

## **GSS ENERGY LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 201432529C)



SGX/MEDIA RELEASE – FOR IMMEDIATE RELEASE

## **GSS Energy Enters Into Operation Cooperation Agreement with PT Pertamina EP for Petroleum Production**

- **The Operation Cooperation Agreement covers an area of 47.63 square metres in the Trembul Operation Area<sup>1</sup> with no depth limitation**
- **There is no minimum level of production required and all operating costs will be recoverable from the petroleum produced and sold**

**Singapore, 3 November 2016 – GSS Energy Limited (“GSS Energy”)**, has through its subsidiary company, PT Sarana GSS Trembul (“**PT SGT**”)<sup>2</sup>, entered into an Operation Cooperation (Kerja Sama Operasi) Agreement (the “**Agreement**”) with Indonesia’s state-owned oil and gas company, PT Pertamina EP (“**Pertamina EP**”)<sup>3</sup> for the production of petroleum, including oil and gas, in the Trembul Operation Area (“**Area**”).

The Trembul Operation Area has a size of 47.6 square kilometres. According to a Qualified Person’s Report (QPR) conducted in 2015, the Area is estimated to have approximately 24.3 million stock tank barrels of contingent resources at depths up to 800 metres; no estimate has been done beyond this depth.

PT SGT has been contracted by Pertamina EP to assist with the production of petroleum, including oil and gas, in the Area for a period of fifteen (15) years. Production shall commence upon the submission of a US\$1.5 million bank guarantee to Pertamina EP for the initial commitment period of three (3) years. The total commitment for the work programme over the initial commitment period of three (3) years is anticipated to be approximately US\$7.9 million.

---

<sup>1</sup> The Trembul Operation Area is situated within the Bloral Regency in Central Java Province, Indonesia.

<sup>2</sup> PT SGT is a joint venture between GSS Energy and PT Sarana Pembangunan Jawa Tengah (“**PT SPJT**”). PT SPJT is a wholly-owned commercial vehicle by the Provincial Government of Central Java.

<sup>3</sup> Pertamina EP is a subsidiary of PT Pertamina (“**Pertamina**”), an Indonesian state-owned oil and gas company and one of the largest crude oil producers in the country.

Under the terms of the Agreement, there is no minimum level of production required. Pertamina EP will retain the right to market and sell all the petroleum produced in the Area, and PT SGT may transfer the rights and obligations of the Agreement if it has completed its work programme for the initial commitment period of three (3) years and received Pertamina EP's approval.

The Agreement entitles PT SGT to 23.5% of the petroleum and 31.4% of the natural gas produced in the Area, after accounting for operating costs. In addition, PT SGT will be able to recover all its operating costs from the petroleum produced in the Area under Indonesian regulations governing cost recovery for such operation cooperation agreements.

Commenting on the entry into the Agreement, Mr. Sydney Yeung, Group CEO of GSS Energy, commented,

***“Our Group is delighted to announce the signing of the Operation Cooperation Agreement with Pertamina EP. The team’s effort and dedication in the past year made the securing of the contract possible.***

***We would like to express our appreciation to all working parties for making this milestone possible. This accomplishment is in line with our Group’s strategy to grow our oil and gas operations.***

***Reaching production in the Trembul Operation Area will be our Group’s next objective and priority. The commencement of production will improve our oil and gas business tremendously.***

***Our Group is fully committed to making this project a success and will continue to align and implement our oil and gas strategy according to the Indonesian government’s energy initiatives.”***

- End -

**ABOUT GSS ENERGY LIMITED (Bloomberg Ticker: GSSE SP EQUITY)**

GSS Energy has two core operating businesses: Oil and Gas (“**O&G**”) and Precision Engineering (“**PE**”). The O&G business is engaged in oil production in Indonesia, while the PE business is engaged in precision engineering, with a presence in Singapore, Indonesia and China.

GSS Energy officially started trading on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on February 12, 2015. Pursuant to a scheme of arrangement under Section 210 of the Companies Act, undertaken by Giken Sakata, Giken Sakata became a wholly-owned operating subsidiary of GSS Energy. Giken Sakata had been listed on SGX since 1993 and its listing status was transferred to GSS Energy with effect from February 12, 2015.

For more information, please visit [www.gssenergy.com.sg](http://www.gssenergy.com.sg)

---

Issued for and on behalf of GSS Energy Limited

By Financial PR Pte Ltd

For more information, please contact:

Romil SINGH / Reyna MEI / Colin LUM

[gssenergy@financialpr.com.sg](mailto:gssenergy@financialpr.com.sg)

Tel: (65) 6438 2990, Fax: (65) 6438 0064

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd. (the “**Sponsor**”) for compliance with the relevant rules of the 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 the 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 details of the contact person for the Sponsor is Mr Bernard Lui

Tel: (65) 6389 3000

Email: [bernard.lui@morganlewis.com](mailto:bernard.lui@morganlewis.com)