



PREMIERE EASTERN ENERGY LIMITED

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ASX ANNOUNCEMENT

29 January 2016

31 DECEMBER 2015 QUARTERLY SHAREHOLDER UPDATE

The Directors of Premiere Eastern Energy Limited ('PEZ' or 'the Company') and its controlled entities ('the Group') hereby present Shareholders with the following update on the Group's activities for the December 2015 quarter.

During the quarter, the Group continued to focus on the wholesale distribution of petrochemical products including sourcing, storage, shipping, sales and distribution and after-sales services of petrochemical products in the People's Republic of China ('the PRC').

The Company continues to seek opportunities to grow revenue and create higher profit margins as a leading Refined Petroleum and Other Petrochemicals supply chain manager. In this regard, the Board is continuing to investigate opportunities to expand operations through vertical downstream acquisitions in the retail petrol station sector. Post quarter end the Company announced the establishment of a wholly owned foreign enterprise in China that is intended to be used as a holding company for investment in the operation of a retail petrol station business.

Yours sincerely

Jack James
Company Secretary

For further information please contact:

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About Premiere Eastern Energy Limited

Premiere Eastern Energy Limited is a leading integrated supply chain manager of petrochemical products in the PRC based in the Guangdong Province, PRC. As an integrated supply chain manager, it engaged in the wholesale distribution of petrochemical products including sourcing, storage, shipping, sales and distribution and after-sales services of petrochemical products in the PRC.

The Group's products can be grouped into 2 major classes of product; namely Refined Petroleum and Other Petrochemicals. Refined Petroleum comprised mainly the various grades of gasoline and diesel oil used mainly by automobiles. The Group's Other Petrochemicals comprised of mixed aromatics, C5 non aromatics, fuel oil, naphtha and MBTE, used mainly for gasoline blending.

The Group procures its supply of Refined Petroleum and Other Petrochemicals mainly from petroleum refineries and their authorised distributors in the resource-rich northern regions of the PRC. It distributes these products to the more economically developed southern coastal cities in the PRC, which has huge demands for fuel and energy and rely on the petroleum resources from the northern PRC regions. The Group also aggregates orders from its customers in order to procure these products from suppliers at more favourable terms through economies of scale.

The Group beneficially owns a petroleum storage facility located in Longkou City, Shandong Province, PRC with a total petroleum storage capacity of 13,500 cubic meters (equivalent to approximately 9,000 tonnes). Beneficial ownership allows the Group to use the facilities at their own discretion and for their own purposes. The strategic location near the Longkou harbor enables it to expediently and economically store Refined Petroleum intermediately for shipment to its customers located in the southern PRC cities.