



**PREMIERE EASTERN ENERGY LIMITED**  
**(ACN 169 923 095)**

Level 6, 105 St Georges Terrace, Perth WA 6000, Australia  
Tel: + 61 8 6558 0886 | Fax: + 61 8 6316 3337

24 April 2017

ASX Announcement/Media Release

**BONDHOLDERS LETTER OF TERMINATION AND DEMAND**

Premiere Eastern Energy Limited (ASX: PEZ, 'the Company') advises that it has received a letter of termination and demand from Magic Carpet Fund III, Skyven Growth Opportunities Fund Pte Ltd, Venstar Investments Ltd and Fortune Technology Fund Ltd (together, 'the Bondholders'), who are the holders of the unconvertible debt ('Bonds') owed by the Company ('Letter of termination and demand').

Pursuant to an agreement dated 29 August 2014 ('Agreement') between the Bondholders and the Company the non-convertible debt instrument was set out on the following terms:

- )] The loan is denominated in Singapore dollars (SGD\$9million)
- )] Interest rate of 4% per annum is to be accrued on the outstanding balance
- )] The loan shall be repaid in the following tranches:
  - o SGD\$5million to be paid before 6 months after a successful listing on the ASX; and
  - o The outstanding balance to be paid within 12 months after a successful listing on the ASX.

The Company's Non-Executive Chairman Mr. Zhan Musheng has provided a personal guarantee in favour of the Bondholders ('Guarantee'). The Guarantee provides that Mr. Zhan Musheng will guarantee the obligations of the Company in relation to the Bonds, and indemnify the Bondholders against all losses arising out of any non-performance by the Company of its obligations pursuant to the Bonds.

Pursuant to the Letter of termination and demand, the Bondholders:

- a) Terminate the Agreement;
- b) Declare that, as at 15 February 2017, S\$ 9,887,670 was due and payable by the Company ('Outstanding Amount'); and
- c) Demand the Company pay the Outstanding Amount by 28 April 2017.

The Bondholders reserve all of their rights pursuant to the Agreement.

The Company is currently seeking legal advice on this matter and will update the market accordingly.

Yours faithfully

Tim Slate  
Company Secretary

**For further information, please contact:**

**Premiere Eastern Energy**

Tim Slate  
Company Secretary and Non-Executive Director  
Tel: +61 8 6558 0886

**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.

The Group holds two operating retail petrol stations under the same branding.