

2Q2019 Results Briefing
29 August 2019
KH Tung, CEO

Forward Looking Statements

This presentation contains statements that are, or may be deemed to be, “forward looking statements” which are prospective in nature. These forward looking statements may generally be identified by the use of forward looking terminology, or the negative thereof such as "plans", "expects" or "does not expect", "is expected", “seeks”, "continues", "assumes", "is subject to", "budget", "scheduled", "estimates", "aims", "forecasts", "risks", "intends", "positioned", "predicts", “projects”, "anticipates" or "does not anticipate", or "believes", or variations of such words or comparable terminology and phrases or statements that certain actions, events or results "may", "could", "should", “shall”, "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, assumptions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy, any of which could prove to be inaccurate. By their nature, forward looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of Geo Energy Resources Limited (“Geo Energy”). Forward looking statements are not guarantees of future performance and may and often do differ materially from actual results. There is no certainty or assurance as at the date of this presentation that any transaction disclosed in this presentation will proceed or be completed or that no changes will be made to the terms thereof. Important factors that could cause these uncertainties include, but are not limited to, those discussed in Geo Energy’s Annual Report 2018 and/or the offering memorandum dated 27 September 2017 in relation to the US\$300 million 8.00% senior notes due 2022 offering by Geo Coal International Pte. Ltd., a wholly-owned subsidiary of Geo Energy. Neither Geo Energy nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. You are cautioned not to place undue reliance on these forward-looking statements which only speak as of the date of this presentation. Other than in accordance with its legal or regulatory obligations (including under the listing rules of the Singapore Exchange Securities Trading Limited), Geo Energy is not under any obligation and Geo Energy and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This presentation shall not, under any circumstances, create any implication that there has been no change in the business or affairs of Geo Energy since the date of this presentation or that the information contained herein is correct as at any time subsequent to its date. No statement in this presentation is intended as a profit forecast or a profit estimate. This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities. The making of this presentation does not constitute a recommendation regarding any securities. Shareholders, investors and other persons are advised to exercise caution in trading the securities of the Group.

GEO ENERGY

FTSE-ST Index company and rated as one of the fastest growing companies in Singapore



Geo Energy Resources Limited, together with its subsidiaries (“Geo Energy”) (Bloomberg Ticker: GERL SP) is a coal mining group, established since 2008, with offices in Singapore and Jakarta, Indonesia and production operations in Kalimantan, Indonesia.

Geo Energy is one of the major coal producers in Indonesia and was listed in the Singapore Stock Exchange in 2012 and is part of the Singapore FTSE-ST Index. The Group was ranked 17th in the inaugural award for Singapore’s Fastest Growing Companies 2019 presented by The Straits Time and Statista based on the strongest revenue growth in recent years.

Geo Energy owns four mining concessions through its wholly-owned subsidiaries, namely SDJ, TBR, BEK and STT in Kalimantan, Indonesia and is working in collaboration with world-class business partners such as BUMA, Macquarie and Trafigura.

Increasing coal reserves through strategic acquisitions is core to Geo Energy’s strategy, having delivered a demonstrated track record in pursuing and executing coal acquisitions in Indonesia. Successful acquisitions include BEK in May 2011, SDJ in Aug 2014 and TBR in Jun 2017, which have transitioned Geo Energy from being primarily a coal mining service provider to a leading Indonesian coal producer today.

Geo Energy has a management team with over 50 years of experience in the coal industry, trading, mining and operating mines, accounting, financial management, treasury and M&A. Geo Energy is backed by reputable Board of Directors including Jim Rogers, who is a globally renowned financial commentator and successful international investor, and supported by a specialized panel of advisors with a track record of successfully navigating the Indonesian regulatory environment.



For more information, please visit www.geocoal.com

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Our Strategy

- Negotiating to lower cash costs with our suppliers (mining contractor and logistic operator) to tie to the current coal price
- No CAPEX with prepayment facilities from major coal offtaker, who have great credit ratings and international standing to support Geo's operation
- Drive growth to create value for our stakeholders

Portfolio

- Looking for new acquisitions that meet the USD bond covenants - the combined JORC reserves of Geo and the new acquisition will have >120Mt and is a producing mine whereby the put option will fall off
- Not looking at smaller (not economical and efficient for our mining contractor) or bigger reserves assets (which ties up our cash investments and takes more than 10 years to mine)

Sustainability

- Operating a safe, responsible and profitable business with ESG focus
- Collaborating to enable long-term economic benefits

Our Journey of Growth

2008

Incorporation of PT Geo Energy Coalindo and commenced provision of coal mining services



2012

Raised S\$94m in IPO proceeds and listed on the mainboard of SGX 19th October 2012 • Commencement of BEK's production



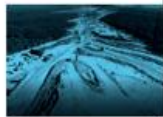
2013

Entered into mining services contracts and mining cooperation agreements for two concessions and signed additional working blocks • Awarded runner-up of the 14th SIAS Investors' Choice Awards (Most Transparent Company)



2014

Established S\$300m MTN Programme and issued S\$100m 7% Fixed Rate Notes due 18 January 2018 • Acquired 66% stake in SDJ mining concession • Awarded runner-up of the 15th SIAS Investors' Choice Awards (Most Transparent Company)



2015

Entered into life of mine mining services cooperation agreement with BUMA for SDJ • Completed acquisition of remaining 34% stake in SDJ and commenced SDJ production in December 2015 • Awarded runner-up of the 16th SIAS Investors' Choice Awards (Most Transparent Company) • Mr Tung Kum Hon appointed as Group Chief Executive Officer • First offtake agreement with ECTP for minimum of 1.5 million tonnes of coal



2016

Geo Energy completed transformation into a low cost coal producer • Clinched life of mine coal offtake agreement with ECTP worth over US\$1.6b • Achieved record quarterly net profit in 4Q2016 – highest since IPO

US\$14.7m



2017

Completed the acquisition of TBR mining concession • Achieved a revenue of US\$316m and underlying EBITDA of US\$88m in 2017 • Won SBR Listed Companies Award 2017, Metals & Mining Category and the Bull Charger Award • Awarded the best IR Campaign • Successfully priced US\$ Notes Offering for US\$300m at 8% coupon due 4 October 2022



2018

Entered into life of mine mining services cooperation agreement with BUMA for TBR • Completed the first shipment of TBR's coal of over US\$2 million for Indonesian Domestic Market Obligation • Adopted a dividend policy of at least 30% of the Group's profit attributable to Owners of the Company, subject to debt covenants and capital requirements needed to support growth and investments • Ranked 35th in the Corporate Governance and Transparency Index 2018 • Announced its intention for a dual primary listing on the Main Board of the Stock Exchange of Hong Kong Limited • Entered into a coal offtake agreement for life of mine with Macquarie Bank Limited for the supply of coal from TBR coal mine, a prepayment facility agreement and trade finance facility agreement as well as share and warrant subscription agreement • Completed the issuance and listing of 70 million Subscription Shares to Macquarie • Presented an inaugural Sustainability Report 2017 in accordance with the Global Reporting Initiatives (GRI) Standards



Multi-year prepayment facility in 3 tranches of US\$25m, US\$25m and US\$10m



US\$15m – 5% Equity in Geo Energy Trade Finance Facility



2019

Grant of share options pursuant to the Geo Energy Share Option Scheme • Ranked 17th in Singapore's Fastest Growing Companies 2019 by the Straits Times and Statista



10 years

“Embrace the journey and trust the process”

GEO ENERGY

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An Insight Into Our Leaders

Our leaders have invaluable experience in the coal mining and commodities industry, investment, and corporate finance to drive growth to meet strategic objectives to create value for our stakeholders.

(Please refer to the Board of Directors profile in the Annual Report)



Charles Antonny Melati
Executive Chairman/Director



Tung Kum Hon
CEO/Director



Jim Rogers
Independent Director



Mahfud MD
Special Advisor to Geo Energy. He has formerly served as the Chief Justice of the Constitutional Court of Indonesia as well as the Minister of Defence and Minister of Justice and Human Rights of Indonesia.



M. Ryaas Rasyid
President Commissioner. He served as Minister of Local Autonomy, the Minister of State Administrative Reform, a Member of National Parliament and a Member of Presidential Advisors in Indonesia.

Mr Rogers is the author of seven books and is a globally renowned financial commentator as well as a successful international investor. He was the co-founder of the Quantum Fund and Soros Fund Management. He was also the creator of the Rogers International Commodities Index (RICI).

KEY MANAGEMENT



Cynthia Lau, Investment Manager & Assistant Accounting Manager & Philip Shewley, Chief Financial Officer

NG SEE YONG
Group Head, Corporate and Human Resource

Mr Ng has been with the Group since 2012 and is responsible for overseeing and managing the corporate affairs of the Group as well as the Corporate Human Resource matters particularly pertaining to recruiting, benefits and employment relation. He is concurrently an entrepreneur in the hospitality industry in Batam and Tjallingii, Riau Province, Indonesia and also as the proprietor of PT. Tri Ayu Lestari, and act as the director of the Miracle Aesthetic Clinic in Batam, Indonesia.

He has several directorships in Indonesia, which include The Tender Skin Clinic (PT Citra Melati Selandi), PT Alendia Grahasatana, which operates Mercure Hotel Batam (formerly known as Royal Batam Hotel), and PT Buitan Royal International Hotel, which operates the Confortia hotel. He graduated from the Australian School of Tourism and Hotel Management with a Diploma in Hospitality Management.



Ng See Yong, Group Head, Corporate and Human Resource

“We learn from each other to improve performance and achieve success”



Renee Mithani, Group Head, Corporate Human Resource Manager & Kenneth, Head of Marketing, Deputy CEO, Admin & HR & Raymond, Group Head, Operations Manager & Emily Tan, Mine Manager & Francisco, Head of Operations, IT Manager

“We are responsible for the stewardship and long-term success of the Group”

JUNANTO
Group Head, Marketing
Mr Junanto has been with the Group since 2011 and is responsible for devising plans and implementing marketing strategies to increase the Group's customer base and maximise sales. Prior to his appointment, he was a managing director of PT Royal Energy Resources and Unipet CV & BV, a director of PT Royal Prince Resources, PT Royal Prince Travel, and PT Naga Pijau Lestari, the general manager of PT Siliak Liris, the export manager of PT Sengul Bulk and an account manager of Huga Bank. He graduated from the University of Toledo with a Masters in Business Administration (Finance) and from the Trusmi University with a Bachelor's Degree in Science in Electrical Engineering.

“You can do better with your team than you can alone”

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Gold Award for Best Investor Relations (“IR”)

Geo Energy won the Gold Award for the Best IR for SGX listed companies (Market cap <S\$300m) at the 2019 Singapore Corporate Awards.

WHEN YOU TRY TO
DO SOMETHING
BIG ITS HARD TO
FAIL COMPLETELY

TIM FERRISS



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Awards Recognition

“

**WE CAN DO MORE
WHEN WE WORK
TOGETHER**



Creative Awards 2018

Won GOLD at
Hermes Creative
Awards 2018 for
the best design of
our Annual Report
2017 – “The Year
That Transformed
Geo Energy”



Singapore Fastest Growing company

Ranked 17th
Singapore's
Fastest Growing
Companies 2019
presented by The
Straits Times and
Statista based on
the strongest
revenue growth in
recent years



Corporate Governance and Transparency Index

Ranked 35th in the
Corporate
Governance and
Transparency
Index 2018, placed
amongst the top
listed companies

3 TIME ACHIEVEMENTS

Most Transparent company award 2013-2015

SIAS Investors' Choice Awards



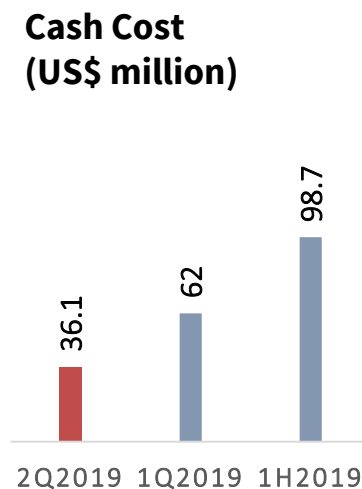
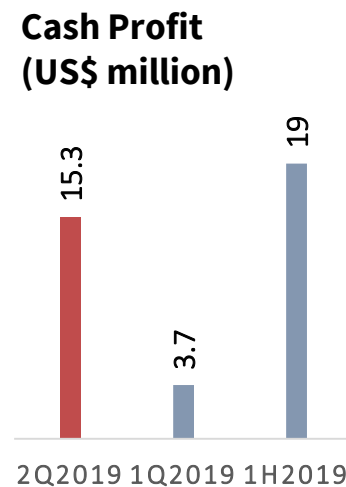
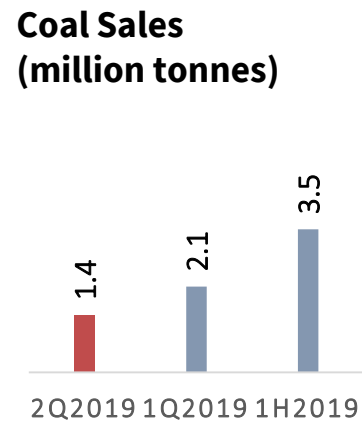
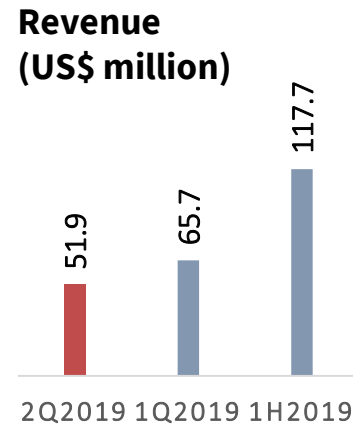
SGX FTSE INDEX
Member



SINGAPORE BUSINESS REVIEW AWARD Winner SGX-listed company (Metals and Mining)

2Q2019 PERFORMANCE

Return to Profitability on a Lower Net Profit



**US\$0.8M
NET PROFIT**

**US\$163M
NET
WORTH**

**US\$392M
TOTAL
LIABILITIES**

**US\$555M
TOTAL
ASSETS**

**US\$200M
CASH**

2Q2019 PERFORMANCE

Return to Profitability on a Lower Net Profit



Key Highlights



The Group sold 0.4 million tonnes of 4,200 GAR coal from the SDJ coal mine and 1.0 million tonnes from the TBR coal mine, totalling **1.4 million tonnes of coal sold during the quarter**. This was a decrease from 2Q2018 and 1Q2019 of 2.0 million tonnes and 2.1 million tonnes respectively.



Revenue decreased by 38% from US\$83.2 million in 2Q2018 to US\$51.9 million mainly due to lower ASP following the decrease in the average Indonesian Coal Index price in 2Q2019 as compared to 2Q2018. The Group recorded an ASP of US\$36.54 per tonne for 2Q2019, lower than US\$42.24 per tonne in 2Q2018.



Cash profit for coal mining segment for 2Q2019 averaged at US\$10.76 per tonne (2Q2018: US\$13.06 per tonne; 1Q2019: US\$1.80 per tonne) against the ASP of US\$36.54 per tonne for 4,200 GAR coal, giving a cash profit margin of 29%.



Average production cash costs of US\$25.78 per tonne in 2Q2019 was a decrease from US\$29.18 per tonne in 2Q2018 and US\$30.24 per tonne in 1Q2019. Production in 1Q2019 was affected by the increases in overburden hauling distance, fuel price and increased strip ratios. The temporary increase in OB distance was due to the disposal of overburden at the further end of the dumping site based on the current mining plan. The Group is reviewing and optimising the mining plan to reduce the OB distance from this quarter.

2Q2019 PERFORMANCE

Return to Profitability on a Lower Net Profit



Key Highlights



The RKAB for SDJ for 2019 is lower than 2018, although the total production quota for the Group (including TBR) was increased in 2019 over 2018. The lower production quota for SDJ resulted in lower production and sales quantities from the SDJ coal mine. **The Group had achieved its DMO requirements for 1H2019** and barring any unforeseen circumstances, is expected to meet its full year DMO requirement in 2019. **The Group has applied for a review of its 2019 RKAB to increase the Group's production quota by 2 million tonnes for SDJ** and expects results to be known by 3Q2019.



Geo Coal International Pte. Ltd., a subsidiary of the Company, signed **a New Offtake with Trafigura for the remaining life of mine of SDJ** less its domestic market obligations ("DMO"), with a minimum annual commitment of 5 million tonnes of coal during 2020 to 2022.



Currently performing the due diligence process for the non-binding offer (which was submitted in December 2018) for a potential acquisition of a new coal asset (producing mine) in East Kalimantan, Indonesia. If satisfactory, the Group is expecting to submit a binding offer according to the transaction process by end August 2019 or early September 2019. J.P. Morgan has been appointed as the financial advisor for this potential acquisition. **The Group is also performing a due diligence for a binding offer on a new coal asset (producing mine) in South Sumatra.** We will make the appropriate announcement in due course.

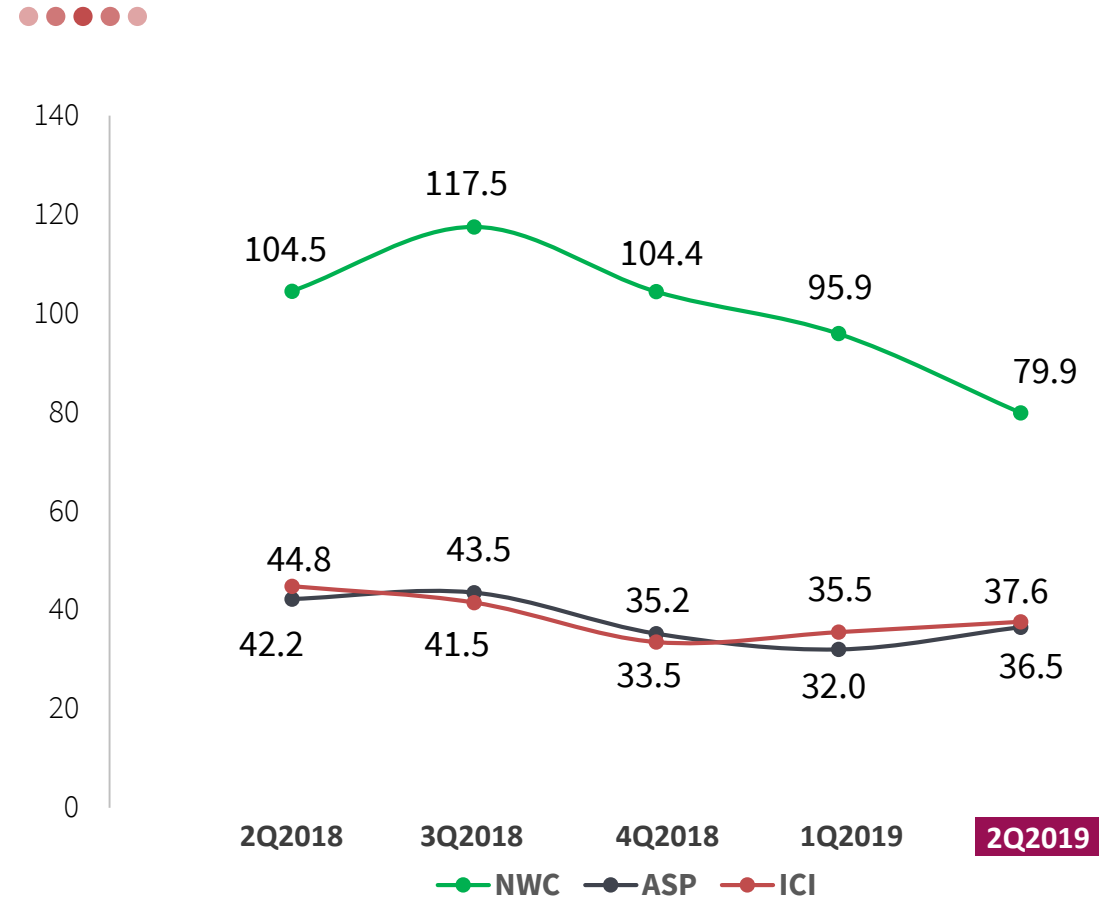
2Q2019 PERFORMANCE

Return to Profitability on a Lower Net Profit

Market Price Analysis

The average ICI price for 4,200 GAR coal was **US\$37.56 per tonne in 2Q2019**, up from US\$35.49 per tonne in 1Q2019 but down from US\$44.84 in 2Q2018.

The Group recorded an **ASP of US\$36.54 per tonne for 2Q2019**, higher than **US\$32.04 per tonne in 1Q2019** but lower than **US\$42.24 per tonne in 2Q2018**. The lower ASP compared to the ICI price was due to our pricing based on the average index prices of the month in which laycan takes place (for TBR coal).



INDUSTRY UPDATE

Coal Prices expected to decline gradually in 2H2019



According to McCloskey report, **Indonesia sub-bituminous and low-ranked prices started to soften with Indonesia low-ranked traded at US\$35.25-US\$36.00 per tonne FOB, basis 4,200 kc GAR, for July and August loading geared vessels**, despite a return of heavy rains to major mining regions in Kalimantan in June that has affected supply. Thermal coal price continued to trend down due to quick coal production ramp-up ahead of the summer season, sufficient inventory levels at the key independent power producers in China and lacklustre thermal power generation. With an additional 160 million of newly approved coal capacity in 1H2019 coming on stream and softening demand amid concerns over slowing economic growth, **the thermal coal prices expected to decline gradually in 2H2019.**

There have been request from miners to revise the quota upwards for the rest of 2019. The Directorate General of Minerals and Coal in Indonesia stated that the request is currently being evaluated **whether to increase the production quota and results will be announced at end of July or early August.** Miners that are looking to increase output will have the domestic market in mind. In China, domestic market coal consumption at six major coastal power plants increased by 36,700 tonnes per day to 634,100 tonnes per day as of 9 July 2019.

Source: UOB Kay Hian Greater China Daily Report, 22 July 2019, McCloskey Issue 464, 12 July 2019, <https://www.argusmedia.com/en/news/1936972-lowcv-indonesian-coal-prices-steady-to-softer?>

“

We have achieved the DMO requirements for the 6 months ended 30 June 2019 and barring any unforeseen circumstances, **we expect to meet the full year DMO requirement in 2019.** We have applied for a review of our 2019 RKAB to increase our production quota by 2 million tonnes for SDJ and expect results to be known by 3Q2019.

INDUSTRY UPDATE

Coal remains the single largest source of energy for the world



Coal still accounts for about 40% of global power supply, unchanged for many years and demand of energy will continue to grow as the world population grows and countries in Asia industrialise. Coal remains the single largest source of energy for the world and will continue to do so for decades to come. Indonesia has made gains in volumes into China which was likely due to China's stronger demand for low-ranked coal for blending. In addition, **Indonesia is expected to add some 50 million tonnes a year of coal-fired power demand by 2023, a rise of 55% from 2018 making it one of Asia's biggest consumers.**

Vietnam's coal demand outpaces domestic output in the first half of 2019, with power, steel and coal production all rising significantly, albeit with coal output still lagging the country's demand. Coal import to Vietnam were up 102% with **Indonesia** as the main leading import origin. Coal-fired power generation on the Coal is the largest contributor to the power generation mix in **Malaysia**. Malaysian Peninsular was up 4% in 1H2019.. According to IHS Markit's latest forecast, Malaysia is expected to import 36.2 million tonnes of thermal coal in 2019 and by 2021, Malaysia imports are expected to reach around 40 million tonnes per year.

Source: McCloskey Issue 464, 12 July 2019, McCloskey Issue 463, 28 June 2019, <https://www.cnn.com/2019/07/04/reuters-america-future-tense-fastest-growing-market-asia-rethinks-coals-prospects.html>

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Trafigura is one of the largest physical commodities trading groups in the world. The coal delivery under the new offtake with Trafigura will commence in January 2020. The agreement with Trafigura as SDJ's new offtaker will enable us to gain new market reach.

FOR INVESTOR

Rated by international credit agencies, global investors and financiers



Strategic Investors/Financiers

Rated by international Credit Agencies, Moodys', Fitch and S&P and with global investors and financiers.

S&P Global
Ratings

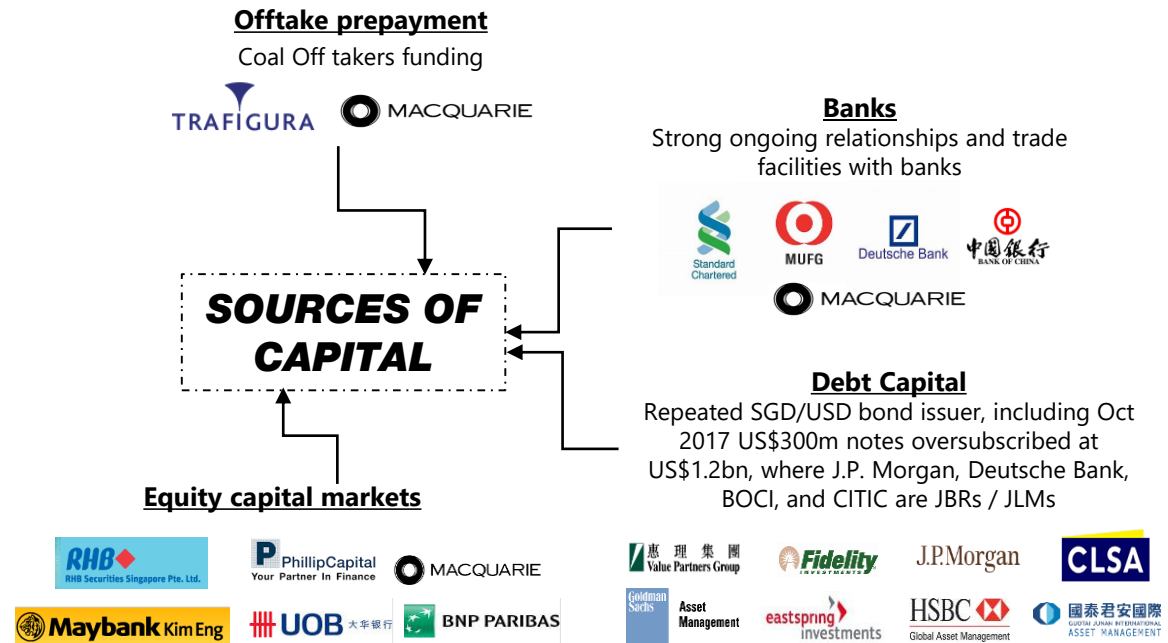
B- Negative

MOODY'S
INVESTORS SERVICE

B2 Negative

FitchRatings

B Negative



FOR INVESTOR

Rated by international credit agencies, global investors and financiers



Share Price Performance

Last quote as of 27 Aug 2019

Geo Energy market capitalisation as of 27 August 2019 is S\$210 million.

GERL:SP Singapore
Geo Energy Resources Ltd

0.15 SGD

OPEN

0.15

PREV CLOSE

0.15

VOLUME

3,007,900

MARKET CAP

209.891M

DAY RANGE

0.15 - 0.15

52 WEEK RANGE

0.14 - 0.24

Key Statistics

P/E Ratio

--

Bloomberg (BEst) P/E Ratio

7.2031

Bloomberg (BEst) PEG Ratio

--

Shares Outstanding

1.4B

Price to Book Ratio

0.9302

Price to Sales Ratio

0.6088

1 Year Return

-30.22%

30 Day Avg Volume

979,183

EPS

-0.01

Bloomberg (BEst) EPS Curr Yr

0.0150

Dividend

2.67%

Last Dividend Reported

0.004

FOR INVESTOR

Rated by international credit agencies, global investors and financiers



Bond Price Performance

Last quote as of 26 Aug 2019

The price for our Senior Note is traded at US\$77 as at 26 Aug 2019.

Ask Yield to Maturity (% p.a.) ⓘ
17.971 %

Ask Yield to Worst (% p.a.) ⓘ
17.971 %

Indicative Ask Price USD ⓘ
77.000

Bond Complexity
Moderate

Bid Yield to Maturity (% p.a.) ⓘ
19.248 %

Bid Yield to Worst (% p.a.) ⓘ
19.248 %

Indicative Bid Price USD ⓘ
74.556

Investor Profile
High Yield Seeker

Bond Information

Bond Issuer
Geo Coal International Pte. Ltd.

Bond Currency
USD

Issue Size
300,000,000

Bond Credit Rating (S&P/ Fitch)
B-/ B ⓘ

Guarantor
Geo Energy Resources Limited and subsidiaries

Annual Coupon Rate (% p.a.)
8.000

Announcement Date
27 Sep 2017

Issuer Credit Rating (S&P/ Fitch)
N.R/ N.R ⓘ

ISIN
USY2700AAB53

Coupon Type
Fixed

Issue Date
04 Oct 2017

Exchange Listed
SGX

CUSIP
AP3385535

Reference Rate
-

Maturity Date
04 Oct 2022

Seniority
Senior Unsecured

Bond Type
High Yield Corporate

Annual Coupon Frequency
Semi Annually

Years to Maturity
3.127

Bond Sector
Energy

Min. Investment Quantity
USD 200,000

Issue / Reoffer Price
98.792

Bond Sub Sector
Oil, Gas and Consumable Fuels

Incremental Quantity
USD 1,000

THANK YOU

OUR KEY FOCUS IS CREATING
SUSTAINABLE STAKEHOLDER VALUE
BY OPTIMISING OUR OPERATIONS
FOR LONG-TERM ECONOMIC,
SOCIAL AND ENVIRONMENTAL
BENEFITS

For more information, please visit
www.geocoal.com

