL OF FORTUNE COAL RESOURCES PTE. LTD. TO BE SATISFIED, INTER ALIA, BY THE ISSUE AND ALLOTMENT OF 117,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S\$0.15 PER SHARE

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	14 December 2016 at 4.00 p.m.
Date and time of Extraordinary General Meeting	:	16 December 2016 at 4.00 p.m.
Place of Extraordinary General Meeting	:	Pan Pacific Singapore Room Ocean 6, Level 2 7 Raffles Boulevard, Marina Square, Singapore 039595

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:-

- “ACRA”** : Accounting and Corporate Regulatory Authority.
- “Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time.
- “Agreement”** : The conditional sale and purchase agreement dated 18 July 2016 relating to the Proposed Acquisition.
- “Announcement”** : The announcement by the Company dated 18 July 2016 relating to the Proposed Acquisition.
- “Announcement Date”** : 18 July 2016
- “Board”** : The board of Directors of the Company as at the date of this Circular.
- “Business Day”** : A day (other than a Saturday, Sunday or public holiday in Singapore and Indonesia) on which commercial banks are generally open for business in Singapore and Indonesia.
- “CDP”** : The Central Depository (Pte) Limited.
- “Circular”** : This Circular to Shareholders dated 30 November 2016.
- “Clean and Clear List”** : A list issued by the Directorate General of Mining of the Ministry of Energy and Minerals Mining of the Republic of Indonesia in accordance with the Mining Law and its implementing regulations on listing companies holding coal mining licence (IUP) which designated mining areas have been verified as having no overlap with other coal mining concession holders’ mining areas, and the issuance of the IUP is in accordance with Mining Law.
- “Company”** : Geo Energy Resources Limited.
- “Completion”** : The completion of the Proposed Acquisition in accordance with the terms of the Agreement, details of which are set out in Paragraph 2.8 of this Circular.
- “Completion Date”** : The completion date of the Proposed Acquisition.
- “Concession”** : The Production Operations IUP for the Mining Permit Area issued to the Indonesian Operating Company by the Indonesian authorities.
- “Consideration”** : The aggregate consideration of US\$90 million payable by the Company to the Vendors for the UHC Shares.

DEFINITIONS

- “Consideration Shares”** : Up to 117,000,000 new Shares which are to be issued and allotted by the Company to the Vendor at the issue price of S\$0.15 per Share based at a fixed exchange rate of US\$1:S\$1.35.
- “Constitution”** : The constitution of the Company.
- “Controlling Shareholder”** : A person who:
- a) holds directly or indirectly 15% or more of all voting shares in the Company, unless determined by SGX-ST that such person is not a controlling shareholder; or
 - b) in fact exercises control over the Company; or
 - c) such other meaning as the SGX-ST may ascribe to this term from time to time.
- “Director”** : A person holding office as a director of the Company as at the date of this Circular.
- “EGM”** : The extraordinary general meeting of the Company, to be convened for the purposes of considering and, if thought fit, passing with or without modifications, the Proposed Acquisition Resolution set out in the Notice of EGM on pages N-1 to N-2 of this Circular.
- “Encumbrances”** : Any third party interests, option, right of pre-emption, mortgage, assignment, debenture, lien, charge, pledge, security interest, title retention, right to acquire, restriction on transfer and any other encumbrance or condition whatsoever and any other arrangement having substantially the same or similar economic effect over or in respect of the relevant asset, security or right or the use thereof.
- “EPS”** : Earnings per share.
- “Executive Director”** : A director (excluding an alternate director) of the Company, who holds office in an executive capacity or who performs an executive function.
- “FY”** : The financial year ended or ending 31 December.
- “FY2015”** : The financial year ended 31 December 2015.
- “Group”** : The Company and its subsidiaries.
- “Independent Qualified Person Report”** : The independent qualified person report dated May 2016 as set out in Appendix A.
- “Independent Valuation Report”** : The independent valuation report dated 12 August 2016 as set out in Appendix B.

DEFINITIONS

“Indonesian Local Company”	:	PT Satui Energi is a limited liability company established under the laws of the Republic of Indonesia, having its domicile at Tangerang Indonesia.
“Indonesian Operating Company” or “TBR”	:	PT Tanah Bumbu Resources is a limited liability company established under the laws of the Republic of Indonesia, having its domicile at Tanah Bumbu, Indonesia. As at the Announcement Date, PT Tanah Bumbu Resources holds a Production Operations Permit.
“Indonesian PMA Company”	:	PT Satui Jasabara is a limited liability company established under the laws of the Republic of Indonesia, having its domicile at South Jakarta, Indonesia.
“Latest Practicable Date”	:	25 November 2016, being the latest practicable date prior to the printing of this Circular.
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended, modified or supplemented from time to time.
“Long-Stop Date”	:	The date falling 12 months from the date of the Agreement.
“Market Day”	:	A day on which the SGX-ST is open for trading in securities.
“Mining Law”	:	Indonesian Law No. 4 of 2009 on Mineral and Coal Mining and its amendments and implementing regulations.
“Mining Permit Area”	:	The concession area of 489.1 Ha with area code: TB.10.JANPR.04 located at subdistrict Angsana, Regency of Tanah Bumbu, South Kalimantan Province, Indonesia.
“MEMR”	:	Ministry of Energy and Mineral Resources of the Republic of Indonesia.
“MOLHR”	:	Ministry of Law and Human Rights of the Republic of Indonesia.
“month”	:	A calendar month.
“NAV”	:	Net asset value.
“Notice of EGM”	:	The notice of the EGM dated 30 November 2016 set out on pages N-1 and N-2 of this Circular.
“NTA”	:	Net tangible assets.
“Production Operations IUP”	:	The production operations mining business licence (<i>Izin Usaha Pertambangan Operasi Produksi</i>) for the Mining Permit Area issued to the Indonesian Operating Company pursuant to the Decree of Tanah Bumbu Regent No.

DEFINITIONS

	188.45/402/DISTAMBEN/2014 dated 13 August 2014, expiring on 11 January 2022.
“Proposed Acquisition”	: The proposed acquisition by the Company of the UHC Shares in accordance with the terms of the Agreement.
“Proposed Acquisition Resolution”	: The ordinary resolution relating to the Proposed Acquisition in the Notice of EGM.
“Proxy Form”	: The proxy form in respect of the EGM as set out in this Circular.
“Rule 1006”	: Rule 1006 of the Listing Manual.
“S\$” and “cents”	: Singapore dollars and cents respectively, unless otherwise stated.
“SDJ”	: PT Sungai Danau Jaya, a limited liability company established under the laws of the Republic of Indonesia, having its domicile at North Jakarta, Indonesia. As at the date of this Circular, it is the holder of coal mining concession in South Kalimantan, Indonesia.
“Securities Account”	: A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent.
“SGX-ST”	: Singapore Exchange Securities Trading Limited.
“Shareholders”	: Registered holders of Shares, except that where the registered holder is the CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ Securities Accounts.
“Shares”	: Ordinary shares in the issued share capital of the Company.
“Target Group Companies”	: The Ultimate Holding Company, the Indonesian PMA Company, the Indonesian Local Company and the Indonesian Operating Company, and “Target Group Company” mean any one of them.
“US\$” and “US cents”	: United States dollars and cents respectively, unless otherwise stated.
“UHC Shares”	: The ordinary shares representing 100% shareholding interest in the Ultimate Holding Company.
“Ultimate Holding Company”	: Fortune Coal Resources Pte. Ltd., a company incorporated in the Republic of Singapore and having its registered office at 144 Robinson Road, #09-02, Robinson Square, Singapore 068908.
“Vendor”	: International Resources Investment Ltd, an investment holding

DEFINITIONS

company established and governed under the law of Labuan Federal Territory, Malaysia and having its registered office at Level 7(A), Main Office Tower, Financial Park Labuan Complex, Jalan Merdeka, 87000 Labuan, Federal Territory of Labuan, Malaysia.

“%” or “per cent.” : Per centum or percentage.

In this Circular:

- (i) The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.
- (ii) The terms “**subsidiaries**” and “**relevant intermediary**” shall have the meanings ascribed to them respectively in the Act.
- (iii) Except where specifically defined, the terms, “**we**”, “**us**” and “**our**” in this Circular refer to the Group.
- (iv) Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine gender and the neuter gender and *vice versa*. References to persons shall include corporations.
- (v) Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word defined under the Act, the Listing Manual or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the Act, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.
- (vi) Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively, unless otherwise stated.
- (vii) Any discrepancies in figures included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.
- (viii) The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

LETTER TO SHAREHOLDERS

GEO ENERGY RESOURCES LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201011034Z)

Board of Directors:

Charles Antonny Melati (Executive Chairman)
Tung Kum Hon (Chief Executive Officer)
Dhamma Surya (Executive Director)
Huang She Tong (Executive Director)
Soh Chun Bin (Lead Independent Director)
Ong Beng Chye (Independent Director)
Lu King Seng (Independent Director)
Karyono (Independent Director)
James Beeland Rogers Jr (Independent Director)

Registered Office:

12 Marina Boulevard, #16-01,
Marina Bay Financial Centre
Tower 3,
Singapore 018982

30 November 2016

To: The Shareholders of Geo Energy Resources Limited

Dear Sir/Madam

THE PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID UP CAPITAL OF FORTUNE COAL RESOURCES PTE. LTD. TO BE SATISFIED, INTER ALIA, BY THE ISSUE AND ALLOTMENT OF 117,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE ISSUE PRICE OF S\$0.15 PER SHARE

1. INTRODUCTION

1.1. The Proposed Acquisition

On the Announcement Date, the Board announced that the Company had, on 18 July 2016, entered into an Agreement with International Resources Investment Ltd (the “**Vendor**”) for the acquisition of ordinary shares representing 100% shareholding interest in Fortune Coal Resources Pte. Ltd. (the “**Ultimate Holding Company**”).

Through various intermediate holding companies, the Ultimate Holding Company indirectly holds an effective equity interest in PT Tanah Bumbu Resources (“**TBR**”) of 98.73%. The Proposed Acquisition enables the Company to indirectly hold an effective equity interest in TBR of 98.73%.

1.2. Circular

As the relative figures for the Proposed Acquisition computed under Rule 1006 exceeds 20% but is less than 100%, the Proposed Acquisition is considered a major transaction under Chapter 10 of the Listing Manual. Accordingly, the Proposed Acquisition is subject to Shareholders’ approval at the EGM. The purpose of this Circular is to provide Shareholders with the relevant information relating to the Proposed Acquisition and to seek Shareholders’

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approval at the EGM for the Proposed Acquisition Resolution, to be proposed at the EGM, the notice of which is set out on pages N-1 and N-2 of this Circular.

2. THE PROPOSED ACQUISITION AS A MAJOR TRANSACTION

2.1. Information on the Vendor

The Vendor is an investment holding company established and governed under the law of Labuan Federal Territory, Malaysia. The Vendor holds 1 ordinary share in the capital of the Ultimate Holding Company, representing the full 100.0% shareholding interest in the Ultimate Holding Company. The Vendor's sole shareholder is Batubara Development Pte Ltd. The Vendor and beneficial owner of Batubara Development Pte Ltd are independent third parties and are not directly or indirectly related to the Company and/or its Directors, controlling shareholders or their respective associates.

The Vendor was identified by the Company as the mine owned by TBR is adjacent to the mine owned and operated by SDJ, a mine already owned by the Company. The Company approached the Vendor as it saw an opportunity to acquire TBR and maximise economies of the Company's mining operations in the area. There were no commissions or fees payable.

2.2. Information on TBR

The Indonesian Operating Company, or TBR, is a limited liability company established under the laws of the Republic of Indonesia. As at the Announcement Date, TBR is the holder of a coal mining concession. TBR holds a Production Operations Permit (IUP-OP) issued to it pursuant to the Decree of Tanah Bumbu Regent No. 188.45/402/DISTAMBEN/2014 dated 13 August 2014, expiring on 11 January 2022. The concession area code is TB.10.JANPR.04 located at sub-district Angsana, Regency of Tanah Bumbu, South Kalimantan Province, Indonesia and covers approximately 489.1 ha of concession area with an estimated mineable coal tonnage of 44.4 million tonne, and an estimated calorific value of not less than 4,200 kcal/kg¹, measures on an gross as received basis.

The Company commissioned an independent valuation report prepared by PT SMG Consultants ("**SMGC**"), who is an independent qualified person in accordance with the requirements of the Listing Manual. The independent valuation report is enclosed in Appendix B of this Circular.

There has been no material changes since the effective date of each of the Independent Qualified Person Report in Appendix A and the Independent Valuation Report in Appendix B of this Circular.

¹ Based on a JORC Reserve Statement by PT SMG Consultants dated May 2016.

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Table 1 – Summary of Coal Reserves as of 31st May 2016

Reserve Classes	Total	Total	Incremental	Proved	Probable	Proved + Probable
	Waste (Mbcm)	Coal (Mt)	Stripping Ratio (bcm/t)	Coal (Mt)	Coal (Mt)	Coal (Mt)
In-situ Coal Reserve	164.8	49.4	3.3	40.8	3.7	44.5
Mineable Coal Reserve	165.2	48.9	3.4	40.7	3.7	44.4
Run-of Mine Coal Reserve	165.9	45.6	3.6	38.2	3.4	41.6
Marketable Coal Reserve	165.9	45.6	3.6	38.2	3.4	41.6

**This table must be presented with the entire JORC Reserve statement from which it was obtained.*

Table 2 – Estimated Quality of Product Coal

Product Type	Ash (%) (adb)	VM (%) (adb)	TM (%) (arb)	RD (t/m3) (arb)	TS (%) (adb)	GAR (Kcal/Kg) (arb)
Total	5.1	39.4	34.4	1.28	0.24	4,219

Note: For full JORC Reserve statement, please refer to the Independent Qualified Person Report in Appendix A.

The coal mining concession is a greenfield and has yet to be developed. According to the Independent Valuation Report dated 12 August 2016 commissioned by the Company, the concession has an estimated net present value of US\$170 million. Barring any unforeseen circumstances, the mine owned by TBR is to start the production in 2017 and would expand the Group's targeted coal production from 6 million tonnes in 2016² to no less than 10 million tonnes in 2017. The Company intends to fund development of the coal mining concession using its internal resources.

The information in this Section 2.2, to the extent that it relates to the abovementioned coal mining concession, has been compiled and independently reviewed by Keith Whitchurch from SMGC, who has more than 31 years' experience in open cut coal mining in the areas of geological modelling, reserves evaluation, pit optimisation, mine design, equipment selection, mine scheduling, backfill design and planning, project costing and economics and holds a membership of The Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists or a 'Recognised Professional Organisation' (RPO). Keith Whitchurch's consents to the inclusion of this information in the form and context in which it appears based on the information provided to him and has not withdrawn that consent before the date of lodgement of this Circular with the SGX-ST.

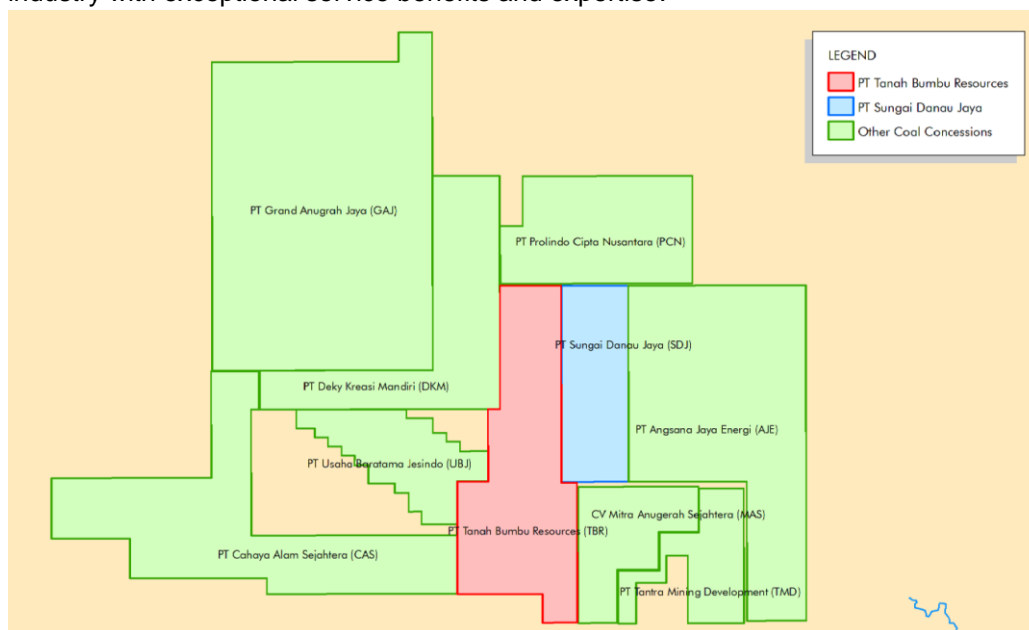
SMGC is a leader in the fields of geological and mine planning consulting and in providing advisory services to the global minerals industry. SMGC's experience and clients include those engaged in: coal, gold, manganese, nickel, bauxite, iron ore and many other minerals.

Using state-of-the-art computer software, SMGC retains core competencies in geology, resource estimation, mining engineering, continuous systems and landform design. These competencies cover multiple mineral commodity and ore types for which 'competent person' status under the JORC code is held. SMGC represents a unique combination of operations

² Based on the Company's unaudited financial statements, total coal production as at 30 September 2016 was 3.2 million tonnes (of which coal production in September 2016 alone attributed to 0.7 million tonnes); sales volume for September 2016 was 0.95 million tonnes.

LETTER TO SHAREHOLDERS

experience and analytical specialists. Over the past five decades, SMGC has developed expertise in the fields of geology and mine planning. This distinction provides the mining industry with exceptional service benefits and expertise.



TBR and SDJ, a neighbouring mine already owned by the Company, have in place a mutual mining arrangement dated 2 July 2014 and its amendment and addendum (collectively hereinafter referred to as the “**Mutual Mining Agreement**”). Under the Mutual Mining Agreement, each party is allowed to pass through, cross or enter into certain areas of the other party for purpose of conducting overburden removal, to use the area of the other party as a disposal area, to use the area of the other party as hauling road. The Company and the Vendor expect that implementation of the agreement will be more efficient and effective for both mining operations.

The Indonesian Local Company, PT Satui Energi, is a limited liability company established under the laws of the Republic of Indonesia. The Indonesian Local Company has an authorised capital of one billion Rupiah (Rp. 1,000,000,000.00) and issued and paid up capital of six hundred million Rupiah (Rp. 600,000,000.00) divided into 600 shares each with nominal value of one million Rupiah (Rp. 1,000,000.00). The Indonesian Local Company holds 9,900 ordinary shares in the capital of TBR, representing approximately 99.00% shareholding interest in TBR.

The Indonesian PMA Company, PT Satui Jasabara, is a limited liability company established under the laws of the Republic of Indonesia. The Indonesian PMA Company has an authorised capital of twelve billion Rupiah (Rp. 12,000,000,000.00) and issued, and paid up capital of twelve billion Rupiah (Rp. 12,000,000,000.00) divided into 120,000 shares each with nominal value of one hundred thousand Rupiah (Rp. 100,000.00). The Indonesian PMA Company holds 599 ordinary shares in the capital of the Indonesian Local Company, representing approximately 99.83% shareholding interest in the Indonesian Local Company.

The Ultimate Holding Company is a company incorporated in Singapore. The Ultimate Holding Company has a share capital of one thousand Singapore Dollars (S\$1,000.00) divided into 1,000 shares. The Ultimate Holding Company holds 119,880 ordinary shares in

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the capital of the Indonesian PMA Company, representing approximately 99.90% shareholding interest in the Indonesian PMA Company.

The information provided in this section was provided to the Company by the Vendor. Accordingly, the Directors do not take responsibility for the information in this section and their sole responsibility has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

2.3. Rationale for and Benefit of the Proposed Acquisition

The Proposed Acquisition is in line with the Company's business strategy to expand its business operations and increase its coal reserves and production levels, thereby bringing additional value to the Company and its Shareholders.

The Proposed Acquisition will result in the Company indirectly holding an effective shareholding interest in TBR of 98.73%, allowing it access to and control over the mining concession and the coal deposits located in the mining permit area next to the Company's SDJ coal mine, which commenced operation and production in December 2015. This in turn would increase the Company's mining efficiency and synergy by having a much larger combined mining area and increase the quantity of high calorific value coal reserves available for production. Being located next to the SDJ coal mine, TBR's coal mine possesses similar qualities like thick coal seams, low strip ratio and being in close proximity to jetty. The Company would enjoy synergistic benefits from acquiring this adjacent mine as most of the infrastructure and facilities (such as the hauling road to jetties, and jetties for barging and transshipment to mother vessels at anchorage) are already in place for coal mining operations to commence.

2.4. Consideration

According to the Independent Valuation Report, the mine has a net present value of US\$170 million. This estimated value is subject to the typical risks associated with coal mining such as under (or over) estimations of reserves and dumping arrangements, and maintenance of the borrow-use permit of forestry area for operation and production (*Izin Pinjam Pakai Kawasan Hutan Operasi Produksi*). The key assumptions underlying the net present value of US\$170 million is set out on pages 8 and 9 of the Independent Valuation Report, which is appended to this circular in Appendix B. The bases for the projected revenue can be found in sections 7.7.3, 8.2 and 10 of the Independent Valuation Report.

As such, the Consideration for the purchase of the UHC Shares is based on a willing buyer and willing seller basis by the Company and the Vendor at US\$90 million after taking into account (i) the valuation amount of US\$170 million provided by the Independent Valuation Report, (ii) the current market prices for comparable coal quality, (iii) the Company's willingness to take over the costs of developing the TBR mining concession, and (iv) the additional synergistic value that the Company expects to enjoy from acquiring the TBR mining concession (please refer to paragraph 2.3 above for more details). Furthermore, as disclosed by the Company on 29 July 2016, the Company is currently negotiating coal offtake agreement(s) for coal extracted from TBR. In light of these factors, the Board was satisfied that the negotiated price for the UHC Shares was at a considerable discount to potential value. As TBR is held by UHC through a series of holding companies, the net asset value of

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the UHC Shares is approximately the net asset value of TBR, being Rp 600,000,000 (equivalent to approximately US\$46,000) and Rp 10,000,000,000 (equivalent to approximately US\$770,000), based on the latest audited financial accounts of TBR for the financial year ended 31 December 2015 and the unaudited management accounts as at 30 June 2016, respectively. For avoidance of doubt, these financial accounts do not account for the valuation amount assessed in the Independent Valuation Report.

The Consideration shall be funded by the Company's internal resources, and shall be payable as follows:

- (a) US\$37 million, of which US\$8.5 million shall have been paid subject to paragraph 2.4.1 below, and the remainder being payable in cash on Completion or otherwise agreed by the Parties;
- (b) US\$13 million by the issuance of 117 million Consideration Shares, which is subject to receiving approval in principle for the listing and quotation of the shares by the SGX-ST and payable on Completion; and
- (c) the remainder in alternative form and/or method as agreed between the Company and the Vendor, and payable on Completion. The Company has the flexibility to decide in due course the best form and/or method by which the remainder payment can be made that is most beneficial for the Company and its Shareholders.

2.4.1. Within 14 Business Days from the signing of the Agreement, the Company shall pay to the Vendor US\$18.5 million, of which US\$8.5 million serves as a refundable deposit (the "**Deposit**"). The Deposit shall be refunded to the Company by the Vendor in the event the Agreement is terminated. The Deposit shall be refunded within 14 Business Days of the date of termination of the Agreement. In the event the Deposit is not refunded to the Company by the Vendor within the stipulated time, the Company shall be entitled to demand payment from the Vendor.

The Company is seeking the specific approval of Shareholders for the issue and allotment of the Consideration Shares in accordance with Rule 811 of the Listing Manual.

The issue price for each Consideration Share of S\$0.15 is based on a 7% premium to the VWAP for trades done on the SGX-ST for the dates 11 July 2016 to 15 July 2016, before the Agreement was signed. The Company intends to issue up to 117,000,000 Consideration Shares in relation to the Proposed Acquisition. This represents approximately 9.65% of the Company's issued and paid-up share capital as at the Latest Practicable Date and approximately 8.80% of the enlarged issued and paid-up share capital of the Company following completion of the allotment and issuance of the Consideration Shares.

The Consideration Shares shall be issued free from all Encumbrances and shall rank *pari passu* in all respects with and carry all rights similar to existing Shares of the Company, save that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the relevant date of issue of such Shares.

Approval in-principle has been obtained from the SGX-ST for the listing and quotation for the Consideration Shares on the Official List of the SGX-ST. The approval in-principle of the

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SGX-ST is not to be taken as an indication of the merits of the Proposed Acquisition, the Consideration Shares, the Company and/or its subsidiaries.

The Vendor is not a restricted person under Rule 812 of the Listing Manual. Rule 812 provides that, *inter alia*, that an issue must not be placed to (a) the issuer's Directors and substantial shareholders; (b) the immediate family members of the Directors and substantial shareholders; (c) substantial shareholders, related companies, associated companies and sister companies of the issuer's substantial shareholders; (d) corporations in whose shares the issuer's Directors and substantial shareholders have an aggregate interest of at least 10%; and (e) any person who, in the opinion of SGX-ST, falls within the category (a) to (d).

The Vendor has undertaken and warranted that it shall not sell or otherwise dispose of any of the Consideration Shares for a period of 3 years from the date on which the Consideration Shares have been validly issued to the Vendor, except where the Company has provided prior written consent for such sale or disposal.

2.5. Due Diligence

The Company is entitled to carry out due diligence on TBR. In the event the due diligence inquiries are not to the satisfaction to the Company (as the Company may decide in its sole discretion), the Company is entitled to terminate the Agreement.

2.6. Conditions Precedent

The Proposed Acquisition is conditional upon the satisfaction of the following conditions, amongst others:

- (a) If required, (i) the approval of the Board of Directors and/or Shareholders of the Company; and/or (ii) the approval of the SGX-ST;
- (b) The satisfactory outcome of due diligence carried out by the Company into the financial, legal, contractual, tax, business, coal resource and reserves quantity and technical specifications and prospects aspects of the Target Group Companies;
- (c) All necessary requirements and approvals from governmental or regulatory authorities and/or other third parties (including the SGX-ST) having been successfully obtained, including but not limited to:- (i) the maintenance of the *Penanaman Modal Asing* (PMA) status of the Indonesian PMA Company, (ii) the recommendations from relevant governmental or regulatory authorities, if necessary, (iii) all statutory requirements under the Indonesian company regulations including but not limited requirements under the MOLHR, (iv) complied with and/or the necessary approvals and/or licences for the commencement of production operations at the Mining Permit Area, with respect to the Concession (such as *Area Penggunaan Lain*) and the required environmental licences and all other necessary approvals and/or licences for the business operations of the Target Group Companies, such approval and/or licences continuing to be in force and effect and not having been withdrawn, suspended, amended or revoked, and (v) all approvals or waivers of all lenders or any other third party for entering into the Proposed Acquisition. For avoidance of doubt, the cost of procuring any of the aforementioned shall be borne by the Vendor and/or its shareholders;

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- (d) Provision by the Vendor of evidence to the satisfaction of the Company in its sole discretion that the Concession is on the Clean and Clear List and the Indonesia Operating Company having obtained a certificate of clean and clear from the MEMR;
- (e) All loans (whether documented or undocumented) which are extended to any of the Target Group Companies have been fully repaid or settled as evidenced by letters from all creditors (if any);
- (f) All security agreements pursuant to which any of the Target Group Companies or their assets are bound have been released and all of the Target Group Companies do not have any obligation whatsoever under such agreement and each of their assets have been set free from any Encumbrances as evidenced by the release letter from all security holders;
- (g) Revocation and cancellation of all corporate guarantee(s) issued by any of the Target Group Companies;
- (h) Save for the amounts owing to related parties of the Vendor of US\$2.5 million, all past liabilities have been duly settled to the satisfaction of the Company and following the Completion, all of the Target Group Companies shall have no further obligations and liabilities relating to such Past Liabilities (as defined herein).

For the purpose of this sub-paragraph, “**Past Liabilities**” means all liabilities including compliance obligations, and/or outstanding debts of the Group Companies incurred, in existence or attributed to any condition, circumstances or action taken place on or prior to Completion (including liabilities that arose or shall arise in connection with any royalty or fee agreements and/or arrangements which any of the Target Group Companies may have entered into with any and all parties (including former shareholder(s) of any of the Target Group Companies) which requires any of the Target Group Companies to make payments of royalty and/or fees to any party that are dependent and/or linked to the quantity of coal produced, extracted and/or sold, whether such coal is sourced from the Mining Permit Area or otherwise). The Past Liabilities will be confirmed by the general meeting of shareholders of each Target Group Companies conducted by the existing shareholders prior to the Completion;

- (i) All mining activity reports, yearly contribution (*deadrent* or *iuran tetap tahunan*), reclamation deposit (*jaminan reklamasi*), mine closure deposit (*jaminan penutupan tambang*) or other compliances obligations as required under the Mining Law or the Concession having been submitted or reported to the relevant government agency;
- (j) All necessary requirements, approvals of governmental or regulatory authorities and/or other third parties (including the relevant regulatory authorities in Indonesia) required for the Target Company to carry out mining activities in forestry areas that are governed by forestry laws and require permits and licences from the Indonesian government and/or Indonesian regulatory authorities (including but not limited to the borrow-use permit of forestry area operation production (*Izin Pinjam Pakai Kawasan Hutan Operasi Produksi*)) having been obtained successfully, including but not limited to:- (i) the recommendations from relevant governmental or regulatory authorities, if necessary, (ii) all statutory requirements under the Indonesian company regulations

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and (iii) the issue of the necessary approvals and/or licences, or (iv) or provision of a letter of confirmation from the Vendor confirming that there are no forestry licences/permits applicable in respect of the Mining Permit Area, whichever is applicable. For avoidance of doubt, the cost of procuring any of the aforementioned shall be borne by the Vendor and/or its shareholders. Furthermore, the *Izin Pinjam Pakai Kawasan Hutan Operasi Produksi* obtained or which is to be obtained by the Indonesian Operating Company shall cover the opening pit, disposal area, hauling road and other mining infrastructure in the Concession area under the mine design as agreed between the Company and Vendor, of which the total area is 91.11 Ha; and

- (k) Provision of evidence of the termination of any and all royalty and/or fee agreements and/or arrangements which TBR (or any of the Target Group Companies, as the case may be) may have entered into with any and all parties (including former shareholder(s) of TBR and/or the Target Group Companies) which requires any of the Target Group Companies to make payments of royalty and/or fees to any party that are dependent and/or linked to the quantity of coal produced, extracted and/or sold, whether such coal is sourced from the Mining Permit Area or otherwise.

2.7. Undertakings

For the Proposed Acquisition, the Vendor has undertaken, amongst others:

- (a) to use its best endeavours to ensure that the conditions precedent shall be fulfilled on or before the Long-Stop Date;
- (b) to procure and ensure prior to Completion Date the cancellation of any and all royalty and/or fee agreements and/or arrangements which any of the Target Group Companies may have entered into with any and all parties (including but not limited to former shareholder(s) of any of the Target Group Companies) which requires any of the Target Group Companies to make payments of royalty and/or fees to any party that are dependent and/or linked to the quantity of coal produced, extracted and/or sold, whether such coal is sourced from the Mining Permit Area or otherwise;
- (c) to procure that the Target Group Companies obtain and/or maintain the validity and effectiveness of all necessary requirements, approvals of governmental or regulatory authorities and/or other third parties (including the relevant regulatory authorities in Indonesia), including but not limited to: (i) the recommendations from relevant governmental or regulatory authorities, if necessary, (ii) all statutory requirements under the Indonesian company regulations, and (iii) the issue of the necessary approvals and/or licences required for any of the Target Group Companies (and in particular, TBR) to carry out mining activities in forestry areas that are governed by forestry laws and required permits and licences from the Indonesian government and/or Indonesian regulatory authorities including but not limited to the permit to borrow and use of forest area for Operation Production (*Izin Pinjam Pakai Kawasan Hutan*);
- (d) to procure that the Target Group Companies obtain and/or maintain the validity and effectiveness of all necessary requirements, approvals of governmental or regulatory authorities and/or other third parties (including the relevant regulatory authorities in Indonesia), including but not limited to:- (i) the recommendations from relevant

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governmental or regulatory authorities, if necessary, (ii) all statutory requirements under the Indonesian company regulations, and (iii) the issue of the necessary approvals and/or licences required for any of the Target Group Companies (and in particular, the TBR) to carry out mining activities in areas that are allocated for plantation or any other business sector use by the relevant authorities in Indonesia and which under Indonesian laws (including agriculture laws) require permits and licences from the Indonesian government and/or Indonesian regulatory authorities (including but not limited to the Ministry of Agriculture);

- (e) to procure that the Target Group Companies obtain and/or maintain the validity and effectiveness of any and all required agreements and consents from existing plantation/other business licence/permit holders in respect of the Mining Permit Area that the existing plantation/other business licence/permit holders agree and consent to relinquish the relevant areas of its respective plantations/other business areas to TBR for its carrying on of mining activities, including but not limited to the obtaining of Joint Land Utilization Agreement (*Perjanjian Pemanfaatan Lahan Bersama*);
- (f) to procure that the Target Group Companies obtain and/or maintain the validity and effectiveness of all the necessary governmental and regulatory consents and approvals and the like (including but not limited to obtaining and/or maintaining the PMA status of the Indonesian PMA Company prior to Completion and the various approvals in connection with the Concession, such as *Area Penggunaan Lain*) that each of the Target Group Companies may require for the lawful conduct of its business, activities and operations (including but not limited to the holding of the Concession and the carrying on of the relevant coal mining activities); and
- (g) TBR obtaining the necessary coal export permit(s) and approvals for TBR to export its coal.

2.8. Completion

Completion of the Proposed Acquisition is to be the date falling 5 Business Days after the date on which all the conditions have been fulfilled or otherwise waived in writing.

2.9. Long-Stop Date

The long-stop date is to be the date falling twelve (12) months from the date of the Agreement.

3. NET PROFITS (LOSS)/ VALUE OF ASSETS (LIABILITIES) BEING ACQUIRED

The Ultimate Holding Company is the holding company and the Indonesian PMA Company and the Indonesian Local Company are the intermediate holding companies of TBR, the Indonesian Operating Company.

The Ultimate Holding Company, the Indonesian PMA Company and the Indonesian Local Company have no revenue or profits, and have negligible book values.

Based on the latest audited financial accounts of TBR for financial year ended 31 December

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2015 and the unaudited management accounts for the period ended 30 June 2016, there has been no profit or loss recorded by TBR, and TBR has a net asset value of Rp 600,000,000 (equivalent to approximately US\$46,000) and Rp 10,000,000,000 (equivalent to approximately US\$770,000), respectively.

Since the substantial of value of the UHC Shares lie in the TBR mining concession, and an independent valuation had already been carried out on the TBR mining concession, there has been no separate independent valuation of the UHC Shares.

4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

4.1. Relative Figures for the Proposed Acquisition

The relative figures for the Proposed Acquisition, computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST, are as follows:-

Rule	Base	Relative Figure (%)
1006(a)	Net asset value of the assets to be disposed of compared with the Group's net asset value.	Not applicable
1006(b)	Net profits attributable to the assets acquired, compared with the Group's net profits. ⁽¹⁾	n/m ⁽²⁾
1006(c)	Aggregate value of the consideration given, compared with the Company's market capitalisation. ⁽³⁾	70.93
1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue. ⁽⁴⁾	9.65
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of compared with the aggregate of the Group's proved and probable reserves.	Not applicable

Notes:-

- (1) Under Rule 1002(3)(b), "net profit/loss" means profit or loss before income tax, minority interests and extraordinary items.
- (2) n/m – Not material. The concession to be acquired has yet to be developed; as such no profits have been attributable to the assets to be acquired.
- (3) The aggregate value of the consideration given for the Proposed Acquisition is US\$90 million (which is equivalent to S\$122 million based on the exchange rate of US\$1:S\$1.35), compared to the Company's market capitalisation of S\$171 million (based on 1,212,273,113 million shares in issue and the weighted average price of S\$0.1413 per share of the Company transacted on 15 July 2016).

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- (4) The "number of equity securities issued by the Company as consideration" is based on the assumption that the US\$13 million of consideration shares are valued at S\$0.15 per ordinary share, converted at a foreign exchange fixed conversion rate of US\$1:S\$1.35. On that basis, 117 million consideration shares will be issued.

Pursuant to the test for Rule 1006 (c) above, the Proposed Acquisition is a major transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST. Accordingly, the Proposed Acquisition is subject to the approval of the Shareholders at the EGM.

4.2. Pro Forma Effects of the Proposed Acquisition

The pro forma financial effects of the Company after the Proposed Acquisition set out in this announcement below are purely for illustrative purposes only and do not reflect the actual future financial position of the Company following the completion of the Proposed Acquisition.

The objective of presenting the pro forma financial effects of the Proposed Acquisition as shown below is to illustrate what the historical financial information might have been had the Proposed Acquisition been completed at an earlier date. However, such financial information is not necessarily indicative of the results of the operations or the related effects in the financial position that would have been attained had the Proposed Acquisition been completed at the earlier date.

The pro forma financial effects of the Proposed Acquisition are based on the following assumptions:

- (a) in the calculation of the NTA and NTA per share, for illustrative purposes, it is assumed that the Proposed Acquisition had been effected on 31 December 2015;
- (b) in the calculation of EPS, for illustrative purposes, it is assumed that the Proposed Acquisition had been effected on 1 January 2015;
- (c) the Consideration of US\$90 million is fully paid, and assumed to be fully funded by internal financing; and
- (d) the development costs of the mining concession is not factored into the pro forma financial effects as the development costs will only be incurred once the Company acquires TBR and starts production.

4.2.1. Effect on Share Capital

	No. of Shares	US\$
Total number of issued shares as the Latest Practicable Date	1,212,273,113	897,980,084
Add: Consideration shares	117,000,000	13,000,000
Enlarged total number of issued shares after the Proposed Acquisition	1,329,273,113	910,980,084

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4.2.2. Effect on EPS by the Proposed Acquisition

	Before the Proposed Acquisition	After the Proposed Acquisition
Profit/(loss) attributable to the owners of the Company (US\$)	(16,306,250)	(16,306,250)
Weighted average number of shares (excluding treasury shares)	1,172,163,220	1,289,163,220
EPS (US cents)	(1.39)	(1.26)

4.2.3. Effect on NTA per Share by the Proposed Acquisition

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA value attributable to the owners of the Company (US\$)	93,733,683	106,733,683
Weighted average number of shares (excluding treasury shares)	1,185,050,891	1,302,050,891
NTA per share (US cents)	7.91	8.20

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for the directors' shareholdings in the Company, none of the directors or controlling shareholders of the Company or their associates has any interest, direct or indirect, in the Proposed Acquisition.

6. SERVICE AGREEMENT

No new director will be appointed to the Board of the Company in connection with the Proposed Acquisition.

7. DIRECTORS' RECOMMENDATIONS

Having considered the terms of and the rationale for the Proposed Acquisition, the financial effects of the Proposed Acquisition, and all the other relevant information set out in the circular, the Directors are of the opinion that the Proposed Acquisition is in the best interests of the Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the Proposed Acquisition Resolution set out in the Notice of EGM.

The Directors further recommend that any Shareholder who may require specific advice to consult his or her legal, financial, tax or other professional adviser(s) immediately.

LETTER TO SHAREHOLDERS

8. EXTRAORDINARY GENERAL MEETING

The EGM, the notice of which is appended to this Circular, will be held at Pan Pacific Singapore, Room Ocean 6, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 16 December 2016 at 4.00 p.m., for the purpose of considering and, if thought fit, passing with or without any modifications, the Proposed Acquisition Resolution set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the proxy form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 12 Marina Boulevard, #16-01, Marina Bay Financial Centre Tower 3, Singapore 018982, not less than 48 hours before the time fixed for holding the EGM. The completion and lodgement of the proxy form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes. However, any appointment of a proxy or proxies by such Shareholder shall be deemed to be revoked if the Shareholder attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM. Depositors who are individuals and who wish to attend the EGM in person need not take any further action and can attend and vote at the EGM without the lodgement of any Proxy Form.

10. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 12 Marina Boulevard, #16-01, Marina Bay Financial Centre Tower 3, Singapore 018982, during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Agreement;
- (b) the Constitution of the Company;
- (c) the Annual Report of the Company for FY2015;
- (d) the Independent Qualified Person Report; and
- (e) the Independent Valuation Report.

LETTER TO SHAREHOLDERS

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully

for and on behalf of the
Board of Directors of
Geo Energy Resources Limited

Charles Antony Melati
Executive Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

GEO ENERGY RESOURCES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 201011034Z)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Geo Energy Resources Limited (the “**Company**”) will be held at Pan Pacific Singapore, Room Ocean 6, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 16 December 2016 at 4.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

*All capitalised terms in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 30 November 2016 (“**Circular**”).*

ORDINARY RESOLUTION:

THE PROPOSED ACQUISITION OF FORTUNE COAL RESOURCES PTE. LTD. WHICH CONSTITUTES A MAJOR ACQUISITION UNDER THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“THE LISTING MANUAL”)

THAT:

- (a) for the purposes of Chapter 10 of the Listing Manual, approval be and is hereby given for the proposed acquisition of 100% of the issued and paid up capital of Fortune Coal Resources Pte. Ltd. pursuant to the sale and purchase agreement (the “**Agreement**”) entered into by the Company with International Resources Investment Ltd on 18 July 2016 (the “**Proposed Acquisition**”);
- (b) for the purposes of Rule 811 of the Listing Manual, approval be and is hereby given for the issue and allotment of the Consideration Shares under the Proposed Acquisition; and
- (c) the directors of the Company (“**Directors**”) and each of them be and is hereby authorised to complete and do all such acts and things (including executing all such documents and ancillary agreements and to make all such amendments thereto as may be required in connection with the Proposed Acquisition) as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Ordinary Resolution and to the Agreement as they or he may deem fit.

BY ORDER OF THE BOARD
Geo Energy Resources Limited

Charles Antonny Melati
Executive Chairman
30 November 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
2. Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. A proxy need not be a member of the Company.
3. The Proxy Form must be lodged at the Company's registered office at 12 Marina Boulevard, #16-01, Marina Bay Financial Centre Tower 3, Singapore 018982, not less than 48 hours before the time fixed for holding the above Meeting.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guideline (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

GEO ENERGY RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201011034Z)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50 of Singapore (the "Act"), Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies to buy shares in the Company ("CPF Investors"), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.

PERSONAL DATA PRIVACY TERMS:

By submitting an instrument appointing a proxy or proxies, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 30 November 2016.

I/We _____ (Name), _____ (NRIC / Passport No.)

of _____ (Address),

being a member/members* of **GEO ENERGY RESOURCES LIMITED** (the "Company") hereby appoint:

Name	Address	NRIC/ Passport No	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No	Proportion of Shareholdings	
			No. of Shares	%

or falling the person or either both of the persons referred to above, the Chairman of the Extraordinary General Meeting of the Company ("**EGM**"), as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM to be held at Pan Pacific Singapore, Room Ocean 6, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 16 December 2016 at 4.00 p.m., and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matters arising at the EGM.

The resolutions put to the vote of the EGM shall be decided by the way of poll. Please indicate the number of votes as appropriate.

**Delete as appropriate.*

No.	Ordinary Resolution	Number of votes FOR	Number of votes AGAINST
1.	The proposed acquisition of Fortune Coal Resources Pte. Ltd. to be satisfied, <i>inter alia</i> , by the issue and allotment of 117,000,000 new ordinary shares in the capital of the Company at the issue price of S\$0.15 per share.		

(Voting will be conducted by poll. If you wish to vote all your shares "For" or "Against" the relevant resolution, please indicate with an "X" in the relevant box provided below. Alternatively, if you wish to vote some of your shares "For" and some of your shares "Against" the relevant resolution, please insert the relevant number of shares in the relevant boxes provided below. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the EGM.)

Note: Please note that the short description given above of the Ordinary Resolution to be passed do not in any way whatsoever reflect the intent and purpose of the Ordinary Resolution. The short description has been inserted for convenience only. Shareholders are encouraged to refer to the Notice of EGM dated 30 November 2016 for the full purpose and intent of the Ordinary Resolution to be passed.

Dated this _____ day of _____ 2016.

Total Number of shares held in:	
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF.

NOTES:

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
2. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
3. A proxy need not be a member of the Company.
4. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
5. The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 12 Marina Boulevard, #16-01, Marina Bay Financial Centre Tower 3, Singapore 018982, not less than 48 hours before the time appointed for the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Act.
9. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
11. CPF Investors who buy shares in the Company may attend and cast their vote at the meeting in person. CPF Investors who are unable to attend the meeting but would like to vote, may inform CPF Approved Nominees to appoint Chairman of the EGM to act as their proxy, in which case, the CPF Investor shall be precluded from attending the meeting.
12. By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 30 November 2016.

