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ASX ANNOUNCEMENT

17 March 2014

AGREEMENT WITH REALM RESOURCES LIMITED ON KATINGAN ASSET

HIGHLIGHTS

- Cooperation Agreement with Realm Resources to jointly maximise the value of the company's adjoining coal resources in Central Kalimantan.
- Jatenergy's coal project contains southern extensions of the JORC coal resources estimated by Realm and could, if combined, extend the size and/or life of a potential operation.

The Directors of Jatenergy Limited ("Jatenergy", "the Company") are pleased to announce that they have concluded a Cooperation Agreement (CA) with Realm Resources Limited (ASX: RRP) ("Realm"). The agreement is specifically focused on two adjoining properties within the Katingan region known as Coal Soil Brik ("CSB") and Katingan Ria ("KR").

Cooperative Agreement

Jatenergy and Realm have identified potential mutual benefits that may arise from closer cooperation between them in regard to the commercialisation of the coal resource in the region and the potential to supply a proposed power station development and/or export markets.

Jatenergy's CSB project contains southern extensions of the JORC coal resources defined by Realm and could, if combined, extend the size and/or life of a potential operation.

The agreement is non-binding and encompasses:

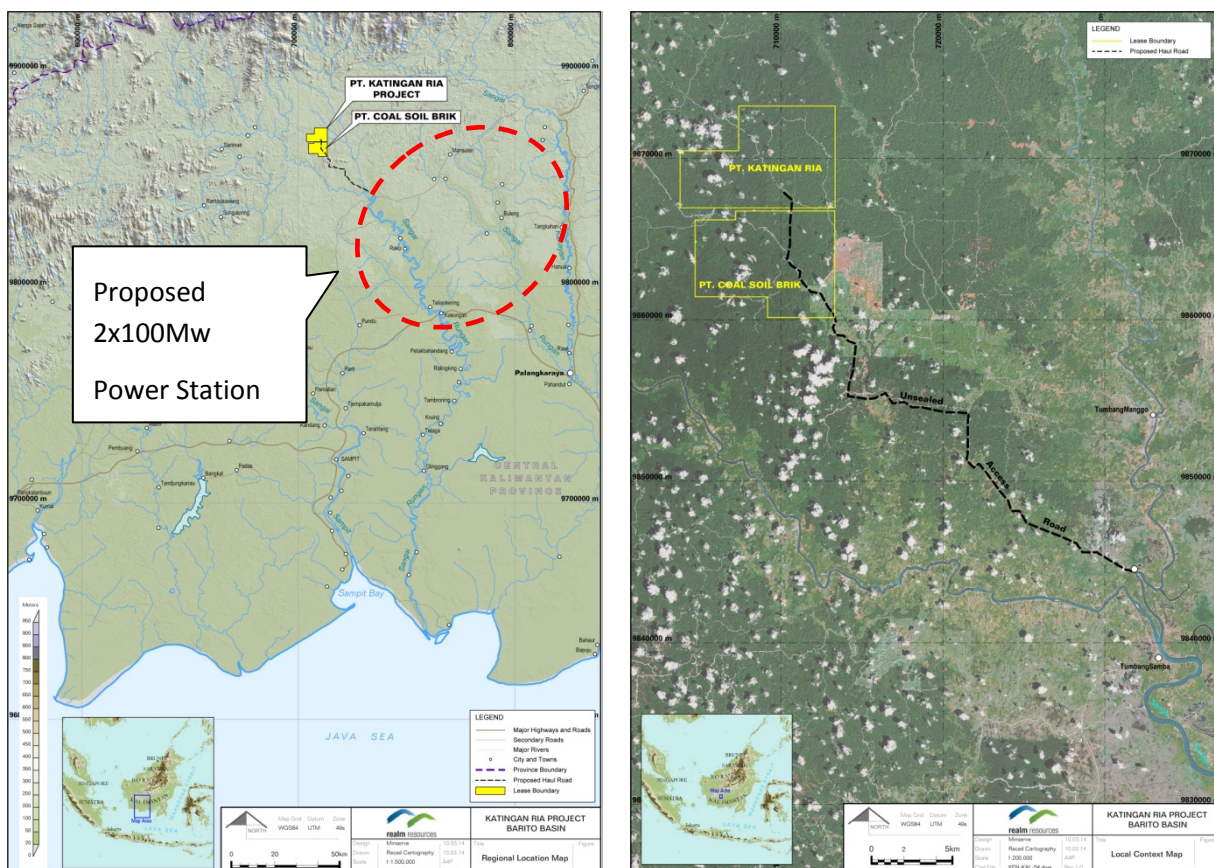
- Sharing of information relating to corporate, technical, marketing, contacts and opportunities in regards to Katingan to enhance its commercialisation;
- Marketing, promotion, development and operation of Katingan project; and
- Establishing a basis to execute and attract investment into the Katingan project and terms for a possible future combination.

The Collective Katingan Thermal Coal Project

Both CSB and KR (RRP 51%), located in Central Kalimantan Indonesia, are shaping up as a simple, open-cut operation. Results from KR show that they will supply low ash and low sulphur coal ideally suited for modern coal power generation, both domestically and for export. Indicative product specifications are consistent with Indonesian 4,200kcal/kg (GAR) low sulphur (0.2%) coal (**Refer ASX:RRP announcement 30 April 2013**).

The coal project is located near the town of Tumbang Samba in Central Kalimantan, Indonesia. CSB is situated immediately to the south of KR and contains extensions of the coal resource defined in the KR Feasibility Study (**Refer ASX:RRP announcement 30 April 2013**).

Figure 1 – Location of Coal Soil Brick and Katingan Ria Tenements and the Proposed Power Station Development (Refer ASX:RRP announcement 30 April 2013).





Both CSB and KR were planned to be an open cut mines with coal hauled approximately 40km-45km to a stockpiling and barge loading facility on the Katingan River. Barges will then transport coal 435km from the stockpile area to the river mouth for transshipment into coal ships for delivery to market. Coal is planned to be sold “unwashed”, meaning there is no metallurgical treatment required to achieve a saleable product.

Proposed Power Station Development

Recent discussions have focussed on the potential to supply a 200Mw power station development near the town of Kasongan in Central Kalimantan (exact location yet to be finalised). This has the potential to see the mine being developed largely as a domestic coal supplier; thereby eliminating a significant proportion of the logistics costs and issues associated with river seasonality. Coal supply, which is required by 2016/17 for the power stations, could therefore be developed for both domestic and export markets (assuming export prices recover for coal from current lows of around US\$38/t for KR specifications).

PT PLN (PERSERO), the Indonesian State owned Electricity Corporation (“PLN”), issued a Request for Proposal (RFP) in 2013 for construction and operation of two 100Mw power stations near Kasongan in 2016/17. Realm state that Katingan Ria is the most developed and best defined coal project in the region and this together with the coal having the ideal specifications (as per the original RFP), places the project in good stead to be the preferred supplier of the proposed power station development. Already, RRP is continuing to engage with several of the Power Station Consortia bidders and PLN as the process is still underway.

JAT and RRP are initiating discussions with other potential strategic partners and off takers to commercialise the Katingan asset. The Cooperation Agreement with Realm will only add to this process as networks and efforts are combined for mutual benefit.

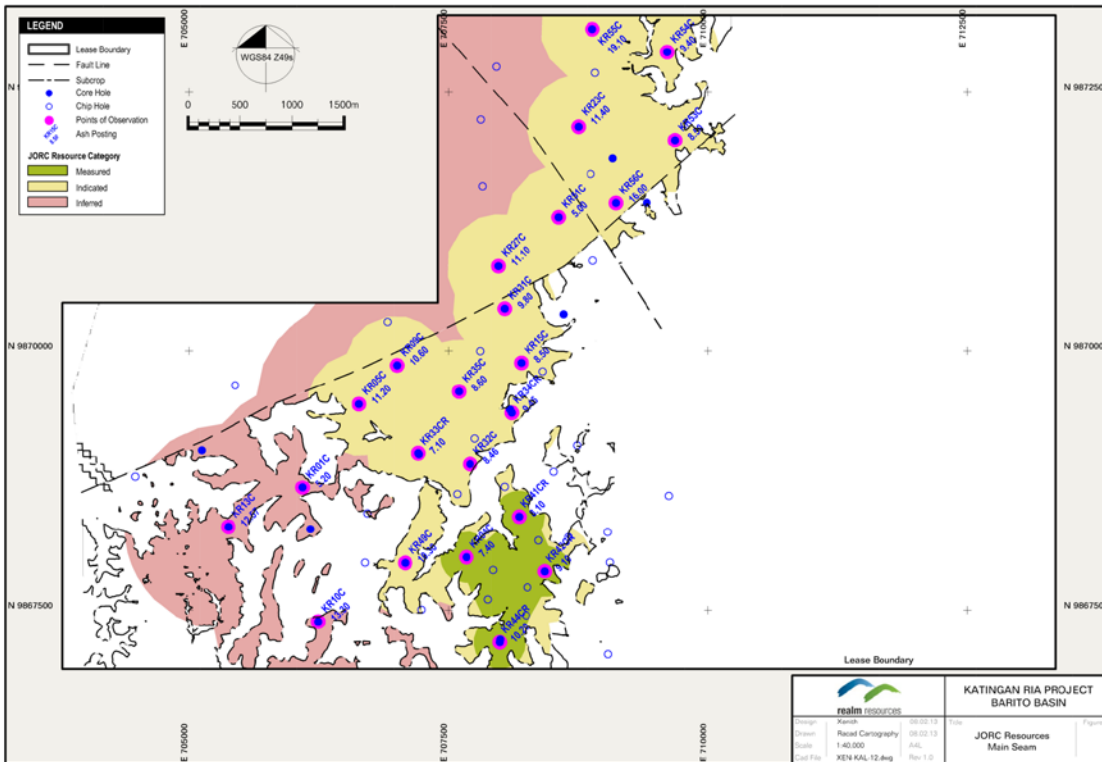
Geology and Resources

The Katingan Ria deposit occurs as a series of flat lying seams ranging in thickness from 0.1m to 8m, interbedded with weathered sandstones. Structurally, the sequence is horizontal to shallow dipping and displays some gentle folding. The most laterally extensive seam is the Main Seam, which remains the predominant target seam for the project. The Main Seam typically ranges in thickness from 4.5m to 5.5m in areas to the southeast of the KR tenement (**Refer ASX:RRP announcement 30 April 2013**).

Overall, the KR project is estimated to contain a JORC compliant resource of 89Mt with 63.3Mt in the Main Seam. The Resource has a total of 5.7Mt in the measured category, 44.1Mt in the Indicated category and the remaining 39.0Mt in the Inferred category. Coal reserves of 29Mt have been estimated after applying realistic mining, metallurgical, economic, marketing, legal, environmental, and government factors to the coal resources (**Refer ASX:RRP announcement 30 April 2013**) (Figure 2).



Figure 2 - KR Main Seam JORC Resource Polygon (Realm Resources Company Information).



(Source: Realm Resources Limited)

Figure 2 illustrates how the Main Seam has been best defined in the southern portion of the KR lease and is likely to extend into CSB as well (**Refer ASX:RRP announcement 30 April 2013**).

Previous JAT had announced an exploration target of 37Mt to 43Mt based on geological mapping of 58 coal outcrops and seams up to 6m in width (**Refer ASX:JAT Replacement Prospectus 15/03/2011**).

Figure 3 – Coal Outcrops in Jatenergy’s CSB lease.



(Source: Jatenergy Ltd)



About Jatenergy

Jatenergy (ASX: JAT) is an ASX listed energy investment company, focused on conventional, second generation and energy conversion technologies. Jatenergy also acquires projects and technologies, and creates value through its extensive marketing and promotion activities.

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About Jatenergy

Jatenergy Limited is a Sydney-based diversified energy company operating in both Australia and Asia. Jatenergy's strategic focus is on producing cash returns from its coal and Jatropa assets as well as implementing the proprietary Coal Plus technology for upgrading low grade coal into high value energy products.

Directors

Tony Crimmins
Executive Chairman

Mr Xipeng Li
Non-Executive Director

Mr Wilton Yao
Non-Executive Director

Ian Gebbie
Non-Executive Director

Jatenergy Limited

ABN 31 122 826 242

ASX code

JAT

Ordinary fully paid shares

103,565,568

Listed options

31,898,547