



GEO ENERGY GROUP  
天然煤礦集團

## **GEO ENERGY RESOURCES LIMITED**

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

### **SGX Announcement**

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## **ENTERED INTO A BINDING TERM SHEET FOR AN ACQUISITION OF A MAJORITY STAKE IN PT HARFA TARUNA MANDIRI, A HIGH-VALUE HARD COKING COAL MINING CONCESSION IN CENTRAL KALIMANTAN.**

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### **1. INTRODUCTION**

- 1.1. The board of directors (the "**Board**") of Geo Energy Resources Limited (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce that on 1 April 2026, the Company, through its wholly-owned subsidiary PT Geo Energy Investama ("**GEI**"), has entered into a binding term sheet (the "**Term Sheet**"), relating to the proposed acquisition of 50.1% effective interest in PT Harfa Taruna Mandiri ("**HTM**" or "**Target Company**") through the acquisition of 50.61% in the issued share capital of PT Mutiara Hitam Sukses ("**MHS**", and such shares, the "**MHS Shares**") (the "**Proposed Acquisition**").

HTM is currently wholly-owned by MHS, which in turn is 75% held by PT Trinita Maitreya Pradana and 25% owned by a third-party individual (collectively known as the "**Sellers**").

The Term Sheet, entered into between GEI, MHS and the Sellers, outlines the agreed commercial framework, conditions precedent and cooperation structure to be finalised in definitive agreement.

As at the date of this announcement, the Sellers are independent parties and do not have any shareholding interests, direct or indirect, in the Company, and is not related to the Company's directors, chief executive officer, controlling shareholders or their respective associates.

### **2. SALIENT TERMS OF THE TERM SHEET**

#### **2.1 Proposed Acquisition Structure**

Under the Term Sheet and subject to full-satisfactory due diligence at GEI's sole discretion:

- GEI will acquire 50.61% of the issued share capital of MHS, resulting in 50.1% indirect economic ownership of HTM.
- The consideration for the transfer shall be based on par value of the issued share capital in MHS, amounting to IDR 911,000,000 (approximately USD 54,000<sup>1</sup>).

#### **2.2 USD 10 Million Refundable Deposit**

GEI will provide a USD 10,000,000 refundable deposit as guarantee ("**Guarantee**") to the existing shareholders of HTM upon the execution of a definitive Share Purchase Agreement and the transfer of MHS Shares to GEI.

The Guarantee will be refunded to GEI from future profits starting from the first production and sale of coal from HTM.

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<sup>1</sup> Based on the exchange rate USD: IDR of 1: 16,924 as at 24 March 2026.

### 2.3 **Future Purchase Rights**

GEI will have a **First Right of Refusal** to purchase the remaining MHS shares should the existing shareholders wish to divest.

### 2.4 **Conditions Precedent**

Completion of the Proposed Acquisition is **subject to** (among others):

- satisfactory legal, financial, tax, environmental and technical due diligence;
- verification of coal quality, reserves, mine plan and feasibility study parameters;
- validity of all HTM permits and licences, including IUP-OP and environmental approvals;
- firm commitment, timeline and confirmation of an acceptable mining contractor including the potential financing; and
- negotiation and execution of the definitive agreements,

(the "**Completion**").

### 2.5 **Operational Cooperation**

Under the operational coal mining cooperation:

- GEI will fully fund all mine development and operational requirements until commencement of first coal production.
- Thereafter, operational funding will be derived from coal sales proceeds on a shareholding-proportional basis.

### 2.6 **Marketing Rights and Profit Sharing**

In respect to the coal produced from HTM coal mine, GEI will, directly or through affiliates, have the right to market and sell the coal at optimal market price and derive the best value for the Group, with collaborative input from the minority shareholders. Profits of HTM will be distributed proportionally based on shareholding.

### 2.7 **Exclusivity**

HTM and its shareholders have granted GEI exclusive rights for **twelve (12) months** from the signing of the Term Sheet to conduct due diligence and negotiate the definitive agreements.

## **3 INFORMATION ON THE TARGET COMPANY**

### 3.1 **PT Harfa Taruna Mandiri**

HTM has a mining concession with a valid IUP-OP (Production Operation Mining Licence) over a coal mining area of approximately 3,293 hectares with coking coal, located in Teweh Tengah, North Barito, Central Kalimantan.

HTM has an indicative 2P (Proved and Probable) reserves of 20 – 25 million tonnes of hard coking coal. The estimated target production is 2 million tonnes per annum. Based on recent market price, HTM's coal will be able to achieve a selling price of approximately USD 220 – USD 250 per tonne. With an estimated cash cost of approximately USD 110 per tonne, this could potentially translate to a cash profit of USD 110 - USD 140 per tonne, which is around USD 220 million – USD 280 million cash profits per annum for the Group. The above is subject to confirmatory due diligence by GEI.

The estimated coal quality specification of HTM as follow:

<b>Premium Hard Coking Coal</b>	<b>Range</b>
Ash	6.3% - 7.14%
Volatile Matter	22.82% - 27%
Crucible Swelling	7% - 8%
G Index	93 - 99

#### **4 RATIONALE OF THE ACQUISITION**

This is a tremendous opportunity to take the Group to the next level, further diversifying and enhancing the Group's coal mining portfolio from thermal coal to coking coal, with limited risk to the Group (due to low upfront commitment and entry costs).

This underground coking coal mine is designed to be highly environmentally sustainable. It does not require a large open pit and hence does not require extensive land acquisition every year, which will significantly reduce our capital expenditures. There will also be very minimal costs for backfill and land reclamation.

The Proposed Acquisition provide the Group with:

- entry into a coking coal asset with premium quality characteristics;
- over 10 – 15 years of mining life; and
- strategic expansion into Central Kalimantan through a quality coal asset with ready infrastructure and accessibility.

This initiative is aligned with the Group's portfolio diversification and long-term strategic growth objectives.

#### **5 INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

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

#### **6 CAUTION IN TRADING**

Shareholders are advised to exercise caution in trading their shares.

Execution of the Term Sheet does not guarantee that the definitive agreement will be entered into or that the transaction will proceed as outlined. The Completion remains subject to due diligence, negotiation of binding agreements and satisfaction of all conditions precedent. Further details of the transaction terms are to be agreed in the full definitive sales and purchase agreement. There is no certainty or assurance as at the date of this Announcement that the transaction will be completed or that no changes will be made to the terms thereof.

The Company will make the necessary announcements when there are further developments, or as appropriate. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

**BY ORDER OF THE BOARD**

Charles Antony Melati  
Group Executive Chairman and CEO  
1 April 2026