



**JATENERGY LIMITED**  
ABN 31 122 826 242

**ASX CODE:** JAT

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## ASX ANNOUNCEMENT

19 December 2013

### New Trading Business

### Update on Katingan Sale

#### HIGHLIGHTS

- Jatenergy received a non-revocable purchase order from Qingdao Jiahe Rundong Trading Co Ltd for 150,000 - 300,000 tonnes of coal per month.
- Initiates Jatenergy's trading arm in energy and industry.
- Completion date of Katingan asset mutually extended 30 days.

The Board of Jatenergy Limited ("Jatenergy", "the Company") is pleased to announce that the company has secured a non-revocable purchase order for coal supply from Qingdao Jiahe Rundong Trading Co Ltd ("Qingdao").

#### About Qingdao

Qingdao is part of the Hejia Group, a high-tech enterprise specialised in the research and development, production and sales of fine chemicals. Hejia has fixed assets of 250 million RMB, annual sales of 600 million RMB, plant area of 360mu, 300 scientific and technical personnel and over 800 employees who strive for excellence, joint efforts and achieve the continuous development and advancement of the company. With a focus on the coal chemical industry, phosphorus chemical industry, salt chemical industry, natural gas chemical industry and mine development, Jatenergy believes that this relationship will be highly beneficial to the Company.

#### The Agreement

Under the purchase order, Jatenergy Limited will supply Qingdao with 150,000 - 300,000 tonnes of coal per month for a three year period. Jatenergy has an extensive coal network in Indonesia with offices in Jakarta and Samarinda, which will be used as a base to source coal from the two main Indonesian coal areas Sumatra and Kalimantan.



Jatenergy Limited will act as Qingdao's representative in Australian and Indonesia with a percentage based fee paid to Jatenergy of coal product exported for Qindao. Jatenergy is highly confident that through its network, it will be able to source the maximum 3,600,000 tonnes per annum required for Qindao's energy requirements in China.

"Jatenergy has the ability to develop its energy and material trading arm. It has been a strategy of the company to utilise its network of suppliers and customers to access product for trade", stated Jatenergy Executive Chairman, Tony Crimmins.

### Strategy

Jatenergy's strategy is to focus on the growing enterprise of China as it develops its network into South-East Asia and Australia using well established Chinese partnerships. The company welcomes and encourages Chinese investment to progress the coal, biofuel and coal plus technology projects held within the Jatenergy business.



Figure 1. Thermal coal Balikpapan

### Market Demand China

China's coal consumption is forecast to rise by 37.1% by 2020, according to the China National Coal Association in a report. In 2012, coal consumption was 3.52 billion tonnes and the Coal Association expects this to rise to 4.8 billion tonnes by 2020. As a result, coal continues to be China's dominant energy source currently accounting for more than 60% of the country's primary energy resources. Jatenergy plans to capitalise on this growing demand through its partnership with Yihau Indonesia.

### Sale of Katingan Asset

Jatenergy has agreed with PT Prakarsa Corporindo to extend the completion date for the sale of PT Coal Soil Brik by 30 days. This is to allow for local government acknowledgement and approval of the share transfer.

### About Jatenergy

Jatenergy (ASX:JAT) is an ASX listed energy investment company, focused on conventional, second generation and energy conversion technologies. Jatenergy acquires projects, creates value through development and then sells or Joint ventures the projects to provide a return for investors.



## Media and management contact

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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