GEO ENERGY GROUP

GEO ENERGY RESOURCES LIMITED
(Incorporated in the Republic of Singapore on 24 May 2010)
(Company Registration Number 201011034Z)

12 Marina Boulevard #16-01
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel : +65 6702 0888
Fax : +65 6702 0880

cre8 Tel: (65) 63278398

GEO ENERGY GROUP

GEO ENERGY RESOURCES LIMITED

GROWING WITH STRATEGIC FOCUS

ANNUAL REPORT 2013

POINT TO POINT WE EMERGE STRONGER

BEK MINING CONCESSION

- 4,570 ha in Kutai Barat, East Kalimantan
- 11.1 million tonnes of reserves as at 31 December 2013
- 29.7 million tonnes of resources in addition to reserves
- Average calorific value in excess of 3,400 kcal/kg (GAR)
- Production commenced in February 2012
- Approximately 1,491,000 tonnes of coal mined in FY2013

MINE CONTRACTING SERVICES

- Entered into two mining services contracts
- Overburden removal and coal hauling services

Our Group secured 2 mining services agreements, as a result of our operational excellence, and has continued to deliver steady growth despite the current challenging conditions.

SINGAPORE CORPORATE OFFICE

- Corporate, Marketing, Human Resource and Finance functions
- Oversees entire Group's matters

JAKARTA HEAD OFFICE

- Administration, Finance, Human Resource, IT, Marketing and Purchasing departments
- Oversees Group's business and operations

CONTENTS

MOST TRANSPARENT COMPANY AWARD (MTCA) 2013 RUNNER-UP
CHEMICAL & RESOURCES
14TH SIAS INVESTORS' CHOICE AWARDS

MOST TRANSPARENT COMPANY AWARD (MTCA) 2013 RUNNER-UP
NEW ISSUES
14TH SIAS INVESTORS' CHOICE AWARDS

CORPORATE **PROFILE**

Geo Energy Resources Limited (collectively with its subsidiaries, "Geo Energy" or the "Group") is an established and experienced coal mining group operating in Indonesia. Established in 2008, Geo Energy is headquartered in Jakarta, Indonesia with its corporate office in Singapore and production operations in East Kalimantan, Indonesia.

Geo Energy is a mine owner cum operator and it undertakes all the activities in the mining process through its subsidiary, PT Bumi Enggang Khatulistiwa ("BEK"), the Mining Business License (IUP) owner of a 4,570 hectare coal mining concession area in Kutai Barat, East Kalimantan.

Geo Energy is also a mine contractor having recently secured mining services contracts as well as coal sales and purchase contracts for two mining concessions in East Kalimantan.

Geo Energy is committed to growing and will continue to keep a lookout for potential opportunities which will allow us to further expand our operations either through the acquisition of new mine concessions or through securing new mining services contracts.

CORPORATE **STRUCTURE**

GEO ENERGY GROUP

GEO ENERGY RESOURCES LIMITED

- PT GEO ENERGY COALINDO 99.0%
- PT MITRA RIAU PRATAMA 99.99%
- PT MITRA NASIONAL PRATAMA 99.0%
- PT SUMBER BARA JAYA 99.9%
  - PT BUMI ENGGANG KHATULISTIWA 99.98%
- PT GEO MINERAL TRADING 99.9%
- GEO COAL INTERNATIONAL PTE. LTD. 100%

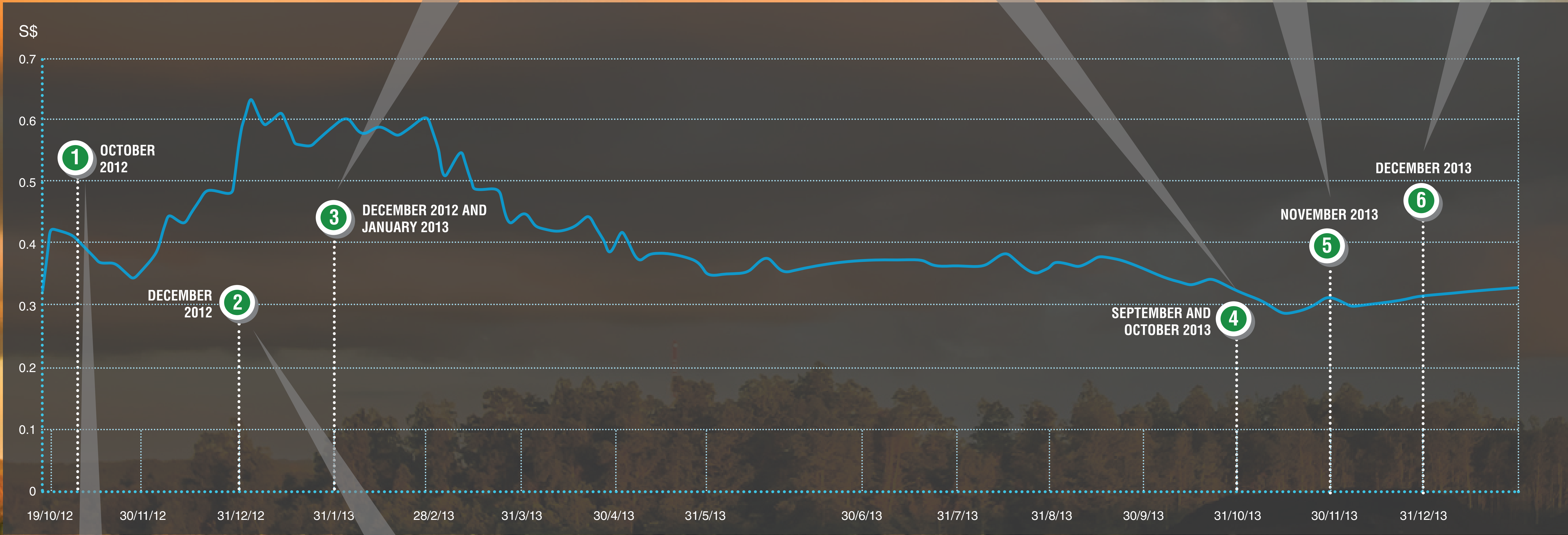
CORPORATE
MILESTONES

December 2012 and January 2013: Entered into mining services contracts as well as coal sales and purchase contracts for two mining concessions

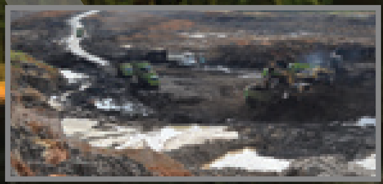
September and October 2013: Signed additional working blocks for mining services and coal sales and purchase contracts.

November 2013: Awarded runner-up of the 14th SIAS Investors' Choice Award, Most Transparent Company in two categories namely (i) Chemical & Resources and (ii) New Issues.

December 2013: Mined approximately 1,491,000 tonnes of coal from BEK mining concession and 603,000 tonnes of coal for mining services contract during FY2013.



October 2012: Listed on the SGX Mainboard



December 2012: Mined approximately 964,000 tonnes of coal from BEK Mining Concession

Growth Prospects

- Indonesia's government plans to increase coal's role in the country's energy mix to 31% in 2025, up from 24% in 2011. This is supported via the government's Fast Track Program (FTP) I and II which includes adding approximately 17GW of coal-fired power capacity.[(1)]
- China's residential and commercial power demand continued to grow at a double digit rate in FY2013, coupled with positive growth from steel production provides comfort on the outlook power demand (and consequently coal demand).[(2)]
- India's share of internationally imported coal has almost doubled from 6% in 2006 to 11% in 2012 (121 million tonnes) and imports are forecast to grow further to reach 200 million tonnes by 2017.[(3)]

(1) Source: Standard Chartered Equity Research Report: "Indonesia coal" , 17 December 2013
(2) Source: Barclays Equity Research Report: "2014 outlook: year of value transfer" , 16 December 2013
(3) Source: PwC report: "Review of global trends in the mining industry – 2013"

STEP BY STEP WE GROW

As part of our Group's plans to further increase and diversify our revenue streams, we secured 2 mining services agreements in FY2013. These new mining services agreements represent a significant shift in the capabilities of our Group, as we gradually began to handle a larger quantity of higher calorific coal as compared to the current lower calorific coal produced in our own BEK mine. This shift will continue our Group's transformation into a value-added coal mining organisation with a full range of services and capabilities.

OUR BUSINESS STRATEGIES:

>> Focus on higher margin coal production and sales
>> Acquire more mining concessions through the inking of the conditional sale and purchase agreements
>> Expand the coal trading segment through coal offtake from PT Bumi Jaya Prima Etam ("BJPE") and PT Parisma Jaya Abadi ("PJA")
>> Increase mining services, such as clearing of overburden and coal haulage, to other mine owners

DAY BY DAY WE MEET GLOBAL ENERGY DEMANDS

Our product mix has also been broadened given that we now handle thermal coal with higher calorific values ranging from 6,200 GAR to 7,200 GAR and semi-soft coking coal. In addition, as a one-stop mining solutions provider, we also provide mining services to the parties from whom we purchase coal, granting us greater flexibility and control over the timing and production of the higher calorific thermal and semi-soft coking coal.

Though coal prices are expected to remain relatively soft in the near future due to the growth in supply of coal, we note market expectations that demand from countries like China and India will continue to remain strong. Geo Energy is also in an advantageous position with our full suite of in-house mining capabilities and relatively low gearing position vis-à-vis some of our other counterparts in the coal mining industry.

FACE TO FACE WITH THE CHAIRMAN

"FY2013 was a challenging year for our Group, but I am extremely proud of the team as we managed to weather through the downturn and delivered respectable profit for the year."

CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of Geo Energy, it gives me great pleasure to address you once again. Our Group posted a respectable performance for the full year ended 31 December 2013 ("FY2013") despite it being a year of challenges for the overall coal industry.

Our overall performance for FY2013 was encouraging as our Group managed to achieve EBITDA (earnings before interest, taxes, depreciation and amortisation) of US$31.1 million which gave us a 28.6% margin, thus placing us as one of the notable performers in the coal industry. Despite pressure on coal prices, our top line continued to grow as a result of our efforts to diversify our revenue streams. FY2013 also marked our first year of coal trading, with our Group expanding our product range to include higher calorific thermal coal and semi-soft coking coal. Though we were caught out by macro factors, I am still extremely proud of the team as we have managed to turn in a respectable profit and expand our operations in the year.

Expanding Operations

In January 2013, our Group successfully diversified our revenue stream by entering into a mining services contract as well as a coal sales and purchase contract with PT Bumi Jaya Prima Etam ("BJPE"), a third party mine concession owner. This arrangement enables us to develop our expertise in the way of overburden removal and coal haulage while also securing the exclusive rights to purchase coal produced from these concession sites for our future coal sales.

In September 2013, our Group entered into our second mining services and coal sales and purchase contract of the year with another party, PT Parisma Jaya Abadi ("PJA"). These two agreements marked a significant shift in the capabilities of our Group as we begin to handle a larger quantity of higher calorific thermal coal, continuing our transformation into a value added coal mining organisation with a full range of services and capabilities. Such arrangements are also beneficial for us as we are able to obtain a stable revenue stream from mining services, as well as an assured avenue for the purchase of high calorific thermal coal and semi-soft coking coal.

Subsequently, both contracts were expanded to include additional work blocks as we continued to develop the aforementioned concessions sites. These additions are solid proof of our operational quality and excellence as well as highlighting the good business relationship and trust that the mine owners have in us to carry out our services in the best way possible. To complement our increased operations, our Group has also added approximately 50 units of new mining equipment to an already comprehensive and diverse fleet of mining equipment. Our Group's fleet currently stands at 236, and are all self-owned.

In FY2013, our Group also produced approximately 1.49 million tonnes of coal from our self-owned BEK mine, approximately 54.6% higher than in FY2012, in lieu of the coal previously produced from the coal cooperation contracts ("CCC").

CHAIRMAN'S
MESSAGE

Challenging Coal Industry

FY2013 was a volatile year for the coal industry with the Indonesian Coal Price Index showing peaks of US$90 and troughs of US$76. The index generally declined from approximately US$87 in January to approximately US$80 in December. As the growth in domestic supply of coal continued, it became increasingly clear that coal prices were to remain soft for the immediate future. Though early market expectations noted that demand from countries like China and India were likely to remain relatively strong, this did not translate into reality as demand only grew mildly. To top it off, the Indonesian Rupiah which was on a downward trend in 2013, coupled with the increases in Indonesia's inflationary rates, had further impacted our Group's operational costs.

While it seemed as though the bumpy ride would continue for some time, our Group received some reprieve as the Indonesian government indicated in February 2014 that it will be actively putting measures in place to support the current coal prices. We are lifted by the support shown by the government, which we hope will improve our fortunes in the long run.

Looking at the year that has passed, we are heartened that our efforts to diversify our business, with the addition of our new business segments, has proven to be a masterstroke as our diversification has allowed us to come through the bumpy year with only a few scrapes. We are determined to innovate and to carry on being the solid, operationally excellent company that we know, and you know we are.

A Note of Appreciation

On behalf of our Group, I would also like to take this opportunity to thank our clients, consultants, suppliers and business associates who as always, made a significant contribution to the continually smooth operations of our Group.

To the management and staff of Geo Energy, your collective hard work and dedication have proved to be very strong pillars of support in the bumpy year that we had. I am very delighted to have each and every one of you on board and giving your best. As a family, let us continue to apply fairness, honesty, responsibility and integrity in our dealings with all parties and to strive to provide a positive influence to all communities which we touch.

To our valued shareholders, I would like to convey my sincerest appreciation for your continued support in our Group. As many of you are aware, in November 2013, our Group was Runner-Up of the 14th SIAS Investors' Choice Awards – Most Transparent Company Award (MTCA) 2013 under two categories namely the (i) Chemical & Resources; and (ii) New Issues.

This marks our Group's first corporate awards since our listing in October 2012 and highlights our dedication to maintain a high level of transparency and overall corporate governance. We have and will continue to maintain a strong presence here in Singapore and ensure that shareholder communication remains at an optimum.

Last but not least, to my fellow Board members, the leadership demonstrated, commitment shown and knowledge shared with our Group has been indispensable and invaluable. Our Group is grateful to have you on board for the long term as we strive to enhance our sustainability in the long run.

What Lies Ahead

Our Group will continue to search actively for mining concessions and mining services contracts to complement our growth. We believe that this period of soft prices will also provide us the opportunity to source for new mining concessions at a good value. Further, we will continue to strive to ensure that production and operation levels are optimised.

Our Group is confident that we will be able to take this period of soft coal prices in our stride and emerge from the bumpy roads a stronger coal mining organisation which will be able to enhance shareholders' value.

Mr Charles Antonny Melati
Executive Chairman

HAND IN HAND WE BUILD

At Geo Energy, we believe in building strong relationships by maintaining open communication with all our key stakeholders. That includes our customers, suppliers, investors and our employees. Together, with our openness, passion and positive culture, we strive to build a solid foundation and brand name, with a vision to bring Geo Energy to greater heights.

FINANCIAL AND OPERATIONS REVIEW

Geo Energy's financial performance for FY2013 has been noteworthy and is an indication of our continued progress despite the challenging coal industry conditions. While our current capabilities are respectable, we are committed to growing our Group's operations and taking Geo Energy to the next level.

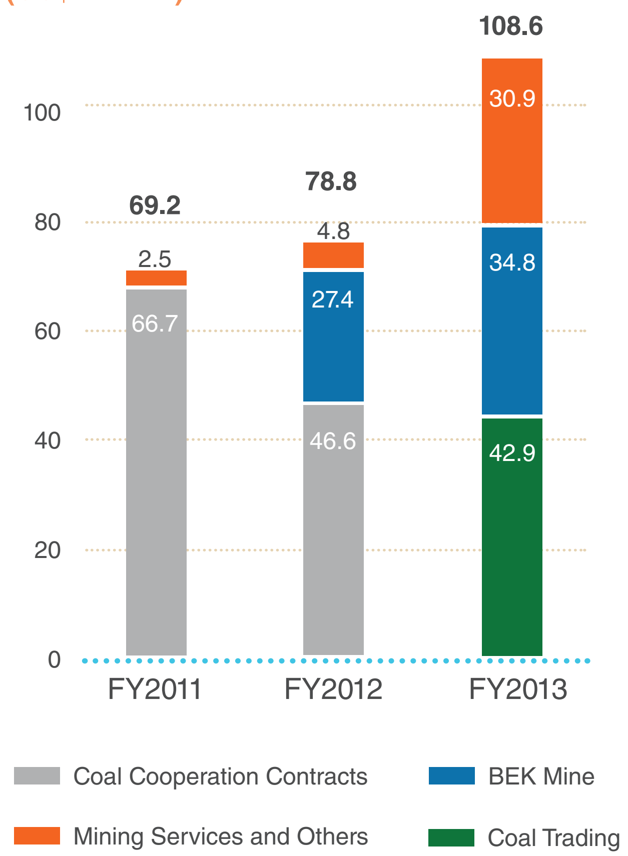
Three-Year Financial Snapshot

(US$'million)	FY2011	FY2012	FY2013
Revenue	69.2	78.8	**108.6**
Gross Profit	26.7	36.2	**30.5**
Net Profit	14.4	19.2	**13.0**
Current Assets	8.3	78.4	**84.7**
Non-Current Assets	82.6	76.6	**76.8**
Total Assets	90.9	155.0	**161.5**
Current Liabilities	28.3	19.0	**21.8**
Non-Current Liabilities	35.9	12.3	**17.4**
Total Equity	26.7	123.7	**122.3**
Cash & Cash Equivalents	4.2	69.1	**17.8**
Debt to Equity Ratio*	1.0	0.1	**0.2**
Net Asset Value per Share (US cents)**	2.3	10.7	**10.6**
Diluted Earnings per Share (US cents)**	1.2	1.7	**1.1**
Return on Equity	54.2%	15.5%	**10.7%**
Return on Total Assets	15.9%	12.4%	**8.1%**

* Defined as the sum of indebtedness to financial institutions and convertible loans divided by total equity
** Based on share capital of 1,157,050,891 ordinary shares as at 31 December 2013

FINANCIAL AND
OPERATIONS REVIEW

Revenue Breakdown (US$'million)



Financial Performance Review

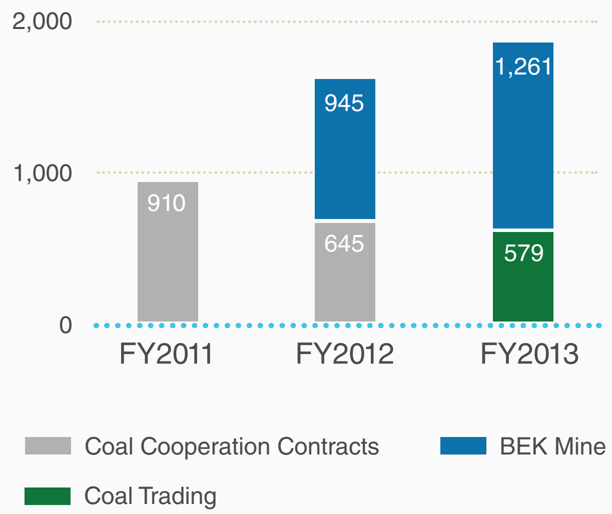
FY2013 has been an exciting year as Geo Energy embarks on a new chapter, with our Group adding a new coal trading segment and the complete cessation of the coal cooperation contracts ("CCC") due to the implementation of the new mining laws. As at year end, our Group derives revenue mainly from three distinct business segments, namely coal production, coal trading, as well as mining services and equipment rental.

Our Group achieved record revenue of US$108.6 million (38% year-on-year growth) for FY2013, mainly due to the following factors:

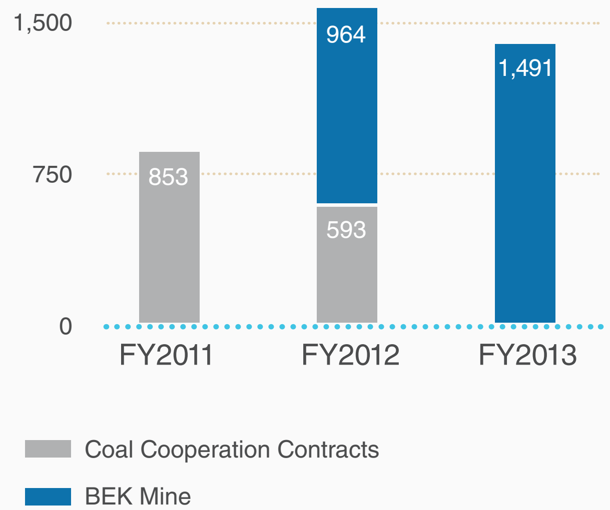
(i) Additional revenue contribution of US$42.9 million from coal trading which commenced in 1Q2013;
(ii) Growth in revenue of US$26.1 million from mining services and equipment rental; and
(iii) Overall increase in coal sales of US$7.5 million from BEK mining concession.

Amidst a challenging environment due to soft coal prices, we were still able to successfully expand our coal operations to increase coal sales from the BEK Mine to 1.26 million tonnes of coal in FY2013, with the difference between production and sales being the requisite inventory for operations. This result has demonstrated the commitment and nimbleness of our Group to weather the current volatile environment as well as our capabilities in maintaining healthy relationships with our clients by delivering on our existing contracts.

Coal Sales and Trading Volume ('000 tonnes)



Coal Production Volume ('000 tonnes)



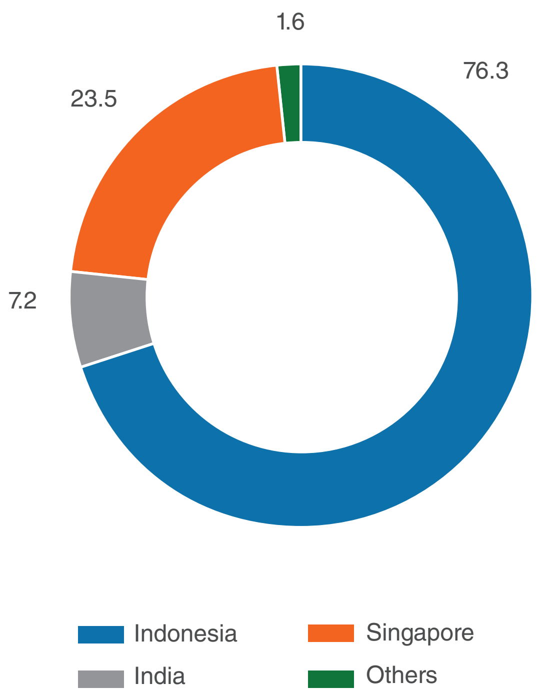
As part of our forays into the mining services and trading segments, our Group has entered into coal sales and purchase contracts as well as mining services contracts in FY2013. Such arrangements allow our revenue streams to become more diversified. Our product mix has also been broadened given that we now handle thermal coal with higher calorific values ranging from 6,200 GAR to 7,200 GAR and semi-soft coking coal. In addition, as a one-stop mining solutions provider, we also provide mining services to the parties from whom we purchase coal, granting us greater flexibility and control over the timing and production of the higher calorific and semi-soft coking coal.

Our Group registered coal sales of 0.58 million tonnes from the coal trading segment in FY2013. This is also a testament to our Group's coal marketing capabilities as a coal trader and our ability to market various types and specifications of coal to cater to the needs of our regional clients.

Our Group produced 1.49 million tonnes of coal from our own BEK mine, approximately 54.6% higher than in FY2012, in lieu of the coal previously produced from CCC.

FINANCIAL AND
OPERATIONS REVIEW

FY2013 Geographical Revenue (US$'million)



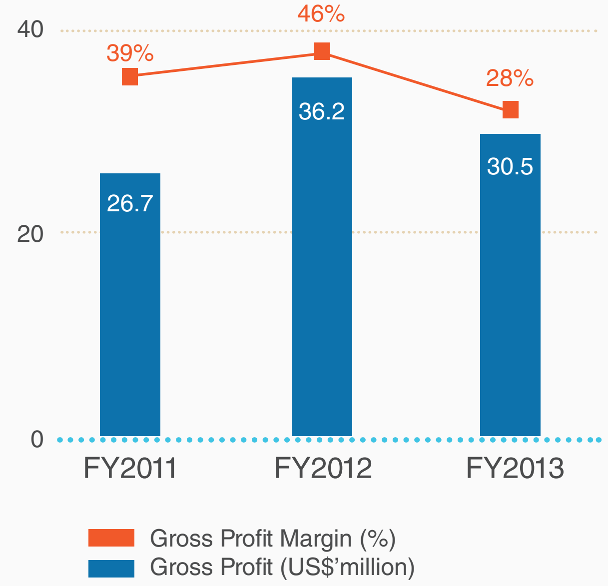
In line with our Group's increase in coal production and expanded operations from the two new mining services contracts, approximately US$11.8 million of the US$25.0 million allocated for the acquisition of additional mining equipment and machinery was utilised in FY2013. These amounts were used to renew the existing fleet as well as to expand our Group's fleet size. As at 31 December 2013, our Group currently owns and operates a comprehensive and diverse 236-strong fleet of mining equipment, an increase of 27% or 50 units, from the previous year.

In FY2013, as our Group established our presence in Singapore post-listing, revenue contribution from Singapore increased significantly, amounting to approximately 22% of total revenue for FY2013. Indonesia remains our Group's biggest market, contributing approximately 70% of total revenue with India contributing to approximately 7%. Our Group sells coal to notable coal trading companies which in turn sell coal to the end customers.

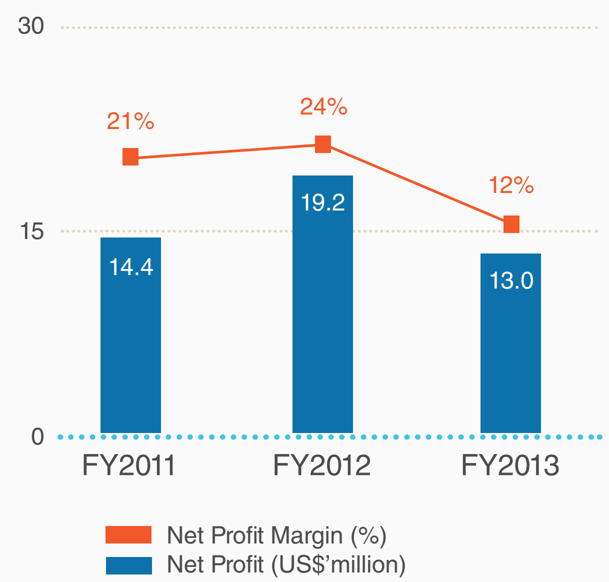
Despite recording higher revenue for the third consecutive year, our Group's gross profit decreased by US$5.7 million to US$30.5 million in FY2013 as we were subjected to an industry wide oversupply, resulting in a dip in coal prices.

Gross profit margin declined from 46% in FY2012 to 28% in FY2013 mainly due to the change in sales mix with the

Gross Profit



Net Profit



termination of CCC in September 2012, the introduction of our new coal trading segment and the lower margins observed from the coal production sale segment. Our Group's gross profit margin also declined due to a lower average selling price ("ASP") and higher operational costs.

Our Group's general and administrative expenses for FY2013 increased by US$2.3 million to US$8.6 million. The increase was mainly due to higher employee related expenses and professional fees, in line with our business expansion plans and conversion to a public listed company.

Our Group's net profit subsequently decreased by US$6.2 million to US$13.0 million in FY2013, mainly due to the lower gross profit and higher operational expenses, other expenses and finance costs.

Financial Position Review

Our Group's current assets increased by US$6.3 million to US$84.7 million as at 31 December 2013, in line with our business expansion as we embarked on new lines of business such as coal trading and mining services.

In particular, our Group's trade receivables balance increased by US$15.2 million, to

FINANCIAL AND
OPERATIONS REVIEW

US$18.9 million as at 31 December 2013, in line with our revenue growth, mainly due to:
(i) An increase in mining services and equipment rental revenue; and
(ii) Credit terms extended to coal sale customers (31 December 2012: advance payment basis).

Our Group's non-current assets increased by US$0.2 million, to US$76.8 million as at 31 December 2013, mainly due to increases in investment property of US$3.5 million and deferred tax assets of US$0.6 million; which were partially offset by decreases in (i) property, plant and equipment of US$2.8 million; (ii) deposits and prepayments of US$0.9 million; and (iii) deferred expenditure of US$0.3 million.

Cash Flow Review

Our Group's net cash used in operating activities in FY2013 was US$26.8 million. Operating cash flow before movements in working capital amounted to US$33.0 million and this was offset by cash outflows of (i) US$50.2 million to meet our working capital requirements (mainly pertaining to upfront payment of coal purchase agreements and purchase of coal trading inventories amounting to US$25.4 million and US$7.5 million, respectively); and (ii) US$9.5 million for payments of income tax.

Net cash from investing activities in FY2013 of US$2.4 million was mainly due to cash inflows from (i) interest income of US$0.4 million; and (ii) proceeds on disposal of property, plant and equipment of US$6.4 million; partially offset by cash outflows for (i) advance payments and payments for the purchase of property, plant and equipment of US$3.9 million; and (ii) deferred expenditure of US$0.5 million.

OPERATIONAL HIGHLIGHTS

BEK Mine

Our Group has continued to increase coal production at the BEK Mine successfully in FY2013, registering a 54.6% increase in coal production from approximately 964,000 tonnes in FY2012 to 1.49 million tonnes in FY2013. This accomplishment was achieved organically by our own fleet of equipment which had also grown from 186 in FY2012 to 236 in FY2013.

Mining Services

Our Group entered into our maiden coal sales and purchase contracts as well as mining services contracts for two mining concessions during December 2012 and January 2013. During the course of the year, our Group successfully provided our mining expertise to external mine owners and assisted them to ramp up their production levels. Our hard work was rewarded as eventually the mine owners requested that we assist them in additional blocks within their own concessions. In addition, we have also entered into a new mining services contract during September 2013. As of 31 December 2013, we have assisted the mine owners to produce approximately 0.60 million tonnes of coal from the maiden projects and have also started the mine development of the latest contract with PJA.

Use of IPO proceeds (as of 28 February 2014)	Amount allocated (as disclosed in the Prospectus) (US$'million)	Amount utilised (US$'million)	Balance of net proceeds (US$'million)
Acquisition of additional mining equipment and machinery	25.0	(13.9)	11.1
Construction of jetty and barge loading facilities	2.0	(1.4)	0.6
Business expansion including acquisitions, joint ventures and/or strategic alliances	10.0	(10.0)	-
General working capital purposes	26.7	(26.7)	-
Net proceeds	63.7	(52.0)	11.7

OUR
MINING PROCESS

LAND CLEARING AND OVERBURDEN REMOVAL

- Topsoil, waste material and overburden are removed by excavators, bulldozers and dump trucks
- The overburden removed is transported to the designated dumping areas and is usually subsequently used in our Group's land reclamation and rehabilitation activities

COAL EXCAVATION

- Using excavators, the coal is extracted and loaded onto dump trucks for haulage
- Our Group's coal mines generally operate on a system of two work shifts of 10 hours per day throughout the year

COAL HAULAGE

- Coal is transported by dump trucks to the barge loading port which is generally located within close proximity of coal mining sites
- Close proximity reduces transportation costs while increasing operational efficiency

CRUSHING AND LOADING

- Coal is off-loaded from the dump trucks onto a conveyor belt which feeds it into the crusher where it is crushed according to specifications determined by customers
- Our Group owns and operates jetty, crushing and loading facilities, thus having more control and flexibility over the operations

COAL SALES

- Our Group delivers and sells coal on either Free-on-Board (FOB) Barge or Mother Vessel basis with credit terms of up to thirty days

RECLAMATION AND REHABILITATION

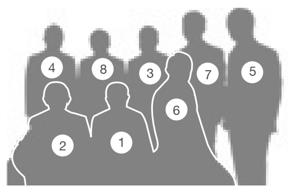
- On an on-going basis, our Group reclaims land by depositing the overburden onto mined-out areas
- Rehabilitation of the reclaimed land is carried out by the spreading of topsoil on the surface of the overburden deposited and the planting of native plants

GEO ENERGY GROUP

Geo Energy is a vertically integrated coal mining and contracting Group that is well suited to optimise efficiency of its operations

SIDE BY SIDE WE LEAD

1) Mr Charles Antonny Melati
2) Mr Dhamma Surya
3) Mr James Beeland Rogers Jr
4) Mr Huang She Thong
5) Mr Soh Chun Bin
6) Mr Lu King Seng
7) Mr Ong Beng Chye
8) Mr Karyono



BOARD OF DIRECTORS

Mr Charles Antonny Melati

Mr Charles Antonny Melati is one of the founders of our Group and is currently Executive Chairman of our Group. As Executive Chairman, he oversees the overall strategic directions and expansion plans for the growth and development of our Group. Prior to his appointment, Mr Charles Antonny Melati was an entrepreneur in the property development and hotel industry from 1991 to 2006. From 2006 to 2008, Mr Charles Antonny Melati was involved in the setting up and operation of PT Trivesta Polymas Perkasa which is principally engaged in the manufacture of cast polypropylene for flexible food packaging in Jakarta, Indonesia. From 2004 to 2010, Mr Charles Antonny Melati was involved in the setting up and operations of a tug and barge business in Singapore and Indonesia. In 1987, Mr Charles Antonny Melati graduated with a Surat Tanda Tamat Belajar Sekolah Menengah Umum Tingkat Pertama (SMP) (which is equivalent to the Ordinary Level General Certificate of Education).

Mr Dhamma Surya

Mr Dhamma Surya is one of the founders of our Group and is currently Chief Executive Officer of our Group. As Chief Executive Officer, he is responsible for the overall business and general management of our Group. Prior to his appointment, Mr Dhamma Surya was an entrepreneur in the property development and construction industry in Indonesia. Between 1990 and 2002, he ran a contractor cum household maintenance services business in Dumai, Riau Province, as the President Director of PT Prakarsa Central Buana. Thereafter, between 2003 and 2006, he worked with various business associates in constructing and developing shophouses and houses in Pekanbaru, Riau Province. Mr Dhamma Surya graduated from Sekolah Menengah Umum Tingkat Atas Negeri in 1984 with a Surat Tanda Tamat Belajar Sekolah Menengah Umum Tingkat Atas (SMA) (which is equivalent to the Advanced Level General Certificate of Education).

Mr James Beeland Rogers Jr

Mr James Beeland Rogers Jr is a Non-Executive Director of our Company and was appointed to our Board on 3 December 2012. Mr Rogers is the author of six books and a globally renowned financial commentator as well as a successful international investor. Mr Rogers is also currently the Chairman of Rogers Holdings and Beeland Interests, Inc. In February 2011, Mr Rogers started the Rogers Global Resources Equity Index, focusing on the top companies in agriculture, mining, metals and energy sectors as well as those in the alternative energy space including solar, wind and hydropower. In September 2012, Mr Rogers was appointed by VTB Capital as an advisor to the agricultural division of its global private equity unit. Mr Rogers obtained a Bachelor's degree in History from Yale University in 1964 and a second Bachelor's degree in Philosophy, Politics and Economics from Balliol College, Oxford University in 1966.

Mr Huang She Thong

Mr Huang She Thong is one of the founders of our Group and is currently our Group's Executive Director. As our Executive Director, he oversees the business developments and sales targets of our Group. Prior to his appointment, he was a sole proprietor, operating a furniture store and mini market (from 2001 to 2007) in Pekanbaru, Riau Province, Sumatra, Indonesia. He was also a vice-director of PT Royal Bintan International which operates the Hotel Royal Palace (from 2000 to 2001) in Tanjung Pinang, Riau Province, Sumatra, Indonesia. Mr Huang She Thong graduated from the Australian School of Tourism and Hotel Management with an Advanced Diploma of Hospitality Management in 2001.

Mr Soh Chun Bin

Mr Soh Chun Bin is the Lead Independent Director of our Company and was appointed to our Board on 25 September 2012. He has more than twelve years of experience in the legal industry. He is currently the Chief Executive Officer of China Titanium Ltd, a company listed on the SGX-Catalist. Prior to his current appointment, Mr Soh Chun Bin was a partner in the equity capital markets department of Stamford Law Corporation. He had advised on many Singapore and international initial public offerings of corporations and real estate development trusts, as well as on post-listing fund-raising, including secondary listings. He had also provided advice to sponsored Catalist companies. He has been recognised as a leading lawyer by legal publications such as Chambers and Partners, and Asialaw. Mr Soh Chun Bin graduated from the National University of Singapore with a Bachelor of Law (Honours) in 1999.

Mr Lu King Seng

Mr Lu King Seng is an Independent Director of our Company and was appointed to our Board on 25 September 2012. Mr Lu King Seng has more than nineteen years of commercial and audit experience in London, Singapore and Malaysia. He is the Managing Director of Orion Advisory Pte Ltd. Prior to his current appointment, Mr Lu King Seng was the Chief Financial Officer in SinCo Technologies Pte Ltd and SinCo Group Holdings Pte Ltd. He oversaw the accounting, treasury, legal and finance matters including group restructurings and mergers and acquisitions. From 2002 to 2004, he joined Deloitte & Touche (Singapore)

BOARD OF DIRECTORS

as an audit manager and was responsible for the audits of listed companies, multinational corporations and small and medium-sized enterprises from the technology, engineering and manufacturing industries. In 2000, he joined Arthur Andersen (which was subsequently merged with Ernst and Young (Singapore) in 2002) as an audit senior and was promoted to Audit Manager in 2001. He was involved in the audits of numerous public limited companies and multinational corporations in the shipping, contract manufacturing, logistics, confectionary and construction industries. From 1997 to 1998, he joined PriceWaterhouse (Malaysia), and then KPMG (Singapore) from 1998 to 1999. During these periods, he was involved in the audits of public limited and medium-sized companies. He was an audit semi-senior at Rubin Winter & Co (London) from 1995 to 1997. Mr Lu King Seng is a fellow of the Association of Certified Chartered Accountants, as well as a non-practising member of the Institute of Singapore Chartered Accountants. He is also a member of the Singapore Institute of Directors. Mr Lu King Seng graduated from Emile Woolf London and obtained a professional qualification from the Association of Certified Chartered Accountants in 1995.

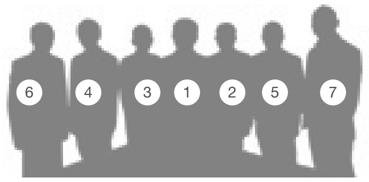
Mr Ong Beng Chye

Mr Ong Beng Chye is an Independent Director of our Company and was appointed to our Board on 25 September 2012. He has more than twenty years of experience in the financial sector. Since the end of 2006, he joined Appleton Global Private Limited as director and is providing business management and consultancy services. Concurrently since 2007, he joined Higson International Pte Ltd as Group Financial Controller of Higson International Pte Ltd, a retailer and manufacturer of sportswear. He is also currently serving as an independent director of three other companies listed on the SGX-ST. In the past, amongst others, he was also an executive director and Chief Financial Officer of Time Watch Investments Limited, a watch manufacturer and retailer, an executive director and vice-president of SAC Capital Private Limited, a merger and aquisition advisory and corporate advisory firm, a senior manager in Deloitte & Touche LLP in Singapore. He is a fellow of The Institute of Chartered Accountants in England and Wales, a Chartered Financial Analyst conferred by The Institute of Chartered Financial Analysts and a non-practising member of the Institute of Singapore Chartered Accountants. Mr Ong Beng Chye obtained a Bachelor of Science (Honours) from The City University, London in 1990.

Mr Karyono

Mr Karyono is an Independent Director of our Company and was appointed to our Board on 25 September 2012. He has more than twenty years of experience in the coal mining industry (including mining engineering academia). He was previously employed as head of the engineering division of PT KTC Coal Mining & Energy, where he managed the geology, mine plan and survey departments. From 2009 to 2011, he worked at PT Berau Bara Energi as a senior mine engineer and managed and oversaw both the geology, mine plan and survey department as well as the production department of a mine site. From 2007 to 2008, he assumed the role of mine project coordinator at PT Yucoal Energi Resources, PT Batubara Selaras Sapta and PT Nusalucky Tama. From September 2006 to July 2007, he worked at PT Bara Pratama Agung. In 2006, he worked first as a mine project coordinator and mine engineering superintendent at PT Mahakam Prima Akbar Sejati from January to June, then as the geotechnic engineer at PT Bukit Mandiri (BUMA) from June to September. From October 2004 to December 2005, he worked as a mine project coordinator and a mine engineering superintendant at PT Alhasanie. From 1993 to 2006, he was also a lecturer in the mining engineering study programme of Universitas Islam Bandung, Bandung. He had been appointed as the division head of administration and student affairs of the engineering faculty in 1997, and then the assistant dean of the engineering faculty in 1999. Concurrently from 1993 to 1994, he was also chief of the chemistry laboratory. From 1992 to 1993, he was a mine planning engineer at PT Lusang Mining and was extensively involved in the monitoring and planning of mine operations and design, as well as mine rehabilitation. From 1990 to 1991, he worked at PT Lusang Mining, Bengkulu as a mine ventilation officer, and then subsequently as a mine technical and ventilation engineer from 1991 to 1992. Mr Karyono obtained a Masters in Geomechanics from the mining engineering department of the Bandung Institute of Technology in 1997, as well as a Bachelor's degree in Mining Engineering from Unisba Bandung in 1989.

KEY MANAGEMENT



1) Mr Ng See Yong
2) Mr Junanto
3) Mr Tan Cheang Shiong
4) Mr Mark Zhou
5) Mr Darmin
6) Mr Yanto Melati
7) Mr Richard Kennedy Melati

KEY
MANAGEMENT

Mr Ng See Yong

Mr Ng See Yong joined our Group as Head, Corporate and Human Resource in January 2012. As our Head, Corporate and Human Resource, he is responsible for overseeing and managing the corporate affairs of our Group as well as the Corporate Human Resource matters particularly in the area of recruiting, benefits and employment relation matters. Prior to and concurrently with his appointment, Mr Ng See Yong is an entrepreneur in the hospitality industry in Batam and Tanjung Pinang, Kepri, Indonesia and Dumai, Riau Province, Indonesia and is the director of Ud Triayu Lestari, which operates the Miracle Aesthetic Clinic in Batam, Indonesia from 2005 to date. He is also a director of PT Alexindo Grahapratama which operates Mercure Hotel Batam, formerly known as Royal Batam Hotel in Batam, Kepri, Indonesia from 1999 to date. He is also a director of PT Bintan International Hotel which operates Comfort Tanjung Pinang Resort in Tanjung Pinang, Kepri, Indonesia from 1997 and a director of PT Bali Furindo, a furniture retailer from 2000. Mr Ng See Yong graduated from the Australian School of Tourism and Hotel Management with a Diploma of Hospitality Management in 1999.

Mr Junanto

Mr Junanto joined our Group as Head, Marketing, in March 2011. As Head, Marketing, he devises, plans and implements marketing strategies to increase our Group's customer base and maximise sales. Prior to his appointment, Mr Junanto was a managing director of PT Royal Energy Resources from 2008 to 2010. He was also a director of PT Royal Prime Resources from 2009 to 2011, PT Royal Prince Travel from 2009, and PT Niaga Hijau Lestari from 2000 to 2005. He was also managing director of Unipro CV & BV from 1996 to 2000. He was also general manager of PT Teluk Intan from 1996 to 2000. He was also export manager of PT Sungai Budi from 1992 to 1996. He was also an account manager of Haga Bank from 1991 to 1992. Mr Junanto graduated from the University of Toledo with a Masters of Business Administration (Finance) in 1990 and from the Trisakti University with a Bachelors of Science in Electrical Engineering in 1988.

Mr Tan Cheang Shiong

Mr Tan Cheang Shiong joined our Group as Chief Financial Officer in March 2011. As our Chief Financial Officer, he is responsible for overseeing the financial and accounting management and reporting. Prior to his appointment, Mr Tan Cheang Shiong was the assistant controller of Honeywell Pte Ltd from 2007 to 2011, where he was responsible for, inter alia, internal and external audits as well as taxation matters in connection with the group's companies in the South East Asia region. He was also the finance manager of Sunningdale Tech Ltd from 2006 to 2007, where he was responsible for, inter alia, preparation of consolidated financial statements, implementation and monitoring of internal control matters as well as ensuring compliance with the continuing listing obligations of the SGX. He was also an auditor with Deloitte & Touche (Singapore) from 2000 to 2006, last held position was assistant audit manager, where he was involved in various IPO projects and the audit of several clients listed on the SGX-ST. Mr Tan Cheang Shiong obtained a professional qualification from the Association of Chartered Certified Accountants in 2002 and is also a non-practising member of the Institute of Singapore Chartered Accountants. Mr Tan Cheang Shiong graduated from Ngee Ann Polytechnic with a Diploma in Accountancy (Merit) in 2000.

Mr Mark Zhou

Mr Mark Zhou joined our Group as Chief Investment Officer in January 2013. He is responsible for overseeing our Group's investment activities such as merger and acquisitions, fund raising activities and investor relations. Prior to his appointment, Mr Mark Zhou was a senior manager with Canaccord Genuity Singapore Pte Ltd from 2009 to 2012. He was also an associate with Westcomb Capital Pte Ltd from 2007 to 2009. Mr Mark Zhou has more than five years of investment banking experience having been involved in various capital markets activities such as initial public offerings, reverse takeovers, rights issues, placements and financial advisory transactions on the Singapore Exchange. He was also a registered professional with a full sponsor having supervised companies listed on the SGX-Catalist on their listing obligations as well as to oversee their compliance with the relevant Catalist regulations. Mr Mark Zhou graduated from Nanyang Technological University with a Bachelor of Business degree with a double specialisation in Banking and Finance and Business Law in 2007.

Mr Darmin

Mr Darmin is one of the founders of our Group and is currently Head, Operations of our Group. Having identified potential in the Indonesian coal mining industry together with the other founders of our Group, he established our Group in 2008 and has played a pivotal role in the growth and development of our Group. As our Head, Operations, he oversees business operations, including the mining and port loading operations. He was first a partner then a director of PT Cipta Serbajaya Abadi (formerly known as CV Serba Jaya Abadi), which is principally engaged in the business of supplying hardware to oil and gas companies in Dumai, Riau Province, Indonesia, from 1991 to 2011. Mr Darmin graduated from Swasta lancing Kuning di Dumai with a Surat Tanda Tamat Belajar Sekolah Menengah Umum Tingkat Pertama (SMP) (which is equivalent to the Ordinary Level General Certificate of Education) in 1984.

Mr Yanto Melati

Mr Yanto Melati joined our Group as Corporate Senior Manager in 2012. He is responsible for overseeing our Group's corporate affairs in Indonesia. Prior to and concurrently with his appointment, Mr Yanto Melati is Director of Operations of PT Trivesta Polymas Perkasa which is principally engaged in the manufacture of cast polypropylene for flexible food packaging in Jakarta, Indonesia, where he is responsible for the overall management and operations including the review of the company's policies and procedures as well as budget planning. Mr Yanto Melati graduated from San Jose State University with a Bachelor of Science degree with a specialization in Business Administration (Management) in 2007.

Mr Richard Kennedy Melati

Mr Richard Kennedy Melati joined our Group as an operations manager in 2009 and he is currently our Head, Fleet Management. As our Head, Fleet Management, he oversees business operations, including the mining and loading port operations. Prior to his appointment, he was an entrepreneur in the construction industry in Indonesia. He was a director of PT Dwi Putra Anjaya, which is principally engaged in the business of construction in Batam, Riau, Indonesia, from 1999 to 2009. He was also a director of PT Alexindo Graha Pratama, which is principally engaged in the business of hotel management in Batam, Kepri, Indonesia, from 1996 to 1999. Mr Richard Kennedy Melati graduated from SMP Swasta Santo Tarcisius with a Surat Tanda Tamat Belajar Sekolah Menengah Umum Tingkat Pertama (which is equivalent to the Ordinary Level General Certificate of Education) in 1991.

CORPORATE SOCIAL RESPONSIBILITY

At Geo Energy, Corporate Social Responsibility ("CSR") forms the core of our overall strategies and is integral to everything we do. CSR concepts are embedded within our daily operations, allowing us to be better able to protect our people, the environment, and the local communities in which we operate. Geo Energy believes that non-financial measures are equally important in measuring our Group's success. Accordingly, we review and analyse all of our business risks and opportunities, looking beyond economic, strategic and operational factors to include social and environmental considerations. Such a risk management approach will contribute to our viability and resilience as a business over the long term.

Our Head of Operations oversees a CSR team comprising a Health Safety and Environment manager and two Community Development personnel who work closely with the project managers, supervisors and foremen at our mine sites to monitor, plan, manage and carry out our CSR activities.

In January 2013, our Group had also engaged PricewaterhouseCoopers Business Advisory Services Pte. Ltd., to conduct a risk workshop to facilitate management from various departments in identifying and prioritising the top risks affecting our Group as well as to provide counter-measures on such risks. We believe this is pertinent as our Group benefits from different solutions to remove, reduce or mitigate risks which include, inter alia, those relating to Occupational Health and Safety, Environment and Natural Resources Stewardship as well as Community Engagement.

Occupational Health and Safety

Geo Energy is committed to continuous improvement in health and safety standards of our operations. We seek to minimise the risk of accidents, injuries and illness to our employees, contractors and local communities by improving health and safety standards as well as closely monitoring our operations.

We adopt a comprehensive safety management system for the safe operation of our mines, which includes safety management plans, rules, codes of practice, manuals and procedures which our employees are required to comply with.

CORPORATE SOCIAL
RESPONSIBILITY

To ensure that our workforce understands and familiarises itself well with our health and safety rules, daily rehearsals incorporating many of our Group's fundamental safety procedures are carried out as far as practicably possible to inculcate and remind employees of safety culture and procedures. Training on basic safety skills and procedures are conducted for our work force including those employed from the local communities.

On a regular basis, we conduct internal safety checks to ensure compliance by our staff. Safety officers are stationed on-site at each of our mining sites to oversee the safety aspect of our coal production operations. They are tasked to monitor the work habits of the employees with the aim of identifying shortfalls in the practice of health and safety procedures. When shortfalls arise, counter-measures are undertaken or new policies are introduced to remove the resultant risk.

Our emphasis on safety first and priority on worker health resulted in a relatively low level of accidents at our mines. All our employees have a mandate to target zero injuries and fatalities amongst our workforce. Based on our internal safety and health records to date, we are pleased to report that our staff has not encountered any severe injuries or fatalities in FY2013.

Environment and Natural Resources Stewardship

Since the commencement of our operations, Geo Energy has been steadfastly committed to achieving high standards of environmental management of the mines where we operate. Environmental management is viewed as another aspect of good governance which must be addressed well in order to enhance our overall performance.

Our Group has formulated comprehensive post-mining reclamation and rehabilitation plans to manage the environment in which we carry out our mining operations. Our plans take into consideration the geological characteristics of our mining sites in order to better manage the environment. It is our Group's intent to rehabilitate land as soon as it is no longer mined rather than wait until the end of mine life. Our land reclamation activities require the deposit of the overburden onto mined-out areas and our rehabilitation activities require the spreading of topsoil over the surface of the overburden deposited and the planting of native plants to restore and enhance the environment.

Our environmental management strategies and goals also include effective air and water pollution control measures, proper handling and disposal of hazardous and poisonous waste and continuous improvement of our resource efficiency. Removal of oil and other pollutants, testing of acidity level and treatment is carried out before the disposal of waste water. Other types of waste such as used oil, scrap metal and worn tyres are brought to designated dump site(s) at the mine site to be collected and removed by third party contractors periodically. During the dry season, water trucks are deployed to spray sections of coal haulage roads (which are largely dirt roads or earth roads) located near the homes of the local communities in order to reduce dust pollution. Face masks are also distributed to local residents to help reduce exposure to dust.

The Environmental Control Agency (Badan Lingkungan Hidup Daerah) (BLHD), the government agency responsible for implementing the Government's environmental regulations and policies, and local government agencies supervise our mining operations. BLHD coordinates its activities with various government agencies, including the Ministry of Energy and Mineral Resources. We subject our mining operations to periodic internal and external environmental audits. Our internal environmental team conducts internal audits, while BLHD conducts external environmental audits. Together, we work to improve our procedures and ensure that our Group is in adherence with the required policies. In FY2013, we are not aware of any major complaints or protest relating to environmental pollution against our Group.

Community Engagement

Geo Energy believes in creating a positive and lasting social impact on the communities around the mining sites where we operate. As we continue to care for the local communities, we are able to develop successful partnerships based on mutual understanding, trust and respect. Together, we work hand in hand to identify and evaluate the needs of the community as well as the actual and potential social consequences of our operations at every stage of the mine's life cycle. This will allow us to focus our CSR efforts on improving the livelihood of these communities,

CORPORATE SOCIAL
RESPONSIBILITY

in addition to the protection of the environment around the mining sites as described above.

Economic Empowerment

Community involvement is a cornerstone of our employment policy at our mines. This is evidenced through our employment statistics – as at 31 December 2013, local employment in all our mine sites amounted to approximately 80% of our total staff strength. We strongly believe in educating the local workforce in terms of productivity and continuous learning. As such, we provide basic training and skills development to the local workforce, and in some cases we may also provide skills upgrading and extend their employment with us or deploy them in our other mining sites. More often than not, these trained local workers are able to successfully seek other employment opportunities and develop sustainable, independent sources of income with the practical skills, knowledge and experience gained at our mine sites. We hope to thereby create self-empowerment within the local communities as this will ensure sustainable economic well-being of these communities even after our mining operations come to an end.

We also seek to support and promote local businesses and economic activity by engaging them as suppliers. We currently procure mainly food supplies from local suppliers around our mine sites.

Community Assistance

In addition to economic empowerment, we are committed to improving the general living standards of the local communities. Together with the project managers on-site, our Community Development personnel invest time and effort in building relationships with local communities and residents. Through regular interactions with them, we are able to identify the needs of the local communities and partner with them to address those needs where practicably possible. We also hold regular meetings with representatives of each village to discuss progress and implementation of our community assistance plans as well as to address any issues, concerns or complaints that may arise. Our community assistance efforts include making donations to mosques and local schools (including providing basic school supplies) as well as organising and participating in local festivities and celebrations with the communities. In the later part of 2013, we embarked on educating the local community (targeting mainly mothers and midwives) by conducting workshops on maternal and child healthcare. In addition, we also distributed bottled milk to nursing mothers as well as to children below 5 years old. We also provided medical and health support in the form of free clinic consultation and treatment services to the local communities near our mine site. To further improve the living conditions of the local communities, we also constructed three wells to provide clean water to the local residents and distributed basic necessities to the disadvantaged and needy families. In Singapore, we also made donations to The Singapore Association for the Deaf. We hope that our funds will be able to assist the hearing impaired individuals to achieve a better quality of life and to meet the needs of the less privileged.

COAL RESERVES AND RESOURCES STATEMENT

as at 31 December 2013

RESERVES AND RESOURCES FOR BEK COAL MINE				
Category	Mineral Type	Gross/Net Attributable to Geo Energy		Change from previous update (%)
		As at 31 December 2013 Tonnes (Million)	As at 31 December 2011 Tonnes (Million)	
RESERVES				
Proved	Coal	3.8	4.2	-9.5
Probable	Coal	7.3	8.3	-12.0
Total Reserves		11.1	12.5	-11.2
RESOURCES				
Measured	Coal	1.0	1.2	-16.0
Indicated	Coal	6.3	7.1	-11.3
Inferred	Coal	22.4	22.4	0.0
Total Resources		29.7	30.7	-3.2

Note: The Measured, Indicated, and Inferred Resources are in addition to the Reserves

General

1. The information on coal resources as at 31 December 2013 was prepared by or under the supervision of Competent Persons as defined in the JORC Code.
2. The JORC Code 2012 Edition requires the use of reasonable technical, operational and economic assumptions when categorising reserves. These include, but are not limited to, confirmation of mining rights and licenses, geological review, mining plan validation, operating cost validation and long-range commodity price forecasts to support revenue assumptions. Coal resource and reserve estimates are dynamic and are influenced by changing economic conditions, technical issues, mining rates, environmental regulations and relevant new information and therefore can vary from year to year.
3. Reserve estimates have been adjusted to reflect BEK Mine coal production during 2012 and 2013. They also reflect the results of exploration during 2013.
4. Rounding of figures may cause computational discrepancies.

The information in this statement that relates to geology and coal resources and reserves was prepared by Behre Dolbear Asia, Inc. The information was compiled by Mr. Norris E. Brooks and Mr. James F. Kohler.

Mr Brooks is a member of the Mining and Metallurgical Society of America (MMSA) and a Senior Associate at Behre Dolbear Asia, Inc. He has sufficient experience which is relevant to the type of mineralisation and style of deposit under consideration and to the activity which he has undertaken, to qualify as the Competent Person as defined in the JORC Code 2012 Edition and the requirements for "Qualified Person" as defined in Canadian National Instrument (NI) 43-101 for mining engineering. Mr. Brooks consents to inclusion in this report of the matters based on his information in the form and context in which it appears.

Mr Kohler is a member of the Society for Mining, Metallurgy, and Exploration, Inc. and a Senior Associate at Behre Dolbear Asia, Inc. He is also a member of the Geological Society of America. He has sufficient experience which is relevant to the type of mineralisation and style of deposit under consideration and to the activity which he has undertaken, to qualify as the Competent Person as defined in the JORC Code 2012 Edition and the requirements for "Qualified Person" as defined in Canadian National Instrument (NI) 43-101 for mining engineering. Mr. Kohler consents to inclusion in this report of the matters based on his information in the form and context in which it appears.

INVESTOR
RELATIONS

SIAS Awards

Geo Energy's commitment to good corporate governance standards and regular communication to investors was recognised when it was awarded Runner-up of the 14th Securities Investments Association (Singapore) (SIAS) Investors' Choice Award, Most Transparent Company Award (MTCA) 2013 under two categories, namely (i) Chemical & Resources Category and (ii) New Issues. These are the first corporate awards that Geo Energy has won, having completed our first year anniversary of being a listed company on the Singapore Exchange, and mark our efforts to improve transparency standards and overall corporate governance.

Our Group is heartened and encouraged by the recognition. We will continue to maintain a high level of transparency and overall corporate governance to ensure that the public and our stakeholders are kept abreast with the latest developments of our Group.

SIAS launched the "Most Transparent Company Award" in 2000 to encourage public listed companies to be more transparent thereby assisting investors to make informed decisions on their investments. This year, the award selection is based on the ICB classification. Companies are first shortlisted using the SMU-SKBI Singapore Corporate Governance Index (SCGI), a balance weighted index covering five aspects in the OECD principles. The Most Transparent Company Award takes into consideration the "Disclosure and Transparency" aspect based on publicly available information and the Company's performance.

Geo Energy Site Visit

At Geo Energy, we demonstrate our commitment to maintain transparency and good corporate governance by having an open door policy and regularly invite clients, financial media, analysts, funds, financial institutions as well as strategic partners to view our mining operations in Indonesia.

FY2013 was indeed an exciting year with the ramping up of our operations at our BEK mine and the commencement of mining services as well as coal sales and purchase contracts for two new concessions. During the year, we had conducted site visits to introduce our Group's operations from mine development to coal production as well as coal sales. Our Group also took pride in showcasing our expanded fleet of mining equipment which had grown from 186 in FY2012 to 236 in FY2013. We had also replaced a significant number of existing equipment with newer and more efficient equipment of greater capacity.

Management believes that such open door interactions also provide our Group with the opportunity to improve ourselves with feedback obtained from various parties.

Geo Energy Team Building

We believe in fostering close and family-like relationships with our clients, business associates and partners. Here in Geo Energy, management leads by example by initiating such close relationships and open communication with an inside-out approach.

After 6 months of detailed planning and arduous coordination, Geo Energy had its inaugural team building event. We saw active participation from the management and staff of Geo Energy from both our Indonesia and Singapore offices at this team building event which was held in Citra Cikopo Hotel - Cisarua Bogor, Indonesia. Dhamma Surya, our CEO, welcomed and kicked the event off by imparting our Group's vision and the theme of the team building event, which was "Together we move to the next level". Haryanto Kandani, a renowned speaker in Indonesia, addressed the Geo Energy family on a talk-cum-workshop basis on how to successfully achieve our key goals and remain united. Our staff also had a lot of fun and togetherness during the outdoor fun games which required a lot of creativity and importantly, unity. Though this was a short off-site trip, all our management and staff came back with renewed fervour as well as a fresh perspective on how we can work together to create shareholders value.

CORPORATE INFORMATION

Board of Directors

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

Audit Committee

Ong Beng Chye (Chairman)
Soh Chun Bin
Karyono
Lu King Seng

Remuneration Committee

Lu King Seng (Chairman)
Soh Chun Bin
Ong Beng Chye

Nominating Committee

Soh Chun Bin (Chairman)
Karyono
Lu King Seng
Ong Beng Chye
Charles Antonny Melati
Dhamma Surya

Company Secretary

Vincent Lim, LLB (Hons)

Registered Office

12 Marina Boulevard #16-01
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: +65 6702 0888
Fax: +65 6702 0880

Share Registrar and Share Transfer Office

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Auditors

Deloitte & Touche LLP
6 Shenton Way
OUE Downtown 2 #32-00
Singapore 068809
Partner-in-charge:
Tay Hwee Ling
Date of Appointment: 27 June 2013
(Public Accountants and Chartered Accountants)

Principal Bankers

United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore 068892

Australia and New Zealand Banking Group Limited
50 Raffles Pace
#01-03 Singapore Land Tower
Singapore 048623

FINANCIAL CONTENTS

CORPORATE GOVERNANCE REPORT

Geo Energy Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to maintaining a high standard of corporate governance. The Company understands that good corporate governance is an integral element of a sound corporation and enables it to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering, and hence helps to protect shareholders' interests. This also helps the Company to create long-term value and returns for its shareholders.

The Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") requires all listed companies to describe in their Annual Reports, their corporate governance practices, with specific reference to the principles of the Code of Corporate Governance 2012 (the "**Code**").

The Company is pleased to report on its corporate governance processes and activities as required by the Code. For easy reference, sections of the Code under discussion in this Report are specifically identified. However, this Report should be read as a whole as other sections of this Report may also have an impact on the specific disclosures.

Statement of Compliance

The Board of Directors of the Company (the "**Board**") confirms that for the financial year ended 31 December 2013 ("**FY2013**"), the Company has generally adhered to the principles and guidelines as set out in the Code, save as otherwise explained below.

1. THE BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

The Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Charles Antonny Melati	Executive Chairman
Dhamma Surya	Chief Executive Officer
Huang She Thong	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 ("**Jim Rogers**")	Non-Executive Director

The principal functions of the Board, in addition to carrying out its statutory responsibilities, are as follows:-

- overseeing the formulation of and approving the Group's overall long-term strategic objectives and directions, taking into consideration sustainability issues;
- overseeing and reviewing the management of the Group's business affairs, financial controls, performance and resource allocation; and
- establishing a framework of prudent and effective controls to assess and manage risks and safeguard shareholders' interests and the Group's assets.

The approval of the Board is required for matters such as corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, the release of the Group's quarterly and full-year results and interested person transactions of a material nature.

All directors exercise due diligence and independent judgment, and are obliged to act in good faith and consider at all times the interests of the Company.

Directors have the opportunity to meet with the Group's management (the "**Management**") to gain a better understanding of the Group's business operations. The Board as a whole is updated on changing commercial risks, and key changes in the relevant legal and regulatory requirements, as well as accounting standards. The directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group and attendance of appropriate courses and seminars is arranged and funded by the Company.

Newly appointed directors will receive a formal letter explaining their duties and responsibilities, and will undergo orientation and be briefed on the business and governance practices of the Group as well as industry-specific knowledge.

To assist in the execution of its responsibilities, the Board has established three Board Committees, comprising an Audit Committee (the "**AC**"), a Nominating Committee (the "**NC**") and a Remuneration Committee (the "**RC**"). These committees function within clearly defined written terms of reference and operating procedures.

The Board meets on a regular basis and ad-hoc Board meetings are convened when they are deemed necessary. The number of Board meetings held in FY2013 is set out below:-

	Board	Board Committees		
		AC	NC	RC
Number of meetings held	4	4	1	1
	Number of meetings attended			
Charles Antonny Melati	4	4	1	1
Dhamma Surya	4	4	1	1
Huang She Thong	4	4	1	1
Soh Chun Bin	4	4	1	1
Ong Beng Chye	4	4	1	1
Lu King Seng	4	4	1	1
Karyono	4	4	1	1
Jim Rogers	4	4	1	1

The Articles of Association of the Company provide for meetings of the Board to be held by way of telephonic or video conference or by similar means of communication equipment.

2. BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management and substantial shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision-making.

The Board comprises eight directors, of whom four (constituting half of the Board) are independent, namely, Mr Soh Chun Bin, Mr Ong Beng Chye, Mr Lu King Seng and Mr Karyono, and one is non-executive, namely, Mr Jim Rogers. The criterion of independence is based on the definition set out in the Code. The Board considers an "**independent**" director to be one who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of the Company. With four independent directors, the Board is able to exercise independent judgment on corporate affairs and provide the Management with a diverse and objective perspective on issues. There is therefore no individual or small group of individuals who dominate the Board's decision-making.

The independence of each director is reviewed annually. Each independent director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code. The independence of any director who has served on the Board beyond nine years from the date of his first appointment will be subject to more rigorous review, taking into account the need for progressive refreshing of the Board.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Company, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board committees.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group comprises members with core competencies in accounting and finance, business and management experience, industry knowledge, strategic planning and customer-based experience and knowledge.

Where necessary or appropriate, the non-executive directors on the Board will meet without the presence of the Management. The non-executive directors constructively challenge and assist in the development of business strategies, and assist the Board in reviewing the performance of the Management in meeting goals and objectives and monitoring the reporting of performance.

The profiles of the directors are set out in the "**Board of Directors**" section of this Annual Report.

3. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

The positions of Executive Chairman and Chief Executive Officer are held by separate individuals, who are not immediate family members, to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for objective decision-making.

Mr Charles Antonny Melati is the Executive Chairman of the Company and oversees the overall strategic directions and expansion plans for the growth and development of the Group. With the assistance of the company secretary, he also ensures that Board meetings are held as and when required, sets the agenda for the Board meetings and ensures the quality, quantity and timeliness of the flow of information between the Management, the Board and the shareholders.

Mr Dhamma Surya is the Chief Executive Officer of the Company and oversees the overall business and general management of the Group.

The Board is of the view that with the current executive management team and the establishment of the three Board committees, there are adequate safeguards in place to ensure unfettered decision-making, as well as to prevent an uneven concentration of power and authority in a single individual.

In view that the Executive Chairman is not an independent director and is part of the executive management team, Mr Soh Chun Bin had been appointed as the lead independent director and he is available to shareholders where they have concerns and for which contact through the normal channels of the Executive Chairman, Chief Executive Officer or Chief Financial Officer has failed to resolve or is inappropriate.

4. BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The NC comprises Mr Soh Chun Bin, Mr Ong Beng Chye, Mr Lu King Seng, Mr Karyono, Mr Charles Antonny Melati and Mr Dhamma Surya. The chairman of the NC is Mr Soh Chun Bin, the lead independent director of the Company. The majority of the NC, including the chairman, is independent. The chairman of the NC is not, and is not directly associated with, any substantial shareholder of the Company.

The written terms of reference of the NC have been approved and adopted, and they include the following:-

- making recommendations to the Board on relevant matters relating to the review of board succession plans for directors, in particular, the Executive Chairman and for the Chief Executive Officer, the development of a process for evaluation of the performance of the Board, the Board committees and directors, and the review of training and professional development programs for the Board;

- making recommendations to the Board on the appointment and re-appointment of directors (including alternate directors, if applicable), taking into consideration the composition and progressive renewal of the Board and each director's competencies, commitment, contribution and performance (such as attendance, preparedness, participation and candour);

- ensuring that all directors submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years;

- determining annually, and as and when circumstances require, whether a director (including an alternate director) is independent, bearing in mind paragraph 2.3 of the Code and any other salient factors;

- deciding if a director is able to and has been adequately carrying out his duties as a director of the Company, taking into consideration the director's number of listed company board representations and other principal commitments; and

- assessing the effectiveness of the Board as a whole and its Board committees and the contribution by the Chairman and each individual director to the effectiveness of the Board.

Having carried out its review, the NC is of the view that Mr Soh Chun Bin, Mr Ong Beng Chye, Mr Lu King Seng and Mr Karyono have satisfied the criteria for independence.

The Company does not have a formal process for the selection and appointment of new directors to the Board. However, if required, the Company will be able to procure search services, contacts and recommendations for the purposes of identifying suitably qualified and experienced persons for appointment to the Board.

Board appointments are made by way of a board resolution after the NC has, upon reviewing the resume of the proposed director and conducting appropriate interviews, recommended the appointment to the Board. Pursuant to the Articles of Association of the Company, each director is required to retire at least once every three years by rotation, and all newly appointed directors who are appointed by the Board are required to retire at the next annual general meeting following their appointment. The retiring directors are eligible to offer themselves for re-election. In addition, a director of over 70 years of age is required to be re-appointed every year at the annual general meeting under the Companies Act before he can continue to act as a director.

The dates of initial appointment and last re-election of the directors, together with their directorships in other listed companies, are set out below:-

Director	Position	Date of initial appointment	Date of last re-election	Current directorships in listed companies	Past directorships in listed companies (in last three years)
Charles Antonny Melati	Executive Chairman	24 May 2010	29 April 2013	–	–
Dhamma Surya	Chief Executive Officer	24 May 2010	29 April 2013	–	–
Huang She Thong	Executive Director	15 June 2010	29 April 2013	–	–
Soh Chun Bin	Lead Independent Director	25 September 2012	29 April 2013	Triyards Holdings Limited	Asia Fashion Holdings Limited
Ong Beng Chye	Independent Director	25 September 2012	29 April 2013	Hafary Holdings Limited Heatec Jietong Holdings Ltd. Kitchen Culture Holdings Ltd.	–
Lu King Seng	Independent Director	25 September 2012	29 April 2013	–	–
Karyono	Independent Director	25 September 2012	29 April 2013	–	–
Jim Rogers	Non-Executive Director	3 December 2012	29 April 2013	FAB Universal Corporation Spanish Mountain Gold Ltd The Zweig Fund, Inc. The Zweig Total Return Fund, Inc.	–

The NC, in determining whether to recommend a director for re-appointment, will have regard to the director's performance and contribution to the Group and whether the director has adequately carried out his or her duties as a director.

The Board is of the view that there is no necessity at this point in time to determine the maximum number of listed company board representations which a director may hold.

The NC has nominated Mr Dhamma Surya, Mr Huang She Thong, Mr Soh Chun Bin, and Mr Jim Rogers (being above 70 years of age), who will be retiring at the forthcoming annual general meeting, to the Board for re-election or re-appointment as directors.

Key information regarding the directors, including their shareholdings in the Company, is set out in the "**Board of Directors**" section and "**Report of the Directors**" section of this Annual Report.

5. BOARD PERFORMANCE

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

Board performance is linked to the overall performance of the Group. The Board complies with the applicable laws, and members of the Board are required to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The NC is responsible for assessing the effectiveness of the Board as a whole and the Board committees and the contribution of the Chairman and each individual director to the effectiveness of the Board. The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The criteria for the evaluation of the performance of individual directors include qualitative and quantitative factors such as performance of principal functions and fiduciary duties, level of participation at meetings, guidance provided to the Management and attendance record. The performance criteria are not subject to changes from year to year. Nonetheless, where circumstances deem it necessary for any of the criteria to be changed, the Board will justify such changes.

The Board and the NC have endeavoured to ensure that directors appointed to the Board possess the background, experience, business knowledge, financial expertise and management skills relevant to the Group's business. They have also ensured that each director, with his special contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made. Based on the results of the performance evaluation by the NC, the Executive Chairman may propose new members for appointment to the Board or seek the resignation of directors, in consultation with the NC.

6. ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

Directors are from time to time furnished with detailed information concerning the Group to support their decision-making process.

Prior to each Board meeting, the members of the Board are each provided with the relevant documents and information necessary for them to comprehensively understand the issues to be deliberated upon and make informed decisions thereon.

As a general rule, notices are sent to the directors one week in advance of Board meetings, followed by the Board papers, in order for the directors to be adequately prepared for the meetings.

The Board (whether individually or as whole) has separate and independent access to the Management and the company secretary at all times, and may seek independent professional advice, if necessary, at the expense of the Company. The company secretary attends all Board meetings and ensures that all Board procedures are followed. Where the company secretary is unable to attend any Board meeting, he ensures that a suitable replacement is in attendance and that proper minutes of the same are taken and kept. The company secretary also ensures that the Company complies with the requirements of the Companies Act and the SGX-ST Listing Manual.

7. PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC comprises Mr Lu King Seng, Mr Soh Chun Bin and Mr Ong Beng Chye, all of whom are independent directors. The chairman of the RC is Mr Lu King Seng.

The terms of reference of the RC have been approved and adopted. The functions of the RC include the following:-

- reviewing and recommending for endorsement by the entire Board a general framework of remuneration for the directors and key management personnel;
- reviewing and recommending for endorsement by the entire Board the specific remuneration packages for each director as well as for the key management personnel. The RC shall cover all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind;
- reviewing and recommending to the Board the terms of renewal of the service contracts of directors; and
- reviewing the Company's obligations arising in the event of termination of the executive directors and key management personnel's contracts of services, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The members of the RC are familiar with executive compensation matters as they manage their own businesses and/or are holding other directorships. The RC has access to appropriate external expert advice in the field of executive compensation, if required. In 2013, the RC engaged HR Business Solutions (S) Pte Ltd ("**HRBS**") to conduct a review of the remuneration framework of the Company's directors and key management personnel. HRBS does not have any relationship with the Group which may affect their independence and objectivity.

The RC's recommendations will be submitted for endorsement by the Board. No director is involved in deciding his own remuneration.

8. LEVEL AND MIX OF REMUNERATION

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual directors and key management personnel.

Non-executive directors receive director's fees for their effort and time spent, responsibilities and contribution to the Board, subject to shareholders' approval at annual general meetings.

Remuneration for the executive directors includes a basic salary component and a variable component that is the performance bonus, based on the performance of the Group as a whole. The Company has entered into fixed-term service agreements with its Executive Chairman, Mr Charles Antonny Melati, and its Chief Executive Officer, Mr Dhamma Surya. Either party may terminate the service agreements at any time by giving the other party not less than six months' notice in writing, or payment in lieu of notice.

The Company does not currently have any long-term incentive schemes.

9. DISCLOSURE ON REMUNERATION

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The Company has established a performance-based remuneration system for executive directors and key management personnel that is flexible and responsive to the market, comprising a base salary and other fixed allowances, as well as a performance bonus which is based on the Group's performance and the individual's performance. Under the terms of their service agreements, Mr Charles Antonny Melati, the Executive Chairman, and Mr Dhamma Surya, the Chief Executive Officer, are entitled to receive a variable performance bonus based on the consolidated audited profit before tax of the Group in each financial year.

The level and mix of remuneration paid or payable to the directors and key management personnel for FY2013 are set out below:-

Remuneration bands	Salary & CPF %	Bonus & CPF %	Director's Fees(1) %	Other Benefits %	Total %
Directors					
S$250,001 to S$500,000					
Charles Antonny Melati(2)	89.5	–	–	10.5	100.0
Dhamma Surya(3)	90.9	–	–	9.1	100.0
Huang She Thong(2)	92.3	–	–	7.7	100.0
S$0 to S$250,000					
Soh Chun Bin	–	–	100.0	–	100.0
Ong Beng Chye	–	–	100.0	–	100.0
Lu King Seng	–	–	100.0	–	100.0
Karyono	–	–	100.0	–	100.0
Jim Rogers	–	–	100.0	–	100.0
Key management personnel					
S$0 to S$250,000					
Darmin(3)	97.3	2.7	–	–	100.0
Richard Kennedy Melati(2)	97.3	2.7	–	–	100.0
Ng See Yong(2)	100.0	–	–	–	100.0
Tan Cheang Shiong	100.0	–	–	–	100.0
Junanto	94.7	5.3	–	–	100.0
Yanto Melati(2)	93.8	6.2	–	–	100.0
Mark Zhou You Chuan	100.0	–	–	–	100.0

Notes:-

(1) Director's fees are subject to approval by the shareholders of the Company at the forthcoming annual general meeting.
(2) Mr Charles Antonny Melati, Mr Huang She Thong, Mr Richard Kennedy Melati, Mr Ng See Yong and Mr Yanto Melati are brothers.
(3) Mr Dhamma Surya and Mr Darmin are brothers.

The aggregate remuneration (including CPF contributions thereon and bonus) paid to the top five key management personnel of the Group (who are not directors of the Company or the Chief Executive Officer) in FY2013 amounted to approximately S$1,050,000.

The Board is of the view that full disclosure of the specific remuneration of each individual director and key management personnel is not in the best interests of the Company, taking into account the sensitive nature of the subject, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group.

Save for the above key management personnel and the following employees, there was no employee of the Group who was an immediate family member of a director or the Chief Executive Officer, whose remuneration exceeded S$50,000 during FY2013:-

Remuneration bands	
S$100,001 to S$150,000	Yanti Ng[(1)] Tanny[(1)]
S$50,001 to S$100,000	Lim Kok Wah, Eric[(1)]

Note:-

(1) Ms Yanti Ng is the sister and Mr Tanny and Mr Lim Kok Wah, Eric are the brothers-in-law of Mr Charles Antonny Melati and Mr Huang She Thong, the directors of the Company.

Currently, the Company has not implemented any employee share schemes.

10. ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board understands its accountability to the shareholders on the Group's performance, financial position and prospects. In presenting the quarterly and full-year financial statements to shareholders, the Board aims to provide shareholders with a detailed and balanced analysis and explanation of the Group's financial performance, position and prospects. In line with the rules of the SGX-ST Listing Manual, the Board provides a negative assurance statement to the shareholders in respect of the interim financial statements.

The Management provides the Board with relevant information on the performance of the Group on a regular basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

11. RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board recognises the importance of sound internal controls and risk management practices in safeguarding shareholders' interests and the Group's assets. The Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information, and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial implications, as well as for the authorisation of capital expenditure and investments.

The Management has formed an Enterprise Risk Management ("**ERM**") Working Group to devise and implement an ERM framework, in consultation with the Company's internal auditors, PricewaterhouseCoopers Business Advisory Services Pte. Ltd.. The ERM Working Group, together with the business and corporate executive heads, identifies the operational, financial and compliance risks faced by the Group and set out the appropriate mitigating actions and monitoring mechanisms to respond to these risks and changes within the Group and the external business environment. The ERM framework is designed to manage the Group's risks and is approved by the Board, taking into consideration the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives. On an on-going basis, the ERM Working Group reviews all significant control policies and procedures, and highlights all significant matters to the Board and the AC.

The internal auditors evaluated the related internal controls as part of the internal audit plan approved by the AC. Any material non-compliance or weakness, including recommendations for improvements, is reported to the AC. The AC also reviews the effectiveness of actions taken by the Management on the recommendations made by the internal auditors in this respect.

In addition to the work performed by the internal auditors, the external auditors, Deloitte & Touche LLP, also perform tests of certain controls relevant to the preparation of the Group's financial statements. The external auditors report any significant deficiencies of such internal controls to the AC.

During the year, the AC has, together with the internal auditors and the ERM working group, reviewed the adequacy, effectiveness and integrity of the Group's internal controls and risk management systems, including operational, financial, compliance and information technology controls. The Chief Executive Officer and Chief Financial Officer have also provided assurance to the Board on the state of the Group's internal controls, risk management systems and financial records.

Based on the ERM framework and internal controls established and maintained by the Group, the work performed by the internal and external auditors, and reviews performed by the Management and the ERM working group and the AC, the Board, with the concurrence of the AC, is of the opinion that the internal controls and risk management systems in place were adequate and effective in addressing the Group's financial, operational and compliance risks in its business environment as at 31 December 2013.

The Board notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

12. AUDIT COMMITTEE

Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

The AC comprises Mr Ong Beng Chye, as the chairman, and Mr Soh Chun Bin, Mr Lu King Seng and Mr Karyono, as members, all of whom are independent directors. The members of the AC have sufficient accounting or financial management expertise, as interpreted by the Board in its business judgment, to discharge the AC's functions.

The written terms of reference of the AC have been approved and adopted. The main functions of the AC include:-

- reviewing the audit plans of the external auditors and the internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls;
- reviewing the annual consolidated financial statements and the external auditors' report on those financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore financial reporting standards, concerns and issues arising from their audits, including any matters which the auditors may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;
- reviewing the periodic consolidated financial statements comprising the profit and loss statements and the balance sheets and such other information required by the SGX-ST Listing Manual, before submission to the Board for approval;

- reviewing and discussing with external and internal auditors (if any), any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;
- reviewing the co-operation given by the Management to the external auditors;
- considering the appointment and re-appointment of the external auditors;
- reviewing any interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual;
- reviewing any potential conflicts of interest;
- reviewing the procedures by which employees of the Group may, in confidence, report to the chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions in relation thereto;
- undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- reviewing and recommending hedging policies and instruments, if any, to be implemented by the Company to the Board;
- enquiring on the status of the existing Qualifying Assets (as defined in the Company's prospectus dated 10 October 2012 (the "**Prospectus**")) and determining if any of the Qualifying Assets should be removed from the QA List (as defined in the Prospectus);
- reviewing and approving the Promoter Interest Register (as defined in the Prospectus); and
- undertaking generally such other functions and duties as may be required by law or the SGX-ST Listing Manual, and by such amendments made thereto from time to time.

The AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

The AC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any director, key management personnel or other employee of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

The AC meets with the external auditors and internal auditors without the presence of the Management, at least annually.

The external auditors update the AC on any changes in accounting standards impacting the financial statements of the Group before an audit commences.

The fees paid by the Company to the external auditors in FY2013 for audit and non-audit services amounted to S$364,000 and S$323,500, respectively. The non-audit services provided by the external auditors in FY2013 related mainly to financial due diligence in connection with the Group's corporate transactions. The AC, having undertaken a review of all non-audit services provided by the external auditors, is of the opinion that such services would not affect the independence of the external auditors.

The Company has complied with Rules 712 and 715 of the SGX-ST Listing Manual in relation to its external auditors.

The Group has implemented a whistle-blowing policy. The policy aims to provide an avenue for employees and other persons to raise concerns about improprieties in matters of financial reporting or other matters and at the same time assure them that they will be protected from reprisals or victimisation for whistle-blowing in good faith. The AC has not received any report on this matter during FY2013. Contact details of the AC chairman and lead independent director have been made available to all employees.

13. INTERNAL AUDIT

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company outsources the internal audit function to an external professional firm, PricewaterhouseCoopers Business Advisory Services Pte. Ltd., to perform the review and test of controls of the Group's processes. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC.

The internal auditors report directly to the chairman of the AC. The AC reviews and approves the annual internal audit plans, and reviews the scope and results of the internal audit performed by the internal auditors. The AC will ensure the adequacy and effectiveness of the internal audit function at least annually. The AC is satisfied that the internal auditors are independent and have the appropriate standing to perform their functions effectively.

14. SHAREHOLDER RIGHTS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNET. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNET. The Company encourages shareholders' participation during the general meetings. Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures.

15. COMMUNICATION WITH SHAREHOLDERS

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Company recognises that effective communication leads to transparency and enhances accountability. The Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information to its shareholders via SGXNET announcements and news releases and ensures that price-sensitive information is publicly released and is announced within the mandatory period. The Company does not practise selective disclosure. The views of shareholders are gathered at shareholder meetings where shareholders are permitted to ask questions and seek a better understanding of the Group.

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate.

16. CONDUCT OF SHAREHOLDER MEETINGS

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

All shareholders of the Company receive the Annual Report and the notices of general meetings. The notice will also be advertised in a local newspaper and made available on SGXNET. The Company encourages shareholders' participation at general meetings, and all shareholders are given the opportunity to voice their views and to direct queries regarding the Group to directors, including the chairperson of each of the Board committees. The Company's external auditors are also present to assist the Board in addressing any relevant queries from shareholders. The Company also ensures that there are separate resolutions at general meetings on each distinct issue. Minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management, are available to shareholders upon their request.

The Board supports the Code's principle of encouraging shareholder participation. The Articles of Association of the Company currently allow a member of the Company to appoint up to two proxies to attend and vote at general meetings. Given the attendance level at the Company's general meetings, the Board is of the view that it is not necessary nor cost-effective to put all resolutions to vote by poll and announce the detailed results.

17. DEALINGS IN SECURITIES

In compliance with the best practices set out in the SGX-ST Listing Manual on dealings in securities, directors and officers of the Company are advised not to deal in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company prohibits dealings in its shares by its directors and officers during the period commencing two weeks before the announcement of the Company's quarterly financial statements and one month before the announcement of the Company's full-year financial statements, and ending on the date of the announcement of the results.

18. INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reviewed and/or approved by the AC, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

During FY2013, the Group had entered into the following interested person transactions:-

Name of interested person	Aggregate value of all interested person transactions during FY2013 (excluding transactions of less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions of less than S$100,000)
Technical services provided to PT Prima Energytama[1]	US$80,000	–

Note:-

(1) PT Prima Energytama is incorporated in Indonesia and is principally engaged in the business of coal mining exploration services. Its shareholders are PT Libra Melati Investment (70%) and PT Geo Surya Energy (30%). PT Libra Melati Investment is a general trading and service company incorporated in Indonesia which primarily focuses on management services. The shareholders of PT Libra Melati Investment are Charles Antonny Melati (28%), Richard Kennedy Melati (18%), Huang She Thong (18%), Ng See Yong (18%) and Yanto Melati (18%). PT Geo Surya Energy is a company incorporated in Indonesia. The shareholders of PT Geo Surya Energy are Darmin (99%) and his half brother, Junaidi (1%).

19. MATERIAL CONTRACTS

Save as disclosed in section 18 above, there were no material contracts of the Group involving the interests of its Chief Executive Officer, each director or controlling shareholder, either still subsisting at the end of FY2013 or if not then subsisting, entered into since the end of the previous financial year.

20. UTILISATION OF PROCEEDS

The utilisation of the net proceeds from the Company's initial public offering as at 28 February 2014 is as follows:-

Use of proceeds	Amount allocated (US$'million)	Amount utilised (US$'million)	Balance amount (US$'million)
Acquisition of additional mining equipment and machinery	25.0	(13.9)	11.1
Construction of jetty and barge loading facilities	2.0	(1.4)	0.6
Business expansion including acquisitions, joint ventures and/or strategic alliances	10.0	(10.0)	–
General working capital purposes	26.7	(26.7)*	–
Total	**63.7**	**(52.0)**	**11.7**

* As of 4 July 2013, the amount allocated for general working capital purposes was fully utilised. US$26.7 million was used to satisfy the upfront payments in relation to mining cooperation agreements, and payment of corporate taxes, employee salaries, renovation costs for the Company's new corporate office, and payment for coal purchased for trading and consumable inventories.

REPORT OF THE DIRECTORS

The directors present their report together with the accompanying audited consolidated financial statements of Geo Energy Resources Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2013.

1 DIRECTORS

The directors of the Company in office at the date of this report are:

Charles Antonny Melati
Dhamma Surya
Huang She Thong
Soh Chun Bin
Ong Beng Chye
Lu King Seng
Karyono
James Beeland Rogers Jr

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of whose objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares in, or debentures of, the Company and related corporations, as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act (Chapter 50) (the "**Act**"), except as set out below:

	Shareholdings registered in name of director		Shareholdings in which director is deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
Ordinary shares of the Company				
Charles Antonny Melati [(a)]	46,395,406	46,395,406	–	–
Dhamma Surya [(a)]	56,810,704	56,810,704	552,326,287	552,326,287
Huang She Thong	29,825,620	29,825,620	–	–
Ong Beng Chye	–	100,000	–	–
Lu King Seng	–	300,000	–	–
James Beeland Rogers Jr [(a)]	–	1,700,000	–	2,000,000
Ordinary shares of PT Geo Energy Coalindo (subsidiary)				
Charles Antonny Melati	–	–	50	50
Ordinary shares of PT Mitra Riau Pratama (subsidiary)				
Charles Antonny Melati	1	1	–	–

(a) Charles Antonny Melati ("**CAM**") and James Beeland Rogers Jr ("**JR**") entered into an agreement dated 3 January 2013 to grant JR, on the day after the expiry of CAM's one-year share moratorium (given in connection with the Company's initial public offering) a call option over 2,000,000 shares of the Company (owned or to be owned by CAM). The call option's exercise price is S$0.35 per share, with exercise period of 10 years, commencing 1 January 2015. The call option is exercisable in whole or in part and subject to conditions precedent. The number of shares under the call option is subject to adjustment provisions. Dhamma Surya has provided an undertaking, guaranteeing the obligations of CAM under the aforesaid agreement to grant a call option to JR over 2,000,000 shares.

By virtue of Section 7 of the Act, Dhamma Surya is deemed to have interests in the shares held by the Company in all the subsidiaries of the Company at the beginning and at the end of the financial year.

The directors' interests in the shares and options of the Company at 21 January 2014 were the same at 31 December 2013.

4 DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Except as disclosed in the accompanying financial statements and in this report, since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest. Certain directors received remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

5 SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

(b) *Option exercised*

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under options*

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

6 AUDIT COMMITTEE

The members of the audit committee of the Company (the "**Audit Committee**") as at the date of this report are:

Ong Beng Chye	(Chairman of the Audit Committee and Independent Director)
Soh Chun Bin	(Lead Independent Director)
Lu King Seng	(Independent Director)
Karyono	(Independent Director)

The Audit Committee carries out the functions specified in Section 201B(5) of the Act. The main functions of the Audit Committee are as follows:

(i) review the audit plans of the external auditors and internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls;

(ii) review the annual consolidated financial statements and the external auditors' report on those financial statements, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore Financial Reporting Standards, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of management, where necessary, before submission to the board of directors (the "**Board**") for approval;

(iii) review the periodic consolidated financial statements comprising the statements of comprehensive income and statements of financial position and such other information required by the Listing Manual (the "**Listing Manual**") of Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), before submission to the Board for approval;

(iv) review and discuss with the external and internal auditors (if any), any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the management's response;

(v) review the co-operation given by the management to the external auditors;

(vi) consider the appointment and re-appointment of the external auditors;

(vii) review any interested person transactions falling within the scope of Chapter 9 of the Listing Manual;

(viii) review any potential conflicts of interest;

(ix) review the procedures by which employees of the Group may, in confidence, report to the Chairman of the Audit Committee, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions in relation thereto;

(x) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee;

(xi) review and recommend hedging policies and instruments, if any, to be implemented by the Company to the Directors;

(xii) enquire on the status of the existing Qualifying Assets, as defined in the Company's prospectus dated 10 October 2012 (the "**Prospectus**") and determine if any of the Qualifying Assets should be removed from the QA List (as defined in the Prospectus);

(xiii) review and approve the Promoter Interest Register (as defined in the Prospectus); and

(xiv) undertake generally such other functions and duties as may be required by law or the Listing Manual, and by such amendments made thereto from time to time.

The Audit Committee has recommended to the Board that Deloitte & Touche LLP be nominated for re-appointment as independent auditors of the Company at the forthcoming annual general meeting.

7 INDEPENDENT AUDITORS

The independent auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Charles Antonny Melati

Dhamma Surya

28 March 2014

STATEMENT OF DIRECTORS

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 61 to 106 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2013, and of the results, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

ON BEHALF OF THE DIRECTORS

Charles Antonny Melati

Dhamma Surya

28 March 2014

INDEPENDENT AUDITORS' REPORT

To the members of Geo Energy Resources Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Geo Energy Resources Limited (the "**Company**") and its subsidiaries (the "**Group**") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2013, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 61 to 106.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "**Act**") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2013, and of the results, changes in equity and cash flows of the Group and changes in equity of the Company for year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

28 March 2014

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2013

	Note	Group 2013 US$	Group 2012 US$	Company 2013 US$	Company 2012 US$
ASSETS					
Current assets					
Cash and cash equivalents	7	17,814,850	69,080,464	13,660,913	63,769,951
Trade and other receivables	8	25,529,358	4,149,661	49,221,457	2,230,120
Deposits and prepayments	9	26,380,496	3,113,951	114,317	37,483
Inventories	10	14,970,692	2,080,695	–	–
Total current assets		84,695,396	78,424,771	62,996,687	66,037,554
Non-current assets					
Deposits and prepayments	9	1,639,600	2,520,225	119,986	–
Investment in subsidiaries	11	–	–	16,087,770	15,693,029
Deferred mining evaluation assets	12	–	–	–	–
Deferred expenditure	13	871,678	1,248,869	–	–
Property, plant and equipment	14	69,311,901	72,098,450	329,860	2,789,652
Investment property	15	3,475,513	–	3,475,513	–
Other non-current asset	16	138,390	–	138,390	–
Deferred tax assets	22	1,353,571	781,019	–	–
Total non-current assets		76,790,653	76,648,563	20,151,519	18,482,681
Total assets		161,486,049	155,073,334	83,148,206	84,520,235
LIABILITIES AND EQUITY					
Current liabilities					
Bank borrowing	17	262,845	266,764	262,845	266,764
Trade and other payables	18	7,568,334	2,897,937	3,556,344	4,637,844
Amount due to a related party	19	1,980,677	7,783,247	–	–
Current portion of finance leases	20	10,389,961	4,073,371	–	–
Income tax payable		1,558,417	3,988,577	80,216	62,313
Total current liabilities		21,760,234	19,009,896	3,899,405	4,966,921
Non-current liabilities					
Bank borrowing	17	276,205	558,018	276,205	558,018
Amount due to a related party	19	–	6,279,420	–	–
Finance leases	20	12,260,904	1,542,833	–	–
Provisions	21	1,274,381	896,938	89,422	–
Deferred tax liabilities	22	3,610,501	3,051,981	48,078	8,174
Total non-current liabilities		17,421,991	12,329,190	413,705	566,192
Capital, reserves and non-controlling interests					
Share capital	23	82,518,674	82,518,674	82,518,674	82,518,674
Other reserve	24	14,349	14,349	–	–
Revaluation reserve	25	776,632	–	776,632	–
Translation reserve		(20,088,782)	(4,672,166)	(3,359,822)	(1,195,856)
Retained earnings (Accumulated losses)		58,495,324	45,580,359	(1,100,388)	(2,335,696)
Equity attributable to owners of Company		121,716,197	123,441,216	78,835,096	78,987,122
Non-controlling interests		587,627	293,032	–	–
Total equity		122,303,824	123,734,248	78,835,096	78,987,122
Total liabilities and equity		161,486,049	155,073,334	83,148,206	84,520,235

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2013

	Note	Group 2013	Group 2012
		US$	US$
Revenue	27	108,593,909	78,764,813
Cost of sales		(78,046,089)	(42,530,398)
Gross profit		30,547,820	36,234,415
Other income	28	1,379,890	364,791
General and administrative expenses		(8,596,450)	(6,302,971)
Other expenses	29	(3,528,771)	(2,300,124)
Finance costs	30	(2,476,014)	(1,463,972)
Profit before income tax		17,326,475	26,532,139
Income tax	31A	(4,296,706)	(7,365,052)
Profit for the year	32	13,029,769	19,167,087
Profit attributable to:			
Owners of the Company		12,622,762	18,925,339
Non-controlling interests		407,007	241,748
		13,029,769	19,167,087
Earnings per share	33		
- Basic (cents)		1.09	2.16
- Diluted (cents)		1.09	2.04

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2013

	Note	Group 2013 US$	Group 2012 US$
Profit for the year		13,029,769	19,167,087
Other comprehensive income, after tax:			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(15,529,028)	(4,452,460)
		(15,529,028)	(4,452,460)
Items that will not be subsequently reclassified to profit or loss:			
Remeasurement of defined benefit obligations	21A, 31B	292,203	–
Revaluation of leasehold property	14	776,632	–
		1,068,835	–
Other comprehensive income for the year, net of tax		(14,460,193)	(4,452,460)
Total comprehensive income for the year		(1,430,424)	14,714,627
Total comprehensive income attributable to:			
Owners of the Company		(1,725,019)	14,497,948
Non-controlling interests		294,595	216,679
		(1,430,424)	14,714,627

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2013

	Share capital	Other reserve	Revaluation reserve	Convertible loans reserve	Translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$
	(Note 23)	(Note 24)	(Note 25)	(Note 26)					
Group									
Balance at 1 January 2012	153,846	–	–	–	(244,775)	26,655,020	26,564,091	89,640	26,653,731
Total comprehensive income for the year									
Profit for the year	–	–	–	–	–	18,925,339	18,925,339	241,748	19,167,087
Other comprehensive income for the year	–	–	–	–	(4,427,391)	–	(4,427,391)	(25,069)	(4,452,460)
Total	–	–	–	–	(4,427,391)	18,925,339	14,497,948	216,679	14,714,627
Transactions with owners, recognised directly in equity									
Arising from convertible loans	–	–	–	832,253	–	–	832,253	–	832,253
Share issuance:									
- Conversion of convertible loans	16,647,467	–	–	(832,253)	–	–	15,815,214	–	15,815,214
- Initial public offering	68,833,564	–	–	–	–	–	68,833,564	–	68,833,564
Share issuance expense pursuant to the initial public offering	(3,116,203)	–	–	–	–	–	(3,116,203)	–	(3,116,203)
Incorporation of a subsidiary with non-controlling interests	–	–	–	–	–	–	–	1,062	1,062
Dilution of non-controlling interests	–	14,349	–	–	–	–	14,349	(14,349)	–
Total	82,364,828	14,349	–	–	–	–	82,379,177	(13,287)	82,365,890
Balance at 31 December 2012	82,518,674	14,349	–	–	(4,672,166)	45,580,359	123,441,216	293,032	123,734,248
Total comprehensive income for the year									
Profit for the year	–	–	–	–	–	12,622,762	12,622,762	407,007	13,029,769
Other comprehensive income for the year	–	–	776,632	–	(15,416,616)	292,203	(14,347,781)	(112,412)	(14,460,193)
Total	–	–	776,632	–	(15,416,616)	12,914,965	(1,725,019)	294,595	(1,430,424)
Balance at 31 December 2013	82,518,674	14,349	776,632	–	(20,088,782)	58,495,324	121,716,197	587,627	122,303,824

	Share capital	Revaluation reserve	Convertible loans reserve	Translation reserve	Accumulated losses	Total
	US$	US$	US$	US$	US$	US$
	(Note 23)	(Note 25)	(Note 26)			
Company						
Balance at 1 January 2012	153,846	–	–	46,884	(311,106)	(110,376)
Total comprehensive income for the year						
Loss for the year	–	–	–	–	(2,024,590)	(2,024,590)
Other comprehensive loss for the year	–	–	–	(1,242,740)	–	(1,242,740)
Total	–	–	–	(1,242,740)	(2,024,590)	(3,267,330)
Transactions with owners, recognised directly in equity						
Arising from convertible loans	–	–	832,253	–	–	832,253
Share issuance:						
- Conversion of convertible loans	16,647,467	–	(832,253)	–	–	15,815,214
- Initial public offering	68,833,564	–	–	–	–	68,833,564
Share issuance expense pursuant to the initial public offering	(3,116,203)	–	–	–	–	(3,116,203)
Total	82,364,828	–	–	–	–	82,364,828
Balance at 31 December 2012	82,518,674	–	–	(1,195,856)	(2,335,696)	78,987,122
Total comprehensive income for the year						
Profit for the year	–	–	–	–	1,235,308	1,235,308
Other comprehensive income for the year	–	776,632	–	(2,163,966)	–	(1,387,334)
Total	–	776,632	–	(2,163,966)	1,235,308	(152,026)
Balance at 31 December 2013	82,518,674	776,632	–	(3,359,822)	(1,100,388)	78,835,096

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2013

	Group	
	2013	2012
	US$	US$
Operating activities		
Profit before income tax	17,326,475	26,532,139
Adjustments for:		
Amortisation of deferred expenditure	630,304	–
Depreciation of property, plant and equipment	10,658,609	10,347,888
Deferred mining evaluation assets written-off	–	52,610
Loss on disposal of property, plant and equipment	40,031	24,919
Fair value gain on investment property	(67,094)	–
Interest expense	2,476,014	1,463,972
Interest income	(587,899)	(109,650)
Gain on repayment of amount due to a related party	(578,222)	–
Retirement benefit obligations	861,991	605,937
Net foreign exchange losses (gains)	2,224,181	(641,897)
Operating cash flows before movements in working capital	32,984,390	38,275,918
Trade and other receivables	(18,159,089)	(3,561,798)
Deposits and prepayments	(23,840,110)	(1,439,763)
Inventories	(12,889,997)	(209,339)
Trade and other payables	4,665,075	(4,177,026)
Cash (used in) generated from operations	(17,239,731)	28,887,992
Income tax paid	(9,538,404)	(6,792,891)
Utilisation of provision for rehabilitation	(4,061)	–
Retirement benefit obligation paid	(2,102)	(690,936)
Net cash (used in) from operating activities	(26,784,298)	21,404,165
Investing activities		
Deferred expenditure (Note A)	(451,325)	(1,050,904)
Interest received	401,233	41,319
Advance payments for purchase of property, plant and equipment	(671,188)	(2,520,225)
Purchase of property, plant and equipment (Note B)	(3,202,488)	(1,598,511)
Proceeds from disposal of property, plant and equipment	6,425,858	244,156
Additions to investment property through subsequent expenditure	(12,686)	–
Purchase of other non-current asset	(139,158)	–
Net cash from (used in) investing activities	2,350,246	(4,884,165)

	Group	
	2013	2012
	US$	US$
Financing activities		
Decrease (Increase) in fixed deposit pledged	264,620	(289,048)
Interest paid	(2,392,782)	(936,857)
Contributions by non-controlling interests in newly-incorporated subsidiary	–	1,062
Repayment of bank borrowing	(260,271)	(259,877)
Repayment of related party loans	–	(1,492,586)
Repayment of amount due to a related party	(10,380,760)	(4,719,671)
Repayment of obligations under finance leases	(10,957,081)	(9,930,836)
Proceeds from issuance of shares (Note 23)	–	68,833,564
Share issuance expense pursuant to the initial public offering (Note 23)	–	(3,116,203)
Net cash (used in) from financing activities	(23,726,274)	48,089,548
Net (decrease) increase in cash and cash equivalents	(48,160,326)	64,609,548
Cash and cash equivalents at beginning of the year	68,791,416	4,214,407
Effect of exchange rate changes on the balance of cash held in foreign currencies	(2,816,240)	(32,539)
Cash and cash equivalents at end of the year (Note 7)	17,814,850	68,791,416

Notes to consolidated statement of cash flows:

A) During the year, the Group capitalised US$492,870 (2012 : US$1,282,206) as deferred expenditure of which US$41,545 (2012 : US$171,597) pertained to capitalisation of depreciation on property, plant and equipment, US$Nil (2012 : US$59,705) pertained to retirement benefit obligations and US$451,325 (2012 : US$1,050,904) was settled in cash.

B) During the year, the Group acquired property, plant and equipment amounting to US$33,572,243 (2012 : US$5,724,635) of which US$28,367,035 (2012 : US$3,114,697) were acquired under finance lease arrangements, US$Nil (2012 : US$280,532) pertained to the provision for rehabilitation and US$87,757 (2012 : US$Nil) pertained to the provision for office reinstatement. As at 31 December 2013, US$5,323 (2012 : US$Nil) remained unpaid and was included as part of trade and other payables (Note 18).

In addition, the Group utilised its advance payment of US$1,909,640 (2012 : US$730,895) which was paid in prior year (Note 9) to purchase property, plant and equipment. Cash payments of US$3,202,488 (2012 : US$1,598,511) was made to purchase the property, plant and equipment.

See accompanying notes to the financial statements.

1 GENERAL

The Company (Registration No. 201011034Z) was incorporated in the Republic of Singapore with its principal place of business and registered office at 12 Marina Boulevard, #16-01 Marina Bay Financial Centre Tower 3, Singapore 018982.

The consolidated financial statements are presented in United States dollars to enhance the comparability of the Group's financials to other companies in the coal mining industry.

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2013 were authorised for issue by the Board of Directors on 28 March 2014.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("**FRS**").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102, leasing transactions that are within the scope of FRS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 or value in use in FRS 36.

In addition, for financial reporting purposes, fair value adjustments are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value adjustments are observable and the significance of the inputs to the fair value measurement in its entirety which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS – On 1 January 2013, the Group and Company adopted all the new and revised FRSs and Interpretations of FRS ("**INT FRS**") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group and Company's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below:

Amendments to FRS 1 *Presentation of Items of Other Comprehensive Income*

The Group has applied the amendments to FRS 1 *Presentation of Items of Other Comprehensive Income* retrospectively for the first time in the current year, and renamed the 'statement of comprehensive income' as the 'statement of profit or loss and other comprehensive income'. Under the amendments to FRS 1, the Group also grouped items of other comprehensive income into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Other than the above mentioned presentation changes, the application of the amendments to FRS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Amendments to FRS 113 *Fair Value Measurement*

The Group has applied FRS 113 for the first time in the current year. FRS 113 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The fair value measurement requirements of FRS 113 apply to both financial instrument items and non-financial assets for which other FRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

FRS 113 includes extensive disclosure requirements, although specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. Consequently the Group has not made any new disclosures required by FRS 113 for the comparative period.

Other than the additional disclosures, the application of FRS 113 has not had any material impact on the amounts recognised in the consolidated financial statements.

At the date of authorisation of these financial statements, the following FRSs and amendments to FRS that are relevant to the Group and the Company were issued but not effective:

- FRS 27 (Revised) *Separate Financial Statements*
- FRS 110 *Consolidated Financial Statements*
- FRS 112 *Disclosure of Interests in Other Entities*
- Amendments to FRS 110 *Consolidated Financial Statements – Investment Entities*
- FRS 110, FRS 111, FRS 112 *Transition Guidance*
- Amendments to FRS 32 *Financial Instruments: Presentation*
- Amendments to FRS 36 *Impairment of Assets*

Consequential amendments were also made to various standards as a result of these new/revised standards.

Management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another FRS. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATION - Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*, or FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the FRS are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 102 *Share-based Payment*; and
- assets (or disposal Groups) that are classified as held for sale in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date – and is subject to a maximum of one year from acquisition date.

The accounting policy for initial measurement of non-controlling interests is described above.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income or expense is recognised on an effective interest basis for debt instruments.

Financial assets

All financial assets are recognised and de-recognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Loans and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "**loans and receivables**". These are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate method, except for short-term receivables when effect of discounting would be immaterial.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of cash flows comprise cash on hand, cash at bank and other short-term highly liquid assets that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Pledged deposits are excluded for the purpose of the consolidated statement of cash flows.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see below).

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

INVENTORIES - Inventories are classified as follows:

- Coal : These are coals that are extracted from mining activities and available for sale.
- Consumables : These are goods or supplies to be either directly or indirectly consumed in the production process.
- Marketing coal : These are coals purchased with the intention to sell in the near future.

Consumables and other coal inventories are stated at the lower of cost and net realisable value. The cost of coal inventories is determined using the weighted average cost method. Costs include direct material, overburden removal, mining, processing, labour incurred in the extraction process and an appropriate proportion of variable and fixed overhead costs directly related to mining activities. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Marketing coal inventories are recorded at fair value less costs to sell. Unrealised gains and losses from changes in fair values are reported in cost of goods sold.

DEFERRED MINING EVALUATION ASSETS - Evaluation activity involves the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Evaluation expenditure are capitalised in respect of each area of interest for which the rights to tenure are current and where:

- The evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- Evaluation activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Mining evaluation assets are reviewed at each reporting date as to whether an indication of impairment exists. If any such indication exists, the recoverable amount of the mining evaluation assets is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable and where a decision is made to proceed with development, the mining evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property within property, plant and equipment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

DEFERRED EXPENDITURE - Expenses incurred during pre-mining services activities such as labour costs and those overhead costs incurred in mobilising the heavy equipment to the mine site are deferred in the statement of financial position and released to profit or loss as expenses when services have been rendered and revenue is recognised from the respective mining service contracts. Expenses are deferred to the extent that there is reasonable probability of recovery from the mining services rendered. When it is probable that the costs incurred or to be incurred on that mining services contract will exceed the estimated value of the mining services contract, the expected loss is recognised as an expense in profit or loss immediately.

Deferred expenditure is reviewed at each reporting date as to whether an indication of impairment exists. If any such indication exists, the recoverable amount of the deferred expenditure is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Construction-in-progress for qualifying assets, includes borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of assets, over the estimated useful lives of the assets using the straight-line method, on the following bases:

	Number of years
Leasehold property	60 (over terms of lease)
Temporary housing facility	2
Jetty	4
Heavy equipment	8
Machineries	4
Motor vehicles	4
Equipment and furniture	4
Computer and software	4

Fully depreciated assets still in use are retained in the financial statements.

Mining property is classified as an asset under property, plant and equipment. Mining property include mining rights and costs transferred from mining evaluation assets once technical feasibility and commercial viability of an area of interest are demonstrable and subsequent costs to develop the mine to the production phase. The economic benefits from the assets are consumed in a pattern which is linked to the production level. These assets are depreciated on a unit-of-production basis. Depreciation starts from the date when commercial production commences.

The estimated useful lives, mining reserves, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

INVESTMENT PROPERTY - Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

CLUB MEMBERSHIP - Club membership with indefinite useful life is not amortised, is classified as other non-current asset and is stated at cost less any accumulated impairment loss.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS - At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

Sales of coal

Revenue from the sale of coal (coal production and coal trading) is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the coal;

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the coal sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Mining services

Revenue from rendering of mining services that are of a short duration is measured at the fair value of the consideration received or receivable when services are completed.

Rental services

Rental services are recognised on a straight-line basis over the term of the relevant lease.

Interest income

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable.

BORROWING COSTS - Borrowing costs directly attributable to the construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

The cost of providing defined post-employment benefits is determined using the Projected Unit Credit Method. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

The retirement benefits obligation recognised in the consolidated statement of financial position represents the present value of the defined benefit obligation.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the group whose business objection is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The individual financial statements of each entity within the Group are measured and presented in the currency of the primary economic environment in which the entity within the Group operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States dollars, which is not the functional currency of the Company and some entities within the Group.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements and company's financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments are recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

SEGMENT REPORTING - An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components.

Operating segments are reported in a manner consistent with the internal reporting provided to members of management and the chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

There are no critical judgement, apart from those involving estimation (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Fair value of marketing coal inventories

The Group's marketing coal inventories are recorded at fair value less costs to sell. The fair value is estimated by reference to the market indices compiled by market research firms, relevant to the primary market which the Group transacts in. In the absence of a directly comparable index, management will estimate the fair value using observable market transactions or market information, including but not restricted to, indices from comparable markets and adjust for the difference in the markets. The carrying amounts of the Group's marketing coal inventories are disclosed in Note 10 to the financial statements.

Useful lives of property, plant and equipment

As described in Note 2 to the financial statements, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the financial year, management determined that the useful lives of property, plant and equipment are based on the industry practice and the Group's operational environment.

Depreciation of mining property

The amounts recorded for depreciation as well as the recovery of the carrying value of mining property depends on the estimates of coal reserves and the economic lives of future cash flows from related assets. The primary factors affecting these estimates are technical engineering assessments of producible quantities of coal reserves in place and economic constraints such as the assumptions related to anticipated commodity process and the costs of development and production of the reserves. The carrying amounts of the Group's mining property are disclosed in Note 14 to the financial statements.

Impairment of deferred expenditure and property, plant and equipment

The Group assesses annually whether its deferred expenditure and, property, plant and equipment exhibit any indication of impairment. Should there be any indicator of impairment, the Group then estimates the recoverable amount based on value in use calculations. These calculations require the use of judgement and estimates.

The carrying value of deferred expenditure and property, plant and equipment are reviewed regularly during the financial year, taking into consideration the available facts and circumstances, and to the extent to which the capitalised value exceeds its recoverable value, the excess is provided for or written-off in the financial year in which this is determined.

During the financial year, the Group carried out a review of the recoverable amount of those assets and is satisfied that there are no indicators to suggest that those assets have suffered any impairment loss.

The carrying amounts of the Group's deferred expenditure and, property, plant and equipment are disclosed in Notes 13 and 14 to the financial statements respectively.

Uncertain tax positions

The Group is subject to income taxes in Singapore and Indonesia. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and deductibility of certain expense ("**uncertain tax positions**") at each jurisdiction. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. The carrying amounts of the Group's and the Company's current tax and deferred tax provision are disclosed in the statement of financial position with notes where relevant.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) *Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Financial assets				
Loans and receivables at amortised cost (including cash and cash equivalents)	40,869,599	72,986,192	62,987,731	65,756,138
Financial liabilities				
Amortised cost	32,188,317	22,513,190	4,095,394	5,462,626

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

The Group and Company do not have any financial instruments which are subjected to offsetting, enforceable master netting arrangements or similar netting agreements.

(c) *Financial risk management policies and objectives*

The Group and Company's overall financial risk management policies and objectives seek to minimise potential adverse effects on the financial performance of the Group and Company. Management regularly reviews the Group and Company's business and operational activities to identify areas of significant business risks, as well as appropriate measures through which to control and mitigate these risks. On an on–going basis, management reviews all significant control policies and procedures, and highlights all significant matters to the Board of Directors and the audit committee. There has been no significant change to the Group and Company's exposure to these financial risks or the manner in which it manages and measures the risk.

The Group and Company do not hold or issue derivative financial instrument for speculative purposes. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

The Group's foreign currency exposure arises from United States dollars, Indonesia rupiah and Singapore dollars. The Company's foreign currency exposure arises mainly from United States dollars. The Group and the Company do not hedge against foreign exchange exposure as the exposure is managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in the same foreign currencies.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currency other than the respective Group entities' functional currencies are as follows:

	Liabilities		Assets	
	2013	2012	2013	2012
	US$	US$	US$	US$
Group				
United States dollars	14,071,564	3,830,857	13,648,329	1,879,001
Indonesia rupiah	83,650	–	64,482	–
Singapore dollars	169,905	–	370,367	–
Company				
United States dollars	2,430,357	3,302,037	45,440,418	3,801

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(i) Foreign exchange risk management (cont'd)

Foreign currency sensitivity

The following table details the sensitivity to a 5% increase and decrease in the relevant foreign currencies against the functional currency of the respective entities of the Group. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group and Company's profit.

If the relevant foreign currency weakens by 5% against the functional currency of each Group entity, the Group's and the Company's profit will increase (decrease) by:

	2013	2012
	US$	US$
Group		
United States dollars	21,162	97,593
Indonesia rupiah	958	–
Singapore dollars	(10,023)	–
Company		
United States dollars	(2,150,503)	164,912

If the relevant foreign currency strengthens by 5% there would be an equal and opposite impact on the Group and Company's profit shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk management

The Group and Company's exposure to interest rate risk are restricted to its interest bearing bank balances and fixed deposits, bank borrowing and finance leases as disclosed in Notes 7, 17 and 20 to the financial statements respectively.

No interest rate sensitivity was performed since the Group and Company's exposure to interest rate on their variable rate borrowing is not significant.

(iii) Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and Company. The Group and Company have adopted a policy of only dealing with creditworthy counterparties.

The Group minimises credit risk via advance payments from customers, sales secured by letters of credit, strict credit terms and regular monitoring of customers' financial standing. However, the Group may accommodate requests for delays in payments on a case by case basis for customers who have an established collection track record with the Group. As at 31 December 2013, 70% (2012 : 80%) of the Group's revenue are derived from customers in Indonesia which represent concentration risk within this geographical location. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of reporting period.

The Company has an amount due from a related company which accounted for 59% (2012 : 46%) of the Company's other receivables.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

The Group and Company place their bank balances with creditworthy financial institutions.

The carrying amount of financial assets represents the maximum credit risk exposure of the Group and Company.

Further details of credit risk on trade and other receivables are disclosed in Note 8 to the financial statements.

(iv) Liquidity risk management

Liquidity risk is the risk that the Group and Company will not be able to meet its financial obligations as they fall due. The Group and Company have been able to service all its debts obligations primarily through strong cash inflow from its operations and a relatively short trade receivables collection term. The Group and Company fund their operations through internal funds, finance leases and bank borrowing.

The Group and Company closely monitor the working capital requirements and minimises its liquidity risk by ensuring sufficient available funds and credit lines.

Liquidity risk analysis

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liability on the statements of financial position.

	Weighted average interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustment	Total
	%	US$	US$	US$	US$
Group					
2013					
Non-interest bearing	–	8,998,402	–	–	8,998,402
Finance leases (fixed rate)	5.55 to 16.00	12,145,857	13,073,844	(2,568,836)	22,650,865
Borrowing (variable rate)	4.98	283,729	283,729	(28,408)	539,050
Total		21,427,988	13,357,573	(2,597,244)	32,188,317
2012					
Non-interest bearing	–	9,792,785	6,279,419	–	16,072,204
Finance leases (fixed rate)	1.55 to 9.15	4,392,303	1,637,710	(413,809)	5,616,204
Borrowing (variable rate)	2.99	287,784	587,408	(50,410)	824,782
Total		14,472,872	8,504,537	(464,219)	22,513,190

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iv) Liquidity risk management (cont'd)

	Weighted average interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustment	Total
	%	US$	US$	US$	US$
Company					
2013					
Non-interest bearing	–	3,556,344	–	–	3,556,344
Borrowing (variable rate)	4.98	283,729	283,729	(28,408)	539,050
Total		3,840,073	283,729	(28,408)	4,095,394
2012					
Non-interest bearing	–	4,637,844	–	–	4,637,844
Borrowing (variable rate)	2.99	287,784	587,408	(50,410)	824,782
Total		4,925,628	587,408	(50,410)	5,462,626

Non-derivative financial assets

All the financial assets of the Group and the Company in 2013 and 2012 are repayable on demand or due within one year from the end of the reporting period and are non-interest bearing, except for cash at banks, fixed deposits and non-current deposit as disclosed in Notes 7 and 9 to the financial statements.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

(d) Capital risk management policies and objectives

The Group and Company manage their capital to ensure that the Group and Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the bank borrowing (Note 17), amount due to a related party (Note 19) and finance leases (Note 20), and equity attributable to owners of the Company, which comprises issued capital, reserves and retained earnings.

The capital structure of the Company consists of bank borrowing (Note 17), and equity, which comprises issued capital and reserves net of accumulated losses.

The Group and Company's overall strategy remains unchanged from prior year.

5 RELATED COMPANIES TRANSACTIONS

Related companies in these financial statements refer to members of the Company's group of companies.

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this note. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

6 OTHER RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Details of significant transactions between the Group and related parties, other than those disclosed elsewhere in the financial statements and the accompanying notes, are as follows:

	Group	
	2013	2012
	US$	US$
Entities controlled by the common shareholders of the Company:		
Rental services - vehicle leasing	(27,670)	(187,034)
Other income - technical services	(80,000)	(16,128)
Travelling expense	–	27,952

Compensation of directors and key management personnel

The remuneration of directors and other members of key management personnel are as follows:

	Group	
	2013	2012
	US$	US$
Short-term benefits	2,154,624	1,691,882
Post-employment benefits	22,977	15,414
Total	2,177,601	1,707,296

The remuneration of directors and other key management personnel is determined by the performance of individuals and market trends.

7 CASH AND CASH EQUIVALENTS

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Cash on hand	27,362	52,129	253	384
Cash at banks	4,748,859	27,852,869	622,031	22,883,149
Fixed deposits	13,038,629	41,175,466	13,038,629	40,886,418
Total	17,814,850	69,080,464	13,660,913	63,769,951
Less: Fixed deposits pledged	–	(289,048)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	17,814,850	68,791,416	13,660,913	63,769,951

7 CASH AND CASH EQUIVALENTS (cont'd)

The cash at banks bore an average effective interest rate of 1.20% (2012 : 1.46%) per annum.

The fixed deposits bore effective interest rate ranging from 1.00% to 4.00% (2012 : 1.00% to 5.00%) per annum.

At 31 December 2012, certain fixed deposits are pledged to the relevant government authorities to ensure fulfilment of compliance in respect of reclamation and rehabilitation obligations (Note 21B). In 2013, deposits of US$429,588 was made to the relevant government authorities (Note 9).

The carrying amounts of these assets approximate their fair values.

8 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Trade receivables from:				
- Third parties	18,942,477	3,738,840	–	–
- Entities controlled by common shareholders of the Company (Note 6)	1,444	27,579	–	–
Other receivables comprise of:				
- Third parties	1,202,266	54,849	–	1,288
- Entities controlled by common shareholders of the Company (Note 6)	80,000	16,129	80,000	16,129
- Subsidiaries (Note 5)	–	–	46,871,835	1,900,439
- Goods and Services Tax ("GST") receivables	16,559	243,933	14,625	243,933
- Prepaid income tax	3,031,615	–	–	–
- Refundable deposits in relation to the conditional acquisition of mining concessions	2,000,000	–	2,000,000	–
- Interest receivables	254,997	68,331	254,997	68,331
Total	25,529,358	4,149,661	49,221,457	2,230,120

The credit period granted to customers is generally up 60 days (2012 : 30 days). No interest is charged on the outstanding balances.

In determining the recoverability of receivables from third parties and related parties, the Group and Company considers the financial strength and performance of the third parties and related parties. Accordingly, management believes that no allowance for doubtful debt is needed.

The table below is an analysis of the Group and Company's trade receivables as at the end of the reporting period:

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Not past due and not impaired	6,183,624	3,766,419	–	–
Past due but not impaired (i)	12,760,297	–	–	–
Total trade receivables	18,943,921	3,766,419	–	–

8 TRADE AND OTHER RECEIVABLES (cont'd)

(i) Aging of receivables that are past due but not impaired

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
< 3 months	11,370,337	–	–	–
3 months to 6 months	1,082,440	–	–	–
6 months to 12 months	307,520	–	–	–
> 12 months	–	–	–	–
	12,760,297	–	–	–

Included in the Group's trade receivables are debtors with a carrying amount of US$12,760,297 (2012 : US$Nil) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable.

9 DEPOSITS AND PREPAYMENTS

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Current assets:				
Prepayments [(a)]	821,248	621,500	114,317	37,483
Advance payments for purchase of coal [(b)]	25,559,248	2,492,451	–	–
Total	26,380,496	3,113,951	114,317	37,483
Non-current assets:				
Deposits [(c)]	573,565	–	119,986	–
Advance payments for purchase of property, plant and equipment	1,066,035	2,520,225	–	–
Total	1,639,600	2,520,225	119,986	–

(a) Included in this balance is prepayments of US$51,857 (2012 : US$Nil) for the Group and Company, being non-audit fees paid to auditors of the Company.

(b) Included in this balance is upfront payments of US$25,393,873 (2012 : US$2,492,451) for the Group, made pursuant to coal purchase contracts entered with third parties.

(c) Included in this balance is deposits of US$429,588 (2012 : US$Nil) for the Group, made to the relevant government authorities to ensure fulfilment of compliance in respect of reclamation and rehabilitation obligations (Note 21B).

10 INVENTORIES

	Group	
	2013	2012
	US$	US$
Coal, at cost	5,936,483	–
Consumables, at cost	1,542,792	2,080,695
Marketing coal, at fair value less costs to sell	7,491,417	–
Total	14,970,692	2,080,695

10 INVENTORIES (cont'd)

Fair value measurement of the Group's marketing coal

The fair value is estimated by reference to the market indices compiled by market research firms, relevant to the primary market which the Group transacts in. In the absence of a directly comparable index, management will estimate the fair value using observable market transactions or market information, including but not restricted to, indices from comparable markets and adjust for the difference in the markets.

Information about the fair value hierarchy as at 31 December 2013 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 December 2013
	US$	US$	US$	US$
Marketing coal	–	8,028,270	–	8,028,270

There were no transfers between Levels 1 and 2 during the year.

11 INVESTMENT IN SUBSIDIARIES

	Company 2013	2012
	US$	US$
Unquoted equity shares, at cost	972,386	577,645
Deemed investment [a]	15,115,384	15,115,384
Total	16,087,770	15,693,029

(a) The amount is stated at cost as it is deemed to be part of the Company's equity investment in the subsidiary.

Details of the Company's subsidiaries are as follows:

Name of subsidiaries	Principal activities/Country of incorporation and operation	Effective equity interest of the Company 2013	2012
		%	%
Geo Coal International Pte. Ltd. [a]	Dormant/Singapore	100	100
PT Geo Energy Coalindo [b] [c]	Investment holding/Indonesia	99.00	99.00
Held by PT Geo Energy Coalindo			
PT Mitra Riau Pratama [b] [c]	Rental of equipment/Indonesia	98.99	98.99
PT Mitra Nasional Pratama [b] [c]	Mining/Indonesia	98.01	98.01
PT Sumber Bara Jaya [b] [c]	Mining/Indonesia	98.90	98.90
PT Geo Mineral Trading [b] [c]	Coal trading/Indonesia	98.90	98.90
Held by PT Sumber Bara Jaya			
PT Bumi Enggang Khatulistiwa [b] [c]	Mining/Indonesia	98.88	98.88

11 INVESTMENT IN SUBSIDIARIES (cont'd)

Notes

(a) Audited by Deloitte & Touche LLP, Singapore.

(b) Audited by Osman Bing Satrio and Eny, Indonesia (a member firm of Deloitte & Touche Tohmatsu).

(c) Under the Indonesian Company Law, a limited liability company incorporated in Indonesia is required to have a minimum of two shareholders. As a result, certain subsidiaries are held by a non-controlling interest party.

12 DEFERRED MINING EVALUATION ASSETS

	Group	
	2013	2012
	US$	US$
Cost:		
At beginning of year	–	1,444,359
Additions	–	199,065
Transferred to property, plant and equipment (Note 14)	–	(1,537,051)
Written-off to profit or loss (Note 32)	–	(52,610)
Exchange difference	–	(53,763)
At end of year	–	–

The amount written-off to profit or loss represents mining evaluation assets which are not expected to be recovered.

During the year ended 31 December 2012, the Group capitalised US$199,065 which pertained to capitalisation of depreciation on property, plant and equipment

13 DEFERRED EXPENDITURE

	Group	
	2013	2012
	US$	US$
Cost:		
At beginning of year	1,248,869	–
Additions	492,870	1,282,206
Exchange difference	(323,855)	(33,337)
At end of year	1,417,884	1,248,869
Accumulated amortisation:		
At beginning of year	–	–
Amortisation (Note 32)	630,304	–
Exchange difference	(84,098)	–
At end of year	546,206	–
Carrying amount:		
At end of year	871,678	1,248,869

14 PROPERTY, PLANT AND EQUIPMENT

	Leasehold property	Temporary housing facility	Jetty	Heavy equipment	Machineries	Motor vehicles	Equipment and furniture	Computer and software	Mining property	Construction -in-progress	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Group											
Cost:											
At 1 January 2012	2,610,846	39,732	–	37,489,214	1,911,879	4,157,396	470,173	403,158	42,437,089	16,735	89,536,222
Additions	–	4,594	–	3,842,239	408,058	36,384	19,705	68,350	1,087,654	257,651	5,724,635
Disposals	–	–	–	(248,204)	(17,030)	(149,607)	(14,975)	(11,001)	–	–	(440,817)
Transferred from deferred mining evaluation assets (Note 12)	–	–	–	–	–	–	–	–	1,537,051	–	1,537,051
Reclassification	–	5,309	–	–	–	–	–	–	(480,896)	475,587	–
Written-off	–	–	–	–	–	–	–	–	(3,813,441)	–	(3,813,441)
Exchange differences	164,606	(2,731)	–	(2,427,313)	(129,189)	(255,872)	(9,049)	(24,137)	(2,665,295)	(20,106)	(5,369,086)
At 31 December 2012	2,775,452	46,904	–	38,655,936	2,173,718	3,788,301	465,854	436,370	38,102,162	729,867	87,174,564
Additions	–	452,184	317,350	30,213,786	711,123	241,525	431,404	296,733	858,708	49,430	33,572,243
Disposals	–	(42,940)	–	(9,827,971)	(59,545)	(152,821)	(16,125)	(14,657)	–	–	(10,114,059)
Offset of accumulated depreciation transferred to investment property	(118,667)	–	–	–	–	–	(84,795)	–	–	–	(203,462)
Revaluation increase	776,632	–	–	–	–	–	–	–	–	–	776,632
Transferred to investment property (Note 15)	(3,327,963)	–	–	–	–	–	(54,668)	–	–	–	(3,382,631)
Reclassification	–	–	663,273	–	–	–	–	–	–	(663,273)	–
Exchange differences	(105,454)	(64,297)	(130,842)	(10,708,707)	(536,162)	(794,732)	(77,834)	(123,200)	(7,988,833)	(68,934)	(20,598,995)
At 31 December 2013	–	391,851	849,781	48,333,044	2,289,134	3,082,273	663,836	595,246	30,972,037	47,090	87,224,292

14 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold property	Temporary housing facility	Jetty	Heavy equipment	Machineries	Motor vehicles	Equipment and furniture	Computer and software	Mining property	Construction -in-progress	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Accumulated depreciation:											
At 1 January 2012	47,140	4,967	–	5,604,318	592,188	1,090,086	134,455	65,587	1,599,703	–	9,138,444
Depreciation	45,414	21,530	–	3,822,704	516,864	790,547	115,873	99,571	5,306,047	–	10,718,550
Disposals	–	–	–	(58,206)	(7,936)	(91,568)	(8,000)	(6,032)	–	–	(171,742)
Written-off	–	–	–	–	–	–	–	–	(3,813,441)	–	(3,813,441)
Exchange differences	3,815	(870)	–	(446,769)	(50,098)	(86,035)	(4,651)	(5,883)	(205,206)	–	(795,697)
At 31 December 2012	96,369	25,627	–	8,922,047	1,051,018	1,703,030	237,677	153,243	2,887,103	–	15,076,114
Depreciation	26,327	62,998	102,147	5,617,523	526,598	681,410	149,610	126,489	3,407,052	–	10,700,154
Disposals	–	(29,000)	–	(3,489,700)	(26,979)	(82,107)	(9,406)	(10,978)	–	–	(3,648,170)
Offset of accumulated depreciation transferred to investment property	(118,667)	–	–	–	–	–	(84,795)	–	–	–	(203,462)
Exchange differences	(4,029)	(9,832)	(13,628)	(2,127,754)	(283,868)	(431,913)	(45,231)	(44,745)	(1,051,245)	–	(4,012,245)
At 31 December 2013	–	49,793	88,519	8,922,116	1,266,769	1,870,420	247,855	224,009	5,242,910	–	17,912,391
Carrying amount:											
At 31 December 2013	–	342,058	761,262	39,410,928	1,022,365	1,211,853	415,981	371,237	25,729,127	47,090	69,311,901
At 31 December 2012	2,679,083	21,277	–	29,733,889	1,122,700	2,085,271	228,177	283,127	35,215,059	729,867	72,098,450

14 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold property	Equipment and furniture	Computer and software	Total
	US$	US$	US$	US$
Company				
Cost:				
At 1 January 2012	2,610,846	161,121	17,010	2,788,977
Additions	–	8,472	7,212	15,684
Disposals	–	(4,977)	–	(4,977)
Exchange differences	164,606	10,220	1,209	176,035
At 31 December 2012	2,775,452	174,836	25,431	2,975,719
Additions	–	371,375	1,841	373,216
Disposals	–	(13,173)	–	(13,173)
Offset of accumulated depreciation transferred to investment property	(118,667)	(84,795)	–	(203,462)
Revaluation increase	776,632	–	–	776,632
Transferred to investment property (Note 15)	(3,327,963)	(54,668)	–	(3,382,631)
Exchange differences	(105,454)	(10,076)	(884)	(116,414)
At 31 December 2013	–	383,499	26,388	409,887
Accumulated depreciation:				
At 1 January 2012	47,140	37,880	3,132	88,152
Depreciation	45,414	42,195	5,379	92,988
Disposals	–	(2,315)	–	(2,315)
Exchange differences	3,815	3,129	298	7,242
At 31 December 2012	96,369	80,889	8,809	186,067
Depreciation	26,327	80,150	6,606	113,083
Disposals	–	(7,444)	–	(7,444)
Offset of accumulated depreciation transferred to investment property	(118,667)	(84,795)	–	(203,462)
Exchange differences	(4,029)	(3,823)	(365)	(8,217)
At 31 December 2013	–	64,977	15,050	80,027
Carrying amount:				
At 31 December 2013	–	318,522	11,338	329,860
At 31 December 2012	2,679,083	93,947	16,622	2,789,652

The carrying amount of the Group's heavy equipment and motor vehicles includes assets acquired under finance leases amounting to US$27,616,036 (2012 : US$14,099,137) (Note 20).

As at 31 December 2012, the Company had a legal mortgage over its leasehold property with a carrying amount of US$2,679,083 to secure a bank loan granted to the Company (Note 17).

Total depreciation of property, plant and equipment was allocated as follows:

	Group	
	2013	2012
	US$	US$
Charged to profit or loss (Note 32)	10,658,609	10,347,888
Capitalised as deferred mining evaluation assets	–	199,065
Capitalised as deferred expenditure	41,545	171,597
	10,700,154	10,718,550

15 INVESTMENT PROPERTY

	Group and Company	
	2013	2012
	US$	US$
Balance at beginning of year	–	–
Transferred from property, plant and equipment (Note 14)	3,382,631	–
Additions through subsequent expenditure	12,686	–
Change in fair value (Note 28)	67,094	–
Exchange difference	13,102	–
Balance at end of year	3,475,513	–

The Group and Company's investment property is held under leasehold interests.

Fair value measurement of the Group and Company's investment property

As at the end of the reporting period, the fair values of the Group and Company's investment property has been determined on the basis of valuations carried out by an independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The valuation was arrived using direct market comparison method.

Details of the investment property and information about the fair value hierarchy as at 31 December 2013 are as follows:

	Level 1	Level 2	Level 3	Fair value as at 31 December 2013
	US$	US$	US$	US$
Investment property located at 10 Anson Road, #20-16, International Plaza, Singapore 079903	–	3,475,513	–	3,475,513

There were no transfers between Levels 1 and 2 during the year.

The property rental income from the investment property of which is leased out under operating lease, amounted to US$34,131 (2012 : US$Nil). Direct operating expenses (including repairs and maintenance) arising from the rental-generating investment property amounted to US$24,277 (2012 : US$Nil). The Group does not have any investment properties that do not generate rental income. In estimating the fair value of the investment property, the highest and best use of the property is their current use. There has been no change to the valuation technique during the year.

As at 31 December 2013, the Company has a legal mortgage over its investment property with a carrying value of US$3,475,513 (2012 : US$Nil) to secure a bank loan granted to the Company (Note 17).

16 OTHER NON-CURRENT ASSET

This represents transferable club membership acquired during the year and stated at cost. No impairment loss was recognised during the year.

17 BANK BORROWING

	Group and Company	
	2013	2012
	US$	US$
Bank loan	539,050	824,782
Less: Amount due for settlement within 12 months (shown under current liabilities)	(262,845)	(266,764)
Amount due for settlement after 12 months	276,205	558,018

The bank loan bore an interest rate of 4.98% (2012 : 2.99%) per annum and was secured by a legal mortgage over the Group's investment property (Note 15), personal joint and several guarantees from a director of the Company and a close family member of a director of the Company (the "**Guarantee**"). The Guarantee was discharged during the year.

The bank loan is repayable in 60 monthly instalments commencing December 2010 and would be fully repaid by November 2015.

At the end of the reporting period, the fair value of the Group and Company's bank borrowing approximates its carrying amount.

18 TRADE AND OTHER PAYABLES

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Trade payables due to:				
- Third parties	4,513,631	912,438	–	–
Other payables comprise of:				
- Third parties	118,863	51,992	27,284	41,968
- Subsidiaries (Note 5)	–	–	3,050,287	4,378,425
- Value-Added Tax ("**VAT**") payables	422,228	368,598	–	–
- Withholding tax payables	122,066	317,687	–	–
- Advances from customers	6,315	202,115	–	–
- Deposits received	33,512	–	44,429	–
- Accrued expenses	2,351,719	1,045,107	434,344	217,451
Total	7,568,334	2,897,937	3,556,344	4,637,844

The credit period on purchases is up to 30 days (2012 : 30 days). No interest is charged on the outstanding balances.

19 AMOUNT DUE TO A RELATED PARTY

This represents the outstanding balance payable of US$1,980,677 (2012 : US$14,062,667) by the Group to a related party, an entity controlled by the common shareholders of the Company as at end of the year, arising from the purchase of mining property in 2011.

During the year, the Group made a repayment of US$10,380,762 (2012 : US$4,719,671) for the amount due to a related party, of which US$5,203,998 (2012 : US$Nil) was entitled to 10% discount (2012 : Nil%) upon repayment.

The amount due to a related party is unsecured and interest-free.

The fair value of the amount due to a related party approximates its carrying amount.

20 FINANCE LEASES

	Minimum lease payments		Present value of minimum lease payments	
	2013	2012	2013	2012
	US$	US$	US$	US$
Group				
Amounts payable under finance leases:				
Within one year	12,145,857	4,392,303	10,389,961	4,073,371
In the second to fifth year inclusive	13,073,844	1,637,710	12,260,904	1,542,833
Total	25,219,701	6,030,013	22,650,865	5,616,204
Less: Future finance charges	(2,568,836)	(413,809)	NA	NA
Present value of lease obligations	22,650,865	5,616,204	22,650,865	5,616,204
Less: Amount due for settlement within 12 months (shown under current liabilities)			(10,389,961)	(4,073,371)
Amount due for settlement after 12 months			12,260,904	1,542,833

The Group leased certain of its heavy equipment and motor vehicles under finance leases. The finance lease term is up to three years with an effective interest rate ranging from 5.55% to 16.00% (2012 : 1.55% to 9.15%) per annum. Interest rates for 60% (2012 : 32%) of the finance leases are fixed at the contract date, and thus expose the Group to fair value interest rate risk. All finance leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The fair values of the Group's lease obligations approximate their carrying amounts.

The Group's obligations under finance lease are secured by the leased assets (Note 14). In addition, US$61,768 of the obligation under finance lease as at 31 December 2012 is secured by a personal guarantee from a director of the Company. The aforementioned personal guarantee was released on 10 July 2013.

21 PROVISIONS

As at the end of the reporting period, the Group and Company have made the following provisions:

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Retirement benefit obligations (Note A)	902,340	623,699	–	–
Provision for rehabilitation (Note B)	282,619	273,239	–	–
Provision for reinstatement costs (Note C)	89,422	–	89,422	–
	1,274,381	896,938	89,422	–

21 PROVISIONS (cont'd)

(A) RETIREMENT BENEFIT OBLIGATIONS

	Group 2013	Group 2012
	US$	US$
Present value of unfunded obligations	902,340	623,699
Changes in the present value of the defined obligations:		
Opening defined benefit obligations	623,699	691,377
Employee benefits expense	861,991	665,642
Remeasurement, charged to other comprehensive income:		
- Actuarial gains from changes in financial assumptions	(389,604)	–
Benefits paid	(2,102)	(690,936)
Exchange differences	(191,644)	(42,384)
Closing defined benefit obligations	902,340	623,699

Total retirement benefit obligations for the year was allocated as follows:

	Group 2013	Group 2012
	US$	US$
Charged to profit or loss (Note 32)	861,991	605,937
Capitalised as deferred expenditure	–	59,705
Total	861,991	665,642

Employee benefits expense comprised of:

	Group 2013	Group 2012
	US$	US$
Current service cost	1,171,198	964,991
Past service cost	(356,693)	(356,042)
Interest cost	47,486	56,693
Total	861,991	665,642

The Group's subsidiaries recognised deferred post-employment benefits in accordance with the Republic of Indonesia Labor Law No. 13 year 2003. No funding has been made to these defined benefit scheme.

The actuarial valuation of present value of the defined benefit obligation was carried out at 31 December 2013 and 2012 by PT. Padma Radya Aktuaria. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

21 PROVISIONS (cont'd)

(A) RETIREMENT BENEFIT OBLIGATIONS (cont'd)

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Valuation at 2013	Valuation at 2012
Discount rate per annum	8.75%	5.75%
Expected rate of salary increases per annum	10%	10%
Mortality rate *	100% TMI 2	100% TMI 2
Disability rate	5% TMI 2	5% TMI 2
Resignation rate	5% per annum until age 35 then decrease linearly to 0% at age 55 years	5% per annum until age 35 then decrease linearly to 0% at age 55 years
Normal retirement age	55 years	55 years

* Standard Ordinary Mortality table in Indonesia ("**TMI**")

Sensitivity analysis was not performed on each of the significant actuarial assumption, in view that the changes in the actuarial assumptions are not expected to be material.

(B) PROVISION FOR REHABILITATION

	Group 2013	Group 2012
	US$	US$
At beginning of the year	273,239	–
Provision for the year, capitalised as property, plant and equipment	–	280,532
Interest accretion charged to profit or loss	80,672	–
Utilisation during the year	(4,061)	–
Exchange difference	(67,231)	(7,293)
At the end of the year	282,619	273,239

This represents net present value of the costs expected to be incurred for rehabilitation of mining property. Management uses a discount rate of 15% (2012 : 15%).

As at 31 December 2013, deposits of US$429,588 (2012 : fixed deposits pledged of US$289,048) are made to the relevant government authorities to ensure fulfilment of compliance in respect of reclamation and rehabilitation obligations (Notes 9 and 7).

21 PROVISIONS (cont'd)

(C) PROVISION FOR REINSTATEMENT COSTS

	Group and Company 2013	2012
	US$	US$
At beginning of the year	–	–
Provision for the year, capitalised as property, plant and equipment	87,757	–
Interest accretion charged to profit or loss	2,560	–
Exchange difference	(895)	–
At the end of the year	89,422	–

This represents net present value of the costs expected to be incurred for reinstating the leased office premises. Management uses a discount rate of 5%.

22 DEFERRED TAX

The following are the major deferred (assets) liabilities recognised by the Group and the movements thereon, during the year:

Group

	Retirement benefit	Tax losses	Accelerated tax depreciation	Total
	US$	US$	US$	US$
At 1 January 2012	–	–	1,974,674	1,974,674
(Credited) Charged to profit or loss (Note 31A)	(131,873)	(898,685)	1,460,177	429,619
Exchange difference	–	–	(133,331)	(133,331)
At 31 December 2012	(131,873)	(898,685)	3,301,520	2,270,962
(Credited) Charged to profit or loss (Note 31A)	(239,246)	(250,176)	909,996	420,574
Charged to other comprehensive income (Note 31B)	97,401	–	–	97,401
Exchange difference	46,180	219,104	(797,291)	(532,007)
At 31 December 2013	(227,538)	(929,757)	3,414,225	2,256,930

Company

	Accelerated tax depreciation
	US$
At 1 January 2012	5,250
Charged to profit or loss	2,546
Exchange difference	378
At 31 December 2012	8,174
Charged to profit or loss	40,584
Exchange difference	(680)
At 31 December 2013	48,078

22 DEFERRED TAX (cont'd)

Certain deferred tax assets and liabilities have been offset in accordance with the Group's accounting policy. The following is the analysis of the deferred tax balances (after offset) for statement of financial position purposes:

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Deferred tax liabilities	3,610,501	3,051,981	48,078	8,174
Deferred tax assets	(1,353,571)	(781,019)	–	–
	2,256,930	2,270,962	48,078	8,174

At the end of the financial year, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is US$47,176,000 (2012 : US$46,102,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

23 SHARE CAPITAL

	Group and Company			
	2013	2012	2013	2012
	Number of ordinary shares		US$	US$
At beginning of year	1,157,050,891	200,000	82,518,674	153,846
After sub-division of shares [a]	NA	800,000,000	NA	153,846
Ordinary shares issued pursuant to conversion of convertible loans [b]	–	98,702,639	–	16,647,467
Ordinary shares issued pursuant to the initial public offering [c]	–	258,348,252	–	65,717,361
At end of year	1,157,050,891	1,157,050,891	82,518,674	82,518,674

(a) On 5 October 2012, the Company completed the sub-division of every one ordinary share into 4,000 ordinary shares.

(b) On 5 October 2012, pursuant to the conversion of convertible loans, 98,702,639 ordinary shares were issued in accordance with the terms of the convertible loan agreements and the Supplemental Agreements. Upon conversion, the convertible loans of US$15,815,214 and the convertible loans reserve of US$832,253 (Note 26) were reclassified to share capital.

(c) On 18 October 2012, pursuant to the initial public offering, 258,348,252 ordinary shares were issued at S$0.325 per share which resulted to a net proceed of US$65,717,361 after deducting share issuance expenses of US$3,116,203.

Included in share issuance expense are non-audit fees of US$144,017 paid to the auditor of the Company and US$24,275 paid to other auditors, for services rendered in connection with the initial public offering of the Company's shares.

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividend income when declared by the Company.

24 OTHER RESERVE

Other reserve represents a dilution of non-controlling interests of US$14,349 (2012 : US$14,349).

25 REVALUATION RESERVE

The property revaluation reserve arises on the revaluation of leasehold property prior to its reclassification to investment property. Where revalued leasehold property is sold, the portion of property revaluation reserve that relates to that asset, and is effectively realised, is transferred directly to the retained earnings. The revaluation reserve is not available for distribution to the Company's shareholders.

26 CONVERTIBLE LOANS RESERVE

This represents the fair value of the conversion option to convert the liability component of the convertible loans into ordinary shares of the Company.

On 5 October 2012, the convertible loans were converted into 98,702,639 ordinary shares, issued and allocated to the pre-invitation investors. Upon conversion, the convertible loans reserve of US$832,253 was reclassified to share capital [Note 23(b)].

27 REVENUE

	Group	
	2013	2012
	US$	US$
Sale of coal :		
- Coal extracted from mining activities	34,831,718	73,942,788
- Coal trading	42,860,467	–
Mining services	22,382,814	665,073
Rental services	8,518,910	4,156,952
Total	108,593,909	78,764,813

28 OTHER INCOME

	Group	
	2013	2012
	US$	US$
Foreign exchange gain - net	–	138,878
Interest income	587,899	109,650
Rental income - investment property	34,131	–
Gain on repayment of amount due to a related party (Note19)	578,222	–
Fair value gain on investment property (Note 15)	67,094	–
Others	112,544	116,263
Total	1,379,890	364,791

29 OTHER EXPENSES

	Group	
	2013	2012
	US$	US$
Loss on disposal of property, plant and equipment - net	40,031	24,919
Foreign exchange loss - net	3,219,100	–
Listing expenses	–	2,058,662
Others	269,640	216,543
Total	3,528,771	2,300,124

30 FINANCE COSTS

	Group 2013	Group 2012
	US$	US$
Interest expense on:		
- Finance leases	2,372,244	918,949
- Bank borrowing	20,538	17,907
Imputed interest on:		
- Provisions (Notes 21B and 21C)	83,232	–
- Liability component of convertible loans	–	527,116
Total	2,476,014	1,463,972

31 INCOME TAX

(A) Income tax recognised in profit or loss

	Group 2013	Group 2012
	US$	US$
Current tax	3,876,132	6,935,433
Deferred tax (Note 22)	420,574	429,619
Income tax expense	4,296,706	7,365,052

Domestic income tax for Singapore incorporated companies is calculated at 17% (2012 : 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Majority of the Company's subsidiaries operate in Indonesia and hence, they are subject to Indonesian tax law. In accordance to the Indonesian tax law No. 36/2008, the fourth amendment of tax law No. 7/1983 on income taxes, the corporate tax rate is set at 25% (2012 : 25%).

The total charge for the financial year can be reconciled to the accounting profit as follows:

	Group 2013	Group 2012
	US$	US$
Profit before income tax	17,326,475	26,532,139
Tax at statutory rate of 25% (2012 : 25%) *	4,331,619	6,633,035
Tax effect of expenses that are not deductible in determining taxable profit	264,984	594,275
Tax effect of income that are not taxable in determining taxable profit	(223,419)	(7,253)
Tax exemption	(30,416)	(24,827)
Effect of different tax rates of companies operating in other jurisdictions	(46,062)	169,822
Income tax expense	4,296,706	7,365,052

* Statutory income tax is calculated at a rate in which the Company's significant subsidiaries are domiciled, i.e. Indonesian income tax rate.

31 INCOME TAX (cont'd)

(B) Income tax relating to each component of other comprehensive income

	Group 2013	Group 2012
	US$	US$
Deferred tax:		
- Remeasurement of defined benefit obligations (Note 22)	97,401	–
Total deferred tax on components of other comprehensive income	97,401	–

32 PROFIT FOR THE YEAR

This has been arrived at after charging:

	Group 2013	Group 2012
	US$	US$
Directors' remuneration	1,152,034	925,377
Employee benefits expense (including directors' remuneration)	10,903,170	9,360,117
Costs of defined contribution plans (included in employee benefits expense)	84,590	60,989
Costs of defined benefit plans (included in employee benefits expense) (Note 21A)	861,991	605,937
Cost of inventories recognised as expense	42,970,194	29,644,337
Depreciation of property, plant and equipment (Note 14)	10,658,609	10,347,888
Amortisation of deferred expenditure (Note 13)	630,304	–
Deferred mining evaluation assets written-off (included in cost of sales) (Note 12)	–	52,610
Audit fees paid/payable to:		
- Auditors of the Company	154,773	124,437
- Other auditors	135,626	108,381
Listing expense paid/payable to:		
- Auditors of the Company	–	480,024
- Other auditors	–	71,764
Non-audit fees paid/payable to:		
- Auditors of the Company	57,139	19,990
- Other auditors	150,000	6,500

33 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2013	2012
	US$	US$
Earnings		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	12,622,762	18,925,339
Effect of dilutive potential ordinary shares:		
- Interests on convertible loans	–	527,116
Earnings for the purpose of diluted earnings per share	12,622,762	19,452,455

33 EARNINGS PER SHARE (cont'd)

	2013	2012
Number of shares		
Ordinary shares as at 1 January	1,157,050,891	800,000,000*
Effect of shares issued pursuant to conversion of convertible loans	–	23,731,782
Effect of shares issued pursuant to the initial public offering	–	52,940,216
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,157,050,891	876,671,998*
Effect of dilutive potential ordinary shares:		
- Convertible loans	–	74,970,857
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,157,050,891	951,642,855*

* The weighted average number of ordinary shares issued for the aforementioned financial periods, is on the assumption that the sub-division of every one ordinary share into 4,000 ordinary shares has taken place on 1 January 2012.

34 SEGMENT INFORMATION

For the purpose of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn, are segregated based on their services. This forms the basis of identifying the segments of the Group under FRS 108.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristic, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, method of distribution, and if applicable, the nature of the regulatory environment.

The Group commenced new business activities during the financial year. Accordingly, the Group has established the appropriate business segments to better reflect its operations. Certain reclassifications have been made to the prior year's segment information to enhance comparability with the current year's segment information.

The Group's reportable segments under FRS 108 are therefore as follows:

Segment		Principal activities
Coal production	-	Sale of coal extracted from operating the Group's coal mines and the third parties' coal mining area under coal cooperation contracts.
Coal trading	-	Purchase of coal from third parties with the intention to sell in the near future.
Mining services and others	-	Mining contracting and equipment rental services.

Segment revenue represents revenue generated from external and internal customers. Segment results represent the profit earned from each segment after allocating costs directly attributable to a segment as well as those that can be allocated on a reasonable basis. This is the measure reported to the chief operating maker for the purpose of resource allocation and assessment of segment performance.

Assets and liabilities are not allocated by segment as they are not considered critical by the chief operating decision maker in resource allocation and assessment of segment performance.

34 SEGMENT INFORMATION (cont'd)

	Coal production	Coal trading	Mining service and others	Eliminations	Unallocated	Total
	US$	US$	US$	US$	US$	US$
31 December 2013						
Revenue						
External revenue	34,831,718	42,860,467	30,901,724	–	–	108,593,909
Inter-segment revenue	–	–	9,740,528	(9,740,528)	–	–
Total revenue	34,831,718	42,860,467	40,642,252	(9,740,528)	–	108,593,909
Segment results	10,197,133	8,463,127	11,887,560	–	–	30,547,820
Unallocated amounts:						
Other income						1,379,890
General and administrative expense						(8,596,450)
Other expenses						(3,528,771)
Finance costs						(2,476,014)
Profit before income tax						17,326,475
Income tax expense						(4,296,706)
Profit for the year						13,029,769
Other segmental information						
Depreciation of property, plant and equipment	5,401,050	–	4,742,547	–	515,012	10,658,609
Amortisation of deferred expenditure	–	–	630,304	–	–	630,304
Fair value gain on investment property	–	–	–	–	67,094	67,094
31 December 2012						
Revenue						
External revenue	73,942,788	–	4,822,025	–	–	78,764,813
Inter-segment revenue	–	–	13,742,072	(13,742,072)	–	–
Total revenue	73,942,788	–	18,564,097	(13,742,072)	–	78,764,813
Segment results	33,251,497	–	2,982,918	–	–	36,234,415
Unallocated amounts:						
Other income						364,791
General and administrative expense						(6,302,971)
Other expenses						(2,300,124)
Finance costs						(1,463,972)
Profit before income tax						26,532,139
Income tax expense						(7,365,052)
Profit for the year						19,167,087
Other segmental information						
Depreciation of property, plant and equipment	9,089,359	–	793,737	–	464,792	10,347,888
Deferred mining evaluation assets written-off	52,610	–	–	–	–	52,610

34 SEGMENT INFORMATION (cont'd)

Geographical segments

The Group's information about the segment revenue by geographical location is detailed below:

	Revenue	
	2013	2012
	US$	US$
Based on location of customer:		
Republic of Indonesia	76,265,656	63,034,916
Republic of Singapore	23,488,550	–
Republic of India	7,208,289	–
People's Republic of China	1,216,216	1,664,230
Republic of Switzerland	415,198	–
Republic of Korea	–	14,065,667
Total	108,593,909	78,764,813

The Group's information about the segment assets by geographical location are detailed below:

	Non-current assets	
	2013	2012
	US$	US$
Republic of Indonesia	71,373,333	73,077,892
Republic of Singapore	4,063,749	2,789,652
Total	75,437,082	75,867,544

Major customer information

The Group's revenue derived from customers who individually account for 10% or more of the Group's revenue is detailed below:

	Coal production		Coal trading		Mining services and others	
	2013	2012	2013	2012	2013	2012
Customer	US$	US$	US$	US$	US$	US$
Top 1st	–	33,957,336	–	–	17,612,669	–
Top 2nd	587,289	14,065,667	14,241,496	–	–	–
Top 3rd	3,401,444	–	10,356,163	–	–	–

35 OPERATING LEASE ARRANGEMENTS

The Group as lessee

	Group	
	2013	2012
	US$	US$
Minimum lease payments under operating leases recognised as an expense in the financial year	538,787	331,588

At the end of the reporting period, the Group and Company have outstanding commitments under non-cancellable operating lease, which fall due as follows:

	Group		Company	
	2013	2012	2013	2012
	US$	US$	US$	US$
Within one year	570,880	215,293	450,200	–
In the second to fifth year inclusive	659,228	63,258	637,784	–
Total	1,230,108	278,551	1,087,984	–

Operating lease payments represents rentals payable by the Group for lands, office premises and staff accommodations, and by the Company for its office premise. The average lease term of the office premises and staff accommodations range from one to three years and rentals are fixed throughout the lease term.

For the leases of land prior to 31 December 2012, there are certain discrepancies relating to the execution of the land lease agreements. Some land lease agreements were not executed by the registered owners of the land, certain payments were not made to the registered owners and some of the registered owners are deceased. As a result, there may be causes of action challenging the validity of the leases which may require monetary compensation. In light of these discrepancies, a shareholder of the Company, Master Resources International Limited, has provided a blanket indemnification to a subsidiary in the Group against any claims, losses or damages suffered in relation to any causes of action arising from the execution of the land lease agreements.

For the lease of office premise, the Company sublet to a subsidiary for 35 months and rental is fixed throughout the sublease term. The Company expect to receive future minimum sublease payments under non-cancellable sublease of US$158,284 (2012 : US$Nil).

The Group as lessor

The Group and Company leases out its investment property (Note 15). At the end of the reporting period, the Group and Company has contracted with tenant for the following future minimum lease payments:

	Group and Company	
	2013	2012
	US$	US$
Within one year	135,731	–
In the second to fifth year inclusive	237,530	–
Total	373,261	–

36 COMMITMENT

At the end of the year, the capital expenditure contracted for but not recognised in the consolidated financial statements is as follows:

Commitment for purchase of property, plant and equipment:

	Group	
	2013	2012
	US$	US$
Authorised and contracted for	720,034	33,115,921

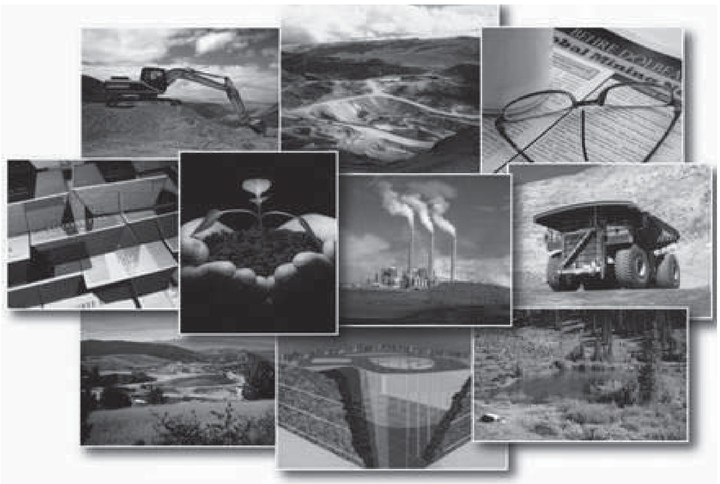
BEHRE DOLBEAR
founded 1911 MINERALS INDUSTRY ADVISORS

GEO ENERGY RESOURCES LIMITED

JORC RESOURCE AND RESERVE UPDATE
FOR
BUMI ENGGANG KHATULISTIWA COAL MINE PROJECT ("BEK MINE")
EAST KALIMANTAN PROVINCE, INDONESIA

(BEHRE DOLBEAR PROJECT 13-270)

31 MARCH 2014



PREPARED BY:

BEHRE DOLBEAR ASIA, INC.
LEVEL 18 WHEELOCK HOUSE, 20 PEDDER STREET
CENTRAL HONG KONG
852-2993-2358

A Member of the Behre Dolbear Group Inc.

www.dolbear.com

BEHRE DOLBEAR
founded 1911 MINERALS INDUSTRY ADVISORS
BEHRE DOLBEAR ASIA, INC.

31 March 2014

The Directors
Geo Energy Resources Limited
CBD Pluit
Perwata Tower Lt.9, Suite 10B-E
Jakarta, Indonesia 14440

Via email to: hendika.pradonggo@primaenerytama.co.id
charles@geocoal.com
mark.zhou@geocoal.com

RE: Behre Dolbear Project 13-270 – JORC Resource and Reserve Update for Bumi Enggang Khatulistiwa Coal Mine Project in East Kalimantan Province, Indonesia

Gentlemen:

Behre Dolbear Asia, Inc. ("Behre Dolbear"), a wholly-owned subsidiary of Behre Dolbear Group Inc., located at the address below, herewith submits its independent technical report (the "Qualified Person's Report" or the "Report") titled "JORC Resource and Reserve Update for Bumi Enggang Khatulistiwa Coal Mine Project (BEK Mine) East Kalimantan Province, Indonesia," dated 31 March 2014.

This Report updates certain aspects of Behre Dolbear's 29 March 2012 report titled "Independent Technical Review of the Bumi Enggang Khatulistiwa Coal Mine Project in East Kalimantan Province, Indonesia" (the "Original Report"). Behre Dolbear understands that this Report will be used to satisfy certain requirements for the Company's filing on the Singapore Stock Exchange.

Behre Dolbear's update of the BEK Mine Resources and Reserves is based upon the Original Report, a site visit by Behre Dolbear experts in December 2013, and updated data provided by Geo Energy Resources Limited (the "Company"). This study included a current review of resources and reserves for JORC compliance and reflects mine depletion from the start of operations in February 2012 through 31 December 2013. It also includes the upgrading of some resources to reserves.

This Qualified Person's Report is based upon information compiled by Mr. Norris E. Brooks, Mr. James F. Kohler, and their team of professionals. The Behre Dolbear project team consisted of senior-level mining professionals from Behre Dolbear's Denver office in the United States and the Hong Kong Office in China. This Report has been prepared in accordance with the requirements of the SGX Main Board Listing Rules and SGX-ST Listing Rules Practice Note 6.3, as issued by the Singapore Exchange Securities Trading Limited. Mr. Brooks, the professional responsible for this Qualified Person's Report, meets the applicable requirements of the SGX-ST Listing Rules. He is a Senior Associate of Behre Dolbear and he has extensive experience, which is relevant to the style of mineralization and type of deposit reviewed herein. He is also a Qualified Person, as defined in the JORC Code 2012 Edition.

Level 18 Wheelock House, 20 Pedder Street, Central Hong Kong Telephone: 852-2993-2358
BEIJING CHICAGO DENVER HONG KONG LONDON NEW YORK
SANTIAGO SYDNEY TORONTO ULAANBAATAR VANCOUVER
www.dolbear.com

This Report has been reviewed by a Mr. Donald K. Cooper, Chairman and Director of Behre Dolbear Asia, Inc., who is also a Qualified Person. Mr. Brooks and Mr. Cooper have signed declarations consistent with the requirements of the JORC Code 2012 Edition and SGX-ST Listing Rules Practice Note 6.3, as issued by the Singapore Exchange Securities Trading Limited. Those declarations are included as appendices to this Report. Mr. Brooks and Mr. Cooper consent to the inclusion of this Qualified Person's Report, as part of the Company's filing in the form and context in which they herein appear.

Subject to the industry-standard disclaimer stated in Section 2.1 regarding the underlying data, both professionals take responsibility for the contents of the Report.

Coal resources and coal reserves defined at each BEK Mine property have been reviewed for conformity with the December 2012 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition) prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

Behre Dolbear is independent of Geo Energy Resources Limited, the BEK Mine, and its properties. Neither Behre Dolbear nor any of its employees or associates involved in the preparation of this report has any direct or indirect pecuniary interests of any kind (whether past, present, or contingent) in the Company or the BEK Mine properties, any of its assets being reported on or any group, holding, or associated company of the Company. None of Behre Dolbear's partners, officers, employees, or associates is an officer, employee, or proposed officer of the Company or any group, holding, or associated company of the Company. Behre Dolbear does not have any claims outstanding with the Company, its assets, or any group, holding, or associated company of the Company.

Behre Dolbear is to receive a fee for its services (the work product of which includes this Report) at its normal commercial rates and on customary payment schedules. Payment of Behre Dolbear's professional fee is not contingent upon the outcome of this report.

The sole purpose of this Qualified Person's Report is for use by the Company and its Sponsors in connection with filings on the SGX-ST. This Qualified Person's Report cannot be used or relied upon for any other purpose. Neither the whole, nor any part, of this report, nor any reference thereto may be included in, with, or attached to any document or used for any other purpose without Behre Dolbear's written consent to the form and context in which it appears.

Yours faithfully,

BEHRE DOLBEAR ASIA, INC.

Norris E. Brooks

Norris E. Brooks, Qualified Person MMSA QP Member No. 01404QP
Senior Associate and Project Manager

James F. Kohler

James F. Kohler, SME QP Member 416736RM
Senior Associate

JORC Resource and Reserve Update – BEK Mine
31 March 2014

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

1.0 INTRODUCTION

1.1 STATEMENT OF ENGAGEMENT

Pursuant to a Consulting Services Agreement dated 05 December 2011, PT Prima Energytama engaged Behre Dolbear Asia, Inc. (Behre Dolbear) to prepare an Independent Technical Review of the Bumi Enggang Khatulistiwa coal mine project in East Kalimantan Province, Indonesia (the "BEK Mine"). As part of the report, the Client required a JORC-compliant statement with respect to the BEK Mine's coal resources. On 29 March 2012, Behre Dolbear issued its report titled "Independent Technical Review of the Bumi Enggang Khatulistiwa Coal Mine Project in East Kalimantan Province, Indonesia" (the "Original Report")

In a Consulting Services Agreement dated 04 December 2013, Geo Energy Resources Limited (the "Company") engaged Behre Dolbear to prepare a Qualified Person's Report that would update the BEK Mine coal resources and reserves in the context of the Original Report and in compliance with the JORC Code 2012 Edition. The "JORC Code 2012 Edition" is herein defined as the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia in 1999 and revised in 2012.

Key members of the team that developed the Original Report were also assigned to this update engagement. The information used to develop the Original Report was reviewed and certain new information was provided by BEK Mine personnel and Geo Energy Resources Limited. The Original Report presented an in-depth study of the BEK Mine's geological setting, stratigraphic formations, coals seams, coal qualities, mine planning, transportation infrastructure, and environmental/regulatory/social issues. It also analyzed the Company's actual and forecasted revenues, operating costs, and capital spending schedules.

The Company has stated that, with the exception of coal production tonnages during 2012 and 2013, no material changes have occurred to the above aspects of the Company's business or operation of the BEK Mine. Behre Dolbear has relied upon these representations and has focused this updated report on changes in the resources and reserves assigned to the BEK Mine.

Geo Energy Resources Limited, the parent company and ultimate owner of the BEK Mine, is preparing to submit certain filings on the Singapore Stock Exchange (SGX-ST), and this Report is expected to be a part of those filings.

1.2 DISCLAIMER

Behre Dolbear professionals have conducted an independent technical review, performed a site visit, and performed a field inspection of the BEK Mine project. Behre Dolbear has exercised all due care in reviewing the supplied information and believes that the basic assumptions are factual and correct and the interpretations are reasonable. Behre Dolbear has independently analyzed the data provided by others, but the accuracy of the conclusions of those reviews is dependent upon the accuracy of the supplied data. Behre Dolbear does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from investment or other financial decisions or actions by others.

1.3 ELECTRONIC DISCLAIMER

Electronic mail copies of this report are not official unless authenticated and signed by Behre Dolbear and are not to be modified in any manner without Behre Dolbear's express written consent.

1.4 UNITS USED IN THIS REPORT

The metric system is used throughout this report and the currency used is the United States dollar (US$). When units in other systems and other currencies are used, they are identified in the text.

2.0 EXECUTIVE SUMMARY

The BEK Mine is an open cut surface coal mine in the Kutai Barat Regency, East Kalimantan, Indonesia. It has a design production rate of 2.0 to 3.0 million tonnes per year.

In the Original Report, Behre Dolbear estimated that, as of 31 December 2011, the total in-place coal resources for the BEK Mine were 44.54 million tonnes. BEK Mine production started in February 2012 and continued through 31 December 2013. The Company has certified that BEK Mine production during that period totaled 2.4 million tonnes. Behre Dolbear reviewed the Company's operating records, the BEK Mine's operating activities during the above production period, and other pertinent data required to confirm the resource and reserve tonnages represented by the Company.

2.1 BEK MINE COAL RESOURCES

Based upon the Company's representations and its own data reviews, Behre Dolbear has concluded that:

- There were no changes to the BEK Mine's resource model during 2013.
- Resource areas designated in the Original Report remained unchanged from 2011.
- Changes to the BEK Mine resource base, as reflected in this Report, are due only to mine depletion.

Table 2.1 shows the BEK Mine's coal resources as of 31 December 2013. These resources are estimated in compliance with the JORC Code 2012 Edition, as defined above.

TABLE 2.1
COAL RESOURCES OF BEK MINE AS OF 31 DECEMBER 2013[1]
(MILLION TONNES – AIR DRIED BASIS)

Ore Type	Measured Resource	Indicated Resource	Inferred Resource	Total
Thermal Coal	1.0	6.3	22.4	29.7

[1]Resources are in addition to coal reserves.

2.2 BEK MINE COAL RESERVES

Based upon the Company's representations and its own data reviews, Behre Dolbear concluded that:

- Mine planning and production schedules are clearly defined.
- BEK Mine continues to control the BEK Mine properties.
- The Company has provided sufficient documentation to Behre Dolbear showing that it has the rights and licenses required to legally operate the BEK Mine.
- Reserves have been adjusted from the Original Report to reflect mine plan changes.
- Reserves now include 2 new small pit areas (Pits E and F) that were not described in the Original Report.
- Reserves reflect the effect of 2012 and 2013 production from reserves described in the Original Report.

Table 2.2 shows the BEK Mine's coal reserves as of 31 December 2013. These reserves are estimated in compliance with the JORC Code 2012 Edition. Section 7.0 of this Report further defines and presents the BEK Mine's coal resources and reserves in the format required by SGX-ST Appendix 7.5.

TABLE 2.2
COAL RESERVES OF BEK MINE AS OF 31 DECEMBER 2013
(MILLION TONNES – AIR DRIED BASIS)

Commodity Deposit	Mining Method	Coal Type	Proved Coal Reserve	Probable Coal Reserve	Total Coal Reserve
BEK Coal Mine	Open Cut	Thermal	3.8	7.3	11.1

Further discussion of the factors considered by Behre Dolbear during this update is presented in Appendix 1.0, in a format consistent with JORC Code 2012 Edition Table 1.

3.0 SCOPE OF WORK

This Report addresses the coal resources and reserves of the BEK Mine as of 31 December 2013. The mine is located in the northeast portion of the Kutai Barat Regency in East Kalimantan Province, Indonesia (Figure 3.1).

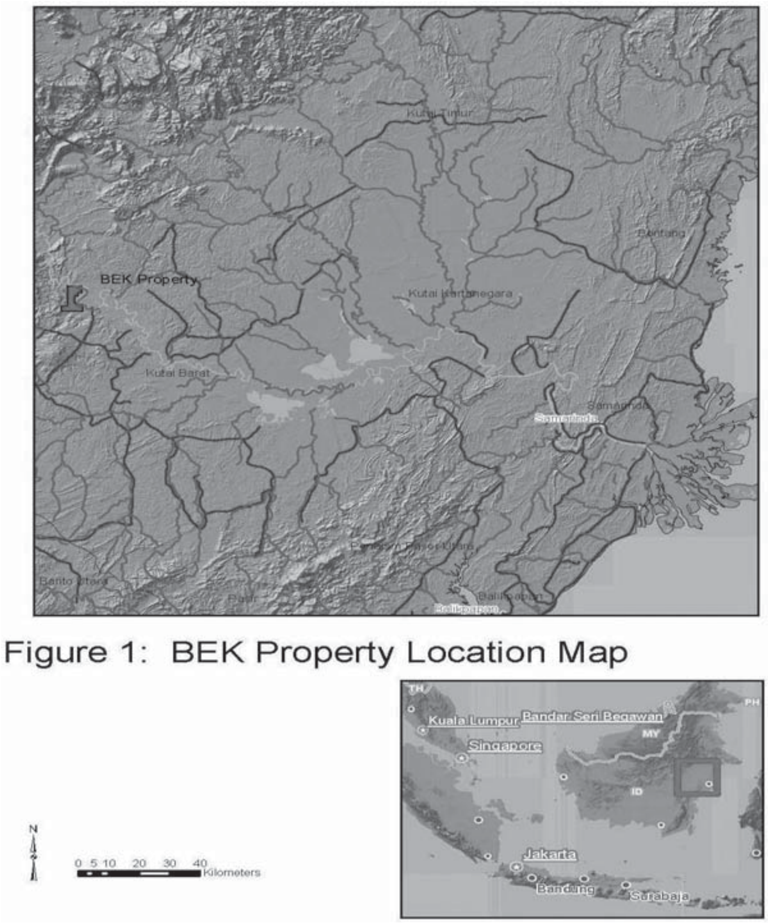


Figure 3.1. Location of the BEK Mine

In March 2012, Behre Dolbear Asia, Inc. prepared a comprehensive Independent Technical Review of the BEK Mine, which included a JORC-compliant estimate of the coal resources and reserves contained within the property. The purpose of this current Report is to update the estimate of the BEK Mine's coal resources and reserves, as of 31 December 2013.

4.0 CONCESSION AND LICENSES

Geo Energy Group (Geo), through PT. Sumber Bara Jaya, acquired the BEK Concession and is the ultimate and rightful Concession holder of the claims described in this report through BEK, which encompasses approximately 4,570 hectares. BEK was incorporated in March 2008. BEK reports that the mining taxes have been paid, their legal status is in force and free of any liens or encumbrances, and therefore, BEK is considered to be in good legal standing. On 09 April 2011, BEK obtained its IUP Operation and Production (Mining License for Operational Production) from the Regent of Kutai Barat under its Decree No. 545/K.287a/2011 dated 04 April 2011. Table 4.1 shows a brief summary of the BEK Concession License.

TABLE 4.1
SUMMARY OF BEK CONCESSION LICENSE

Asset Name/Country	Interest (%)	Development Status	License Number and Expiry Date	License Area	Type of Mineral Deposit	Remarks
BEK Mine Indonesia	100	In Production	545/k.287a/2011 4 April 2031	4,570 hectares	Coal	Permit is extendable upon compliance with the prevailing laws and regulations

4.1 ENVIRONMENTAL LIABILITIES

Mines working near the BEK Concession have been historically limited to small pits and exploration drilling with very small environmental effects. Regulations require the development of an Environmental Impact Assessment Statement/Report (EIA/ANDAL). BEK's EIA/ANDAL was approved on 02 September 2010, as evidenced by Decree of Kutai Barat Regent No. 660.5/011/ANDAL/BLH-KBR/IX/2010.

4.2 PERMIT STATUS

BEK currently holds an IUP Operation and Production permit, which allows the BEK Concession owner to carry out various mining activities, such as development, mining, processing, refining, transportation, and sales activities. BEK has obtained permits for a reclamation and post-mining activities plan, as approved by Kutai Barat Regent under its Decree No. 540/069.A/DISTAMBEN-TU.P/I/2012 and No. 540/070.A/DISTAMBEN-TU.P/I/2012, both dated 30 January 2012.

4.3 SURFACE RIGHTS

BEK holds the mining rights to approximately 4,570 hectares of which approximately 1,000 hectares are in the area to be mined. As of the writing of this report, BEK reports that it has successfully negotiated surface rights to 693 hectares from the surface property owners as of 14 February 2012. The surface rights to all of the area to be mined in the first 4 years have been acquired. There has been no hearing of the Project Affected Parties opposing BEK's operations.

5.0 GEOLOGIC SETTING, EXPLORATION, AND OPERATING HISTORY

Within the BEK Mine's concession, coal deposits are found in Eocene to Early Miocene sediments that consist primarily of freshwater deposits that were deposited in a coastal plain environment. The structure of the area is relatively simple with the coal-bearing strata dipping 2° to 5° to the southeast. No significant faulting has been identified in the area that would affect mining, but the possibility exists for minor normal faulting within the proposed mine area.

Initial exploration of the BEK Mine Concession included 276 drill holes within the areas of the property considered to have the best coal potential. Within the areas targeted for mining, the drill hole spacing was 200 meters × 200 meters and in some areas 100 meters × 100 meters. Drilling within the BEK Mine Concession has identified as many as 7 coal seams. The strata encountered during drilling represent an active fluvial depositional environment with sandstone, siltstone, mudstone, claystone, and coal beds throughout the section. The active depositional environment is demonstrated by the partings and splitting of the coal beds near the fluvial channels. One of the uppermost coal beds (G Seam) is laterally persistent and appears to have the greatest potential for development.

Behre Dolbear believes that the drilling protocols and data collected by the BEK Mine exploration programs are sufficient for mine planning purposes and for the determination of reserves.

Mining operations started in February 2012. The Company's records show that, since that time, 2.4 million tonnes have been produced from 6 separate mining blocks, 2 of which have been mined out. In 2013, additional drilling was conducted away from the active mine area to define additional shallow resources. In 2013, 105 additional drill holes were completed to better define the original mine plan reserves and identify 2 additional small pit areas.

6.0 DISCLOSURE OF INFORMATION PREPARED BY THE COMPETENT PERSON

The JORC Code 2012 Edition provides a checklist that is intended to enhance disclosure of the material information used by a Competent Person to support the Public Reporting of Exploration Results, Mineral Resources, and Ore Reserves. JORC Table 1, titled Checklist of Assessment and Reporting Criteria, is to be used in the context of complying with the Principles of Code. The Competent Person is required to address the elements of Table 1 in the report. This change requires that a Public Report should include detailed reporting of the relevant criteria listed in Table 1. Specifically, Sections 1, 3, and 4 from the JORC Table 1 template were determined to be relevant for this effort. Appendix 1.0 contains information in the format prescribed by the JORC Table 1 and presents the information relevant to this Competent Person's Report.

7.0 COAL RESOURCE AND RESERVE STATEMENT AS OF 31 DECEMBER 2013

The JORC Code 2012 Edition requires the use of reasonable technical, operational, and economic assumptions when categorizing reserves. These include, but are not limited to, confirmation of mining rights and licenses, geological review, mining plan validation, operating cost validation and long-range commodity price forecasts to support revenue assumptions. Coal resource and reserve estimates are dynamic and are influenced by changing economic conditions, technical issues, mining rates, environmental regulations, and relevant new information and, therefore, can vary from year to year. Behre Dolbear believes that its assessment of the BEK Mine resources and reserves, as of 31 December 2013, includes recognition of the above factors.

Reserve estimates have been adjusted to reflect the BEK Mine coal production during 2012 and 2013. They also reflect the results of exploration during 2013. Rounding of figures may cause computational discrepancies.

Table 7.1 presents the coal resources and coal reserves of the BEK Mine as of 31 December 2013.

TABLE 7.1
UPDATED RESERVES AND RESOURCES FOR BEK COAL MINE[1]
(AS OF 31 DECEMBER 2013)

Category	Mineral Type	Gross Attributable to BEK Mine		Net Attributable to BEK Mine			Remarks[2]
		Tonnes (million)	Grade	Tonnes (million)	Grade	Change from Original Report (%)	
Reserves							
Proved	Coal	3.8	N/A	3.8	N/A	-9.5	None
Probable	Coal	7.3	N/A	7.3	N/A	-12.0	None
Total Reserves		**11.1**	**N/A**	**11.1**	**N/A**	**-11.2**	
Resources							
Measured	Coal	1.0	N/A	1.0	N/A	-16.0	None
Indicated	Coal	6.3	N/A	6.3	N/A	-11.3	None
Inferred	Coal	22.4	N/A	22.4	N/A	0.0	None
Total Resources		**29.7**	**N/A**	**29.7**	**N/A**	**-3.2**	**None**

[1]Measured, Indicated, and Inferred Resources are in addition to Reserves
[2]Refer to Appendix 1.0 (JORC Table 1) for Remarks

The information in this Report that relates to geology and coal resources and reserves is based on information compiled by Mr. Norris E Brooks and Mr. James F. Kohler.

Mr. Brooks is a member of the Mining and Metallurgical Society of America (MMSA) and a Senior Associate at Behre Dolbear Asia, Inc. He has sufficient experience, which is relevant to the type of mineralization and style of deposit under consideration and to the activity, which he has undertaken to qualify as the Competent Person, as defined in the JORC Code 2012 Edition and the requirements for "Qualified Person," as defined in Canadian National Instrument (NI) 43-101 for mining engineering. Mr. Brooks consents to the Company's use of this Report and to its release in the form and context in which it appears. Statements of his qualifications and his consent are contained in Appendix 2.0.

Mr. Kohler is a member of the Society for Mining, Metallurgy, and Exploration, Inc. and a Senior Associate at Behre Dolbear Asia, Inc. He is also a member of the Geological Society of America. He has sufficient experience, which is relevant to the type of mineralization and style of deposit under consideration and to the activity, which he has undertaken to qualify as the Competent Person, as defined in the JORC Code 2012 Edition and the requirements for "Qualified Person," as defined in Canadian National Instrument (NI) 43-101 for mining engineering. Mr. Kohler consents to the Company's use of this Report and to its release in the form and context in which it appears. A statement of his qualifications and his consent are contained in Appendix 2.0.

A statement of Mr. Donald K. Cooper's qualifications and his consent are contained in Appendix 2.0.

APPENDIX 1.0
RESOURCE AND RESERVE UPDATE –
BUMI ENGGANG KHATULISTIWA COAL MINE PROJECT
EAST KALIMANTAN PROVINCE, INDONESIA
JORC CODE 2012 EDITION – TABLE 1

TABLE 1
JORC CODE, 2012 EDITION GUIDELINES FOR COAL RESOURCE AND COAL RESERVE ESTIMATION PARAMETERS RELATIVE TO THE UPDATE OF BEK MINE COAL RESOURCES AND RESERVES

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
Sampling Techniques	Cuttings from rotary holes were collected at regular intervals and described by a geologist at the drill site. Cored intervals were sampled by PT Prima Energytama personnel using standard JORC-compliant procedures. These JORC procedures were as follows: • Any drill mud or other non-in situ material was removed prior to lithological logging and core photography at the drill site. • When the lithology logging and photography was completed, appropriate sample intervals were determined at the drill site, by the geologists. • Full core for each appropriate sample interval was then placed double wrapped to help preserve the moisture content. • Samples taken for analysis were then numbered sequentially using a predetermined sample numbering system setup to ensure the integrity of each individual sample. • A 'Sample Submission Sheet' listing the samples collected for each drill hole was completed and sent to the lab along with the samples.
Drilling Techniques	Drilling was accomplished using portable drilling rigs capable of drilling NQ-size core (76 mm diameter). Rigs were operated by experienced drillers.
Drill Sample Recovery	For rotary holes, cuttings were described by a geologist in the field and lithologies were reconciled with geophysical logs (gamma, density and caliper). Core holes for quality purposes were first drilled as a rotary hole and geophysical logs were run to determine the coal intercepts and then the hole was twinned to obtain core of the coal beds. Quality analyses were obtained from coal beds with core recovery >90%.
Logging	Exploration protocols followed provide a level of detail sufficient for mineral resource estimates and mine planning.
Sub-sampling Techniques and Sample Preparation	Samples for analysis were handled in accordance with the standards identified in ISO 5069-1 and 2: 1983.
Quality of Assay Data and Laboratory Tests	Coal quality parameters were analyzed by the PT Geoservices coal laboratory, which is accredited to the standards of ISO 17025.
Verification of Sampling and Assaying	Geophysical logs were used to independently verify coal bed intercepts used to estimate coal resources and reserves.
Location of Data Points	The original reserve estimate was based on 226 rotary and 50 core holes, which were surveyed using differential GPS and Total Station (TS). In 2013, 105 additional rotary drill holes were completed. They were located using differential GPS. Elevations for the 105 rotary drill holes were taken from the LIDAR Topographic coverage of the area.
Data spacing and Distribution	Data spacing and distribution are sufficient to establish the degree of geological continuity appropriate for the JORC classifications reported for this property.
Orientation of Data in Relation to Geological Structure	The coal deposit covered by this report is a stratified deposit with relatively simple structure so the drill hole layout has not introduced any adverse sample bias.
Sample Security	
Audits or Reviews	An independent review of the exploration data and the protocols followed during the drilling by Behre Dolbear in 2012 determined that the data presented were adequate to support the reported resource and reserve determinations.

Section 2 of Table 1 is not applicable to this Report

Table 1
JORC Code, 2012 Edition Guidelines for Coal Resource and Coal Reserve Estimation Parameters Relative to the Update of BEK Mine Coal Resources and Reserves

Section 3: Estimation and Reporting of Coal Resources

Criteria	Commentary
Database Integrity	PT Prima Energytama maintains all applicable data on site and at their offices in Jakarta. Electronic copies of the data were provided to Behre Dolbear for use in the preparation of this report.
Site Visits	The site was visited by Behre Dolbear in December 2011, for preparation of the "Original Report" including JORC-compliant Resources and Reserves was completed in March 2012. A follow-up site visit was made to the site in December 2013 to observe the mining operations and obtain the information necessary to update the JORC Reserve Estimate to reflect the reserves remaining as of 31 December 2013.
Geological Interpretation	Three-dimensional geological models were created for the Bumi Enggang Khatulistiwa coal mine project by PT Prima Energytama using Mincom's Minescape® software. In order to assess the validity of the model used by PT Prima Energytama, the drill hole data were used to create a three-dimensional model of the primary coal bed (G Bed) using Surfer 11.6. The resultant structure, isopach, and overburden maps created for the G Bed confirmed the pit outlines used for the reserve estimates. The models developed by PT Energytama are considered to adequately represent each pit area based on the outcrop, pit survey, and drilling data that were used.
Dimensions	Drilling within the BEK Mine project area has identified a multi-seam coal resource along a strike length of about 6 kilometers. A number of pit areas have been defined with the upper limit controlled by the topographic surface and the base defined by the minable coal beds.
Estimation and Modelling Techniques	Mincom's Minescape® software was used to model the coal bed thickness, structure, and depth of cover in order to estimate the coal resources within the project area. The drill hole spacing over the project area was originally on a 400 meter × 200 meter grid. In areas where more complex geology was identified, the grid size was reduced to a 200 meter × 200 meter grid, and some areas were drilled on a 100 meter × 100 meter grid. The drill hole spacing is adequate to define the resources and reserves to JORC standards. The modelling software was then used to identify pit areas with an average stripping ratio slightly greater than 6 bank cubic meters of overburden per tonne of coal. The validity of the initial reserve estimates has generally been confirmed by the production to date.
Moisture	Reserve tonnages are based on the average inherent moisture (air dried basis) of 30%.
Cut-off Parameters	No quality cut-off parameters were used.
Mining Factors or Assumptions	No limiting factors were considered in the coal resource estimates. For reserve purposes, the average stripping ratio was limited to 6.18 to 1.
Metallurgical Factors or Assumptions	No coal processing is anticipated and all coal is mined and sold unprocessed.
Environmental Factors or Assumptions	All environmental approvals are currently in place to operate the mine. No other considerations are deemed applicable.
Bulk Density	The coal samples were analyzed by the laboratory and determined to have a weighted average density of 1.31. The analytical densities were used in the resource and reserve estimates for the project.
Classification	For the resource estimates, the coal resources were considered to be Measured when within 150 meters of a data point, Indicated between 150 meters and 300 meters, and Inferred up to 600 meters.

Table 1
JORC Code, 2012 Edition Guidelines for Coal Resource and Coal Reserve Estimation Parameters Relative to the Update of BEK Mine Coal Resources and Reserves

Section 3: Estimation and Reporting of Coal Resources

Criteria	Commentary
Audits or Reviews	The initial coal resource estimate and reserve estimate was reviewed by Behre Dolbear as part of an Independent Technical Review Report released in March 2012. After commencement of mining, the reserve estimate was again reviewed and updated to reflect production and additional exploration.
Discussion of Relative Accuracy/Confidence	The Bumi Enggang Khatulistiwa coal mine project has been in operation since 2012 and through the end of 2013 has produced a total of 2.4 million tonnes. A comparison of the coal produced with the original reserves estimated for the project verifies the validity of the original estimates.

Table 1
JORC Code, 2012 Edition Guidelines for Coal Resource and Coal Reserve Estimation Parameters Relative to the Update of BEK Mine Coal Resources and Reserves

Section 4: Estimation and Reporting of Coal Reserves

Criteria	Commentary
Mineral Resource Estimate for Conversion to Ore Reserves	The reported reserves are based on using the models of the coal deposit to identify pit areas with an average stripping ratio not to exceed 6.18 to 1. The reported resources include the reserves.
Site Visits	The JORC competent person visited the site on 11 December 2013 and determined that the activities being conducted on site were consistent with reported information.
Study Status	Bumi Enggang Khatulistiwa coal mine project is an operating mine which has produced 1.8 million tonnes through the end of 2013.
Cut-off Parameters	The pit limits are defined from the geologic modelling of coal thickness, structure and overburden and limited to an area with an average stripping ratio of 6.18 to 1.
Mining Factors or Assumptions	The mining method used to determine the coal reserve is conventional open-pit mining using backhoe style hydraulic excavators loading off-highway dump trucks for both waste and mining. Coal is crushed in the pit and transported to a nearby barge loading facility.
Metallurgical Factors or Assumptions	Other than in-pit crushing, there is no further processing of the mined coal.
Environmental	All environmental approvals are currently in place to operate the mine.
Infrastructure	Studied in the Original Report – No substantial change
Costs	Studied in the Original Report – No substantial change
Revenue Factors	Studied in the Original Report – No substantial change
Market Assessment	Studied in the Original Report – No substantial change
Economic	Studied in the Original Report – No substantial change
Social	Studied in the Original Report – No substantial change
Other	Studied in the Original Report – No substantial change
Classification	Most Measured Resources within the proposed pits have been classified as "Proved Reserves." Indicated Resources have been classified as "Probable Reserves." No Inferred Resources has been used in this estimate.
Audits or Reviews	N/A
Discussion of Relative Accuracy/Confidence	Studied in the Original Report – No substantial change

APPENDIX 2.0
RESOURCE AND RESERVE UPDATE
BUMI ENGGANG KHATULISTIWA COAL MINE PROJECT
EAST KALIMANTAN PROVINCE, INDONESIA
MARCH 2014
DECLARATION OF QUALIFIED PERSONS
NORRIS E. BROOKS
JAMES F. KOHLER
DONALD C. COOPER

DECLARATION OF QUALIFIED PERSON – NORRIS E. BROOKS

With respect to the attached Competent Person's Report, I, Norris E. Brooks, certify that, to the best of my knowledge and belief:

1) I am an Independent Qualified Person in accordance with the requirements of the SGX-ST Listing Rules for Mineral, Oil and Gas Companies issued by the Singapore Exchange Securities Trading Limited.

2) I have more than 30 years of international experience in the coal industry including coal mines, properties, and facilities that are substantially similar to the coal mines, properties, and facilities described in the attached Report. That experience includes estimation, assessment, and evaluation of coal-bearing properties, coal mine operations, coal preparation plants, and feasibility studies related to such matters.

3) I am a registered member of the Mining and Metallurgical Society of America (MMSA), holding Qualified Professional Member No. 01404QP. MMSA is a self-regulatory association of mining industry professionals that:
   a) admit members on the basis of academic qualifications and experience
   b) require compliance with the organization's professional standards of competence
   c) require compliance with a code of professional ethics
   d) have disciplinary powers to suspend or expel a member

4) I supervised the team described in Report and I am responsible for its content. I have visited and made physical inspections of the properties, facilities, and operations described in the Report.

5) I am acting as a Senior Associate of Behre Dolbear Asia, Inc. and I am not a sole practitioner.

6) I am personally independent of Geo Energy Resources Limited and BEK Mine management, and their affiliates, shareholders and directors.

7) The sole remuneration for my professional services and the services of my Report team is in the form of hourly fees. My compensation is not dependent upon the attainment of any stipulated result, the occurrence of any subsequent event, or the reporting of any predetermined technical, operational, or financial information that favors Behre Dolbear's client.

8) I have no direct or indirect, present or prospective, pecuniary interest in the companies, mines, or properties that are the subject of the Report or in any of the Company's affiliates and subsidiaries, and I will receive no financial benefits other than the above hourly fees for professional services.

9) I have not been found in breach of any relevant rule or law and I am not the subject of any disciplinary proceeding. I am not the subject of any investigation that might lead to a disciplinary proceeding by any regulatory authority or any professional association.

10) Information in the Report has been obtained from sources believed to be reliable. The Report team and I considered all reasonably available information, which has a bearing on the Report and no facts have been intentionally disregarded.

11) The analysis, opinions, and conclusions presented in the attached Report were developed in accordance with the JORC Code 2012 Edition and with internationally-accepted coal industry standards for such reporting. The Report presents an independent, unbiased professional study of the data presented by Geo Energy Resources Limited and BEK Mine management.

Sincerely,

Norris E. Brooks

Norris E. Brooks, Qualified Person MMSA QP Member No. 01404QP
Senior Associate and Project Manager
Behre Dolbear Asia, Inc.

DECLARATION OF QUALIFIED PERSON – JAMES F. KOHLER

With respect to the attached Competent Person's Report, I, James F. Kohler, certify that, to the best of my knowledge and belief:

1) I am an Independent Qualified Person in accordance with the requirements of the SGX-ST Listing Rules for Mineral, Oil and Gas Companies issued by the Singapore Exchange Securities Trading Limited.

2) I have more than 30 years of experience in the coal industry including coal mines, properties, and facilities that are substantially similar to the coal mines, properties, and facilities described in the attached Report. That experience includes estimation, assessment, and evaluation of coal-bearing properties, coal mine operations, coal preparation plants, and feasibility studies related to such matters.

3) I am a registered member of the Society for Mining, Metallurgy, and Exploration, Inc. (SME), holding Qualified Professional Member Number 416736RM. SME is a self-regulatory association of mining industry professionals that:
   a) admit members on the basis of academic qualifications and experience
   b) require compliance with the organization's professional standards of competence
   c) require compliance with a code of professional ethics
   d) have disciplinary powers to suspend or expel a member

4) I was a member of the team described in Report and I am responsible for portions of its content. I have visited and made physical inspections of the properties, facilities, and operations described in the Report.

5) I am acting as a Senior Associate of Behre Dolbear Asia, Inc. and I am not a sole practitioner.

6) I am personally independent of Geo Energy Resources Limited and BEK Mine management, and their affiliates, shareholders and directors.

7) The sole remuneration for my professional services and the services of my Report team is in the form of hourly fees. My compensation is not dependent upon the attainment of any stipulated result, the occurrence of any subsequent event, or the reporting of any predetermined technical, operational, or financial information that favors Behre Dolbear's client.

8) I have no direct or indirect, present or prospective, pecuniary interest in the companies, mines, or properties that are the subject of the Report or in any of the Company's affiliates and subsidiaries, and I will receive no financial benefits other than the above hourly fees for professional services.

9) I have not been found in breach of any relevant rule or law and I am not the subject of any disciplinary proceeding. I am not the subject of any investigation that might lead to a disciplinary proceeding by any regulatory authority or any professional association.

10) Information in the Report has been obtained from sources believed to be reliable. The Report team and I considered all reasonably available information, which has a bearing on the Report and no facts have been intentionally disregarded.

11) The analysis, opinions and conclusions presented in the attached Report were developed in accordance with the JORC Code 2012 Edition and with internationally-accepted coal industry standards for such reporting. The Report presents an independent, unbiased professional study of the data presented by Geo Energy Resources Limited and BEK Mine management.

Sincerely

James F. Kohler

James F. Kohler, SME QP Member 416736RM
Senior Associate
Behre Dolbear, Asia, Inc.

DECLARATIONS OF QUALIFIED PERSON AND CORPORATE DIRECTOR – DONALD K. COOPER

With respect to the attached Report, I, Donald K. Cooper, certify that, to the best of my knowledge and belief:

1) I am an Independent Qualified Person in accordance with the requirements of the SGX-ST Listing Rules for Mineral, Oil and Gas Companies as issued by the Singapore Exchange Securities Trading Limited.

2) I have more than 35 years of international experience in the coal industry including coal mines, properties, and facilities that are substantially similar to the coal mines, properties, and facilities described in the Report. That experience includes estimation, assessment, and evaluation of coal-bearing properties, coal mine operations, coal preparation plants, and feasibility studies related to such matters.

3) I am a Qualified Professional Member of the Mining and Metallurgical Society of America (MMSA) and I hold Member Number 01373QP. MMSA is a self-regulatory organization of mining industry professionals that:
   a) admits members on the basis of academic qualifications and experience
   b) requires compliance with the organization's professional standards of competence
   c) requires compliance with a code of professional ethics
   d) has disciplinary powers to suspend or expel a member

4) I was the Senior Advisor to the Report's Project Manager and the Report team described in the Report. I reviewed and approved the content of the Report.

5) I am not a sole practitioner. I am Chairman of the Board of Directors of Behre Dolbear Asia, Inc. and Global Director of Coal Services for the Behre Dolbear Group, Inc.

6) Behre Dolbear Asia, Inc. and I are corporately and personally independent of Geo Energy Resources Limited and BEK Mine management, and their affiliates, shareholders and directors.

7) The sole remuneration for my professional services and the services of Behre Dolbear Asia, Inc. is in the form of hourly fees. Neither my compensation nor the compensation of Behre Dolbear Asia, Inc. is dependent upon the attainment of any stipulated result, the occurrence of any subsequent event, or the reporting of any predetermined technical, operational, or financial information that favors Behre Dolbear's client.

8) Neither I, nor Behre Dolbear Asia, Inc., have any direct or indirect, present, or prospective, pecuniary interest in the companies that are the subject of the Report or in any of their affiliates and subsidiaries. Neither I, nor Behre Dolbear Asia, Inc., will receive financial benefits other than the above hourly fees for professional services.

9) Neither, I nor Behre Dolbear Asia, Inc., has been found in breach of any relevant rule or law and we are not the subject of any disciplinary proceeding. Neither I, nor Behre Dolbear Asia, Inc., is the subject of any investigation that might lead to a disciplinary proceeding by any regulatory authority or any professional association.

10) Information in this Report has been obtained from sources believed to be reliable. The Report team and I considered all reasonably available information, which has a bearing on the Report and no facts have been intentionally disregarded.

11) The analysis, opinions and conclusions presented in the attached Report were developed in accordance with the JORC Code 2012 Edition and with internationally-accepted coal industry standards for such reporting. The Report presents an independent, unbiased professional study of the data presented by Geo Energy Resources Limited and BEK Mine management.

Sincerely,

Donald K. Cooper, MMSA QP Member No. 01373QP
Chairman, Board of Directors
Behre Dolbear Asia, Inc.

STATISTICS OF SHAREHOLDINGS

As at 20 March 2014

Issued and fully paid-up capital	:	S$104,469,762
Number of issued shares	:	1,157,050,891
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
Treasury shares	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	5	0.11	860	0.00
1,000 - 10,000	1,378	30.41	11,089,389	0.96
10,001 - 1,000,000	3,110	68.64	197,466,749	17.07
1,000,001 AND ABOVE	38	0.84	948,493,893	81.97
TOTAL	4,531	100.00	1,157,050,891	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	398,011,429	34.40
2	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	219,136,148	18.94
3	HL BANK NOMINEES (SINGAPORE) PTE LTD	101,120,000	8.74
4	DB NOMINEES (SINGAPORE) PTE LTD	44,687,296	3.86
5	HSBC (SINGAPORE) NOMINEES PTE LTD	27,651,000	2.39
6	UOB KAY HIAN PRIVATE LIMITED	27,011,000	2.33
7	OCBC SECURITIES PRIVATE LIMITED	17,108,000	1.48
8	DBS NOMINEES (PRIVATE) LIMITED	11,877,517	1.03
9	HONG LEONG FINANCE NOMINEES PTE LTD	10,811,000	0.93
10	WONG TEW HONG	9,395,000	0.81
11	MAYBANK KIM ENG SECURITIES PTE. LTD.	8,195,000	0.71
12	PHILLIP SECURITIES PTE LTD	7,102,000	0.61
13	TAN SONG KAR	6,970,846	0.60
14	BANK OF SINGAPORE NOMINEES PTE. LTD.	6,800,060	0.59
15	NOMURA SINGAPORE LIMITED	6,477,000	0.56
16	LIM & TAN SECURITIES PTE LTD	4,223,000	0.36
17	LEE CHENG PECK	4,200,000	0.36
18	RAFFLES NOMINEES (PTE) LIMITED	4,101,509	0.35
19	CIMB SECURITIES (SINGAPORE) PTE. LTD.	3,564,000	0.31
20	DMG & PARTNERS SECURITIES PTE LTD	2,585,681	0.22
	TOTAL	921,027,486	79.58

STATISTICS OF SHAREHOLDINGS

As at 20 March 2014

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 20 March 2014)

	Direct Interest		Deemed Interest	
Name of Shareholder	No. of Shares	%	No. of Shares	%
Master Resources International Limited(1)	552,326,287	47.74	–	–
Dhamma Surya(2)	56,810,704	4.91	552,326,287	47.74

Notes:-

(1) Master Resources International Limited ("**Master Resources**") is a company incorporated in the British Virgin Islands. The shareholders of Master Resources are Charles Antonny Melati (19.6%), Dhamma Surya (24.0%), Huang She Thong (12.6%), Richard Kennedy Melati (12.6%), Ng See Yong (12.6%), Yanto Melati (12.6%) and Darmin (6.0%). All of the foregoing shareholders are also directors of Master Resources.

(2) The Company's Chief Executive Officer, Dhamma Surya, holds 24.0% of the shares in Master Resources. As such, Dhamma Surya is deemed to be interested in the 552,326,287 Shares held by Master Resources by virtue of Section 7 of the Companies Act (Chapter 50). In addition, Dhamma Surya has provided an undertaking, guaranteeing the obligations of Charles Antonny Melati under an agreement to grant a call option to James Beeland Rogers Jr over 2,000,000 shares of the Company (owned or to be owned by Charles Antonny Melati). The call option's exercise price is S$0.35 per share, with exercise period of 10 years, commencing 1 January 2015. The call option is exercisable in whole or in part and subject to conditions precedent. The number of shares under the call option is subject to adjustment provisions.

PERCENTAGE OF SHAREHOLDING IN HANDS OF PUBLIC

Based on the information available to the Company as at 20 March 2014, approximately 37.85% of the Company's shares listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") was held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Ocean Room 4 & 5, Pan Pacific Singapore, 7 Raffles Boulevard, Marina Square, Singapore 039595, on Tuesday, 29 April 2014 at 9.00 a.m. for the following purposes:-

AS ORDINARY BUSINESS

Resolution 1

1. To receive and adopt the audited accounts for the financial year ended 31 December 2013, together with the Reports of the Directors and the Independent Auditors and the Statement of Directors.

Resolution 2

2. To re-elect Mr Dhamma Surya, who is retiring pursuant to Article 91 of the Company's Articles of Association and who, being eligible, is offering himself for re-election as a Director.

Resolution 3

3. To re-elect Mr Huang She Thong, who is retiring pursuant to Article 91 of the Company's Articles of Association and who, being eligible, is offering himself for re-election as a Director.

Resolution 4

4. To re-elect Mr Soh Chun Bin, who is retiring pursuant to Article 97 of the Company's Articles of Association and who, being eligible, is offering himself for re-election as a Director.

   *Mr Soh Chun Bin will, upon re-election as a Director, remain as a member of the Audit Committee and the Board considers him to be independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**").*

Resolution 5

5. To re-appoint Mr James Beeland Rogers Jr, who is above 70 years of age, as a Director to hold office until the next Annual General Meeting of the Company pursuant to Section 153(6) of the Companies Act, Chapter 50.
   [See Explanatory Note (i)]

Resolution 6

6. To approve the payment of Director's fees of S$375,000 for the financial year ending 31 December 2014 to be paid half-yearly in arrears (FY2013: S$375,000).

Resolution 7

7. To re-appoint Deloitte & Touche LLP as the Company's auditors and to authorise the Directors to fix their remuneration.

8. To transact any other ordinary business that may be properly transacted at an annual general meeting.

AS SPECIAL BUSINESS

Resolution 8

9. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution, with or without modifications:-

   "Authority to allot and issue shares

   That pursuant to Section 161 of the Companies Act, Chapter 50, the Articles of Association and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:-

   (A) (i) allot and issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(B) (notwithstanding that this authority may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this authority was in force,

provided that:-

(1) the aggregate number of shares to be issued pursuant to this authority (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), of which the aggregate number of shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 20% of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this authority is given, after adjusting for:-

(i) new shares arising from the conversion or exercise of any convertible securities;

(ii) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time this authority is given, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(iii) any subsequent bonus issue, consolidation or sub-division of shares;

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) this authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."
[See Explanatory Note (ii)]

BY ORDER OF THE BOARD

Vincent Lim
Company Secretary
Singapore
14 April 2014

Explanatory Notes:-

(i) Ordinary Resolution 5 is to re-appoint Mr James Beeland Rogers Jr, who is above 70 years old, as a Director of the Company to hold office until the next Annual General Meeting of the Company. Section 153(6) of the Companies Act, Chapter 50, requires such re-appointment by way of an ordinary resolution at the Annual General Meeting of the Company.

(ii) Ordinary Resolution 8 is to empower the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, with a sub-limit of 20% for issues other than on a pro-rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time Ordinary Resolution 8 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities, (b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time Ordinary Resolution 8 is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and (c) any subsequent bonus issue, consolidation or sub-division of shares. Such authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.

Notes:-

(i) A member of the Company entitled to attend and vote at the above Meeting may appoint not more than two proxies to attend and vote instead of him.

(ii) Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.

(iii) If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

(iv) The instrument appointing a proxy must be deposited at Geo Energy Resources Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the above Meeting.

This page has been intentionally left blank.

GEO ENERGY RESOURCES LIMITED

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

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT

1. For investors who have used their CPF monies to buy shares in the capital of Geo Energy Resources Limited, this Annual Report is forwarded to them at the request of their CPF Approved Nominees, and is sent for their information only.
2. This Proxy Form is therefore not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We ______________________________ (Name), Company/NRIC/Passport Number ______________

of ____ (Address)

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

Name	Address	Company/NRIC/ Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	Company/NRIC/ Passport Number	Proportion of Shareholdings (%)

or failing the person or both of the persons above, the Chairman of the Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Annual General Meeting ("**AGM**") of the Company to be held at Ocean Room 4 & 5, Pan Pacific Singapore, 7 Raffles Boulevard, Marina Square, Singapore 039595, on Tuesday, 29 April 2014 at 9.00 a.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 AGM as indicated hereunder. If no specific directions as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the AGM and at any adjournment thereof.

No.	Resolutions relating to:	For	Against
1.	Audited accounts for financial year ended 31 December 2013 and Reports of the Directors and the Independent Auditors and Statement of Directors		
2.	Re-election of Mr Dhamma Surya as a Director		
3.	Re-election of Mr Huang She Thong as a Director		
4.	Re-election of Mr Soh Chun Bin as a Director		
5.	Re-appointment of Mr James Beeland Rogers Jr as a Director		
6.	Approval of Director's fees of S$375,000 for financial year ending 31 December 2014		
7.	Re-appointment of Deloitte & Touche LLP as auditors		
8.	Authority to allot and issue shares		

(Please indicate with a cross [×] in the space provided whether you wish your vote to be cast for or against the resolution as set out in the Notice of AGM.)

Dated this ____________ day of ________________ 2014

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:-

1. A member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

2. Where a member appoints two proxies, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.

3. 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 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.

4. This proxy form must be deposited at Geo Energy Resources Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for the AGM.

5. This proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

6. Where this proxy form 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 this proxy form, failing which this proxy form shall be treated as invalid.

7. The Company shall be entitled to reject a proxy form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

This page has been intentionally left blank.

This page has been intentionally left blank.