

CAPALLIANZ HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199905693M)

KEY UPDATES ON OIL & GAS RESERVES ESTIMATES AND OPERATIONS OF THE PHETCHABUN BASIN, THAILAND

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of CapAllianz Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that ECO Orient Resources (Thailand) Limited, the operator and holder of 60% of the working interest in the onshore oil concessions located in Phetchabun Basin, Thailand (the “**Concessions**”), and its fellow subsidiary, ECO Orient Energy (Thailand) Limited had commissioned an independent third party, Chapman Petroleum Engineering Ltd (“**Chapman**”), to prepare and issue two updated appraisal reports of the oil reserves of the Concessions as at 31 December 2021 (collectively known as the “**2021 Reserves Statement**”).

The Group is the holder of 20% of the working interest in the Concessions and as a minority stakeholder, the Group is reliant upon the operator of the Concessions for all technical reporting. The 2021 Reserves Statement was prepared in accordance with the standards set out in the Canadian Oil and Gas Evaluation Handbook prepared jointly by the Society of Petroleum Evaluation Engineers and the Canadian Institute of Mining, Metallurgy and Petroleum. As such, the 2021 Reserves Statement was not prepared in accordance with any of the standards of reporting specified under the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist.

This announcement should be read in conjunction with the 2021 Reserves Statement, a copy of which is available for inspection by the Company’s shareholders, subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, during normal business hours at the registered address of the Company at 8 Wilkie Road, #03-01 Wilkie Edge, Singapore 228095.

2. KEY UPDATES ON OIL & GAS RESERVES ESTIMATES

Based on the 2021 Reserves Statement, the oil reserves estimates attributable to the Group as at 31 December 2021 is set out in the table below. Further details are set out in the 2021 Reserves Statement.

Category	Gross Attributable to the Concessions (Mmbbl / Mboe ⁽¹⁾)	Net Attributable to the Group ⁽²⁾		Remarks
		(Mmbbl / Mboe ⁽¹⁾)	Change from Previous Update ⁽³⁾ (%)	
Oil Reserves (Mmbbl)				
1P	4.18	0.84	(1.18)	-
2P	14.44	2.89	(7.07)	-
3P	15.36	3.07	(8.36)	-
Gas Reserves (Mboe)				
1P	285	57.0	-	-
2P	570	114.0	-	-
3P	570	114.0	-	-

Legend:

1P: Proved

2P: Proved + Probable

3P: Proved + Probable + Possible

Notes:

- (1) Mmbbl / Mboe is defined as Millions of barrels / Thousands barrels of oil equivalent.
- (2) This refers to the Group's share after deduction of other interest holders, but before deduction of royalty.
- (3) Previous Update refers to the Company's announcement dated 7 May 2021 and the section entitled "Summary of Oil and Gas Reserves and Resources" set out in the Company's annual report for the financial year ended 30 June 2021.

The 2021 Reserves Statement reflects a gross attributable to the Concessions for 2P oil and gas reserves of approximately 14.44 Mmbbl and 570 Mboe respectively, which equates to a pre-tax net present value of 10% of approximately US\$388 million (2020: US\$340 million).

The overall decline in 2P gross oil reserves was mainly due to production from the existing wells in the past one year and updated analysis.

3. UPDATES ON OPERATIONS IN THAILAND

Oil prices have increased significantly in the recent weeks due to geopolitical tensions including a fear of possible invasion of Ukraine by Russia which could trigger U.S. and European sanctions that would disrupt exports from the world's top producer in an already tight market. The tensions come as the Organization of the Petroleum Exporting Countries (OPEC) and its allies, a group known as OPEC+, struggle to ramp up oil output despite monthly pledges to increase oil production by 400,000 barrels per day (bopd) until March 2022.

The current oil prices support the Concessions' joint operators' plans to raise production via pursuing additional drilling and workovers with the additional cash generated from its operations.

The Concessions' joint operators have just concluded the drilling campaign of four new exploration wells. Signs of potential good reservoir and hydrocarbons were discovered. Technical studies and planning are underway for further testing, including two potential follow-up horizontal wells expected to be drilled in the third quarter of 2022. The aforementioned drilling campaign was fully funded by the positive cash flow generated from operations of the Concessions and credit facilities available to the Concessions.

A multi-well workover program, which is expected to be carried out in the second quarter of 2022, to further increase oil production is also being planned concurrently.

4. CAUTIONARY STATEMENT

Shareholders of the Company are advised to exercise caution when trading in the Company's shares as the information herein may be updated or amended in line with future exploration and studies to be conducted. When in doubt as to the action they should take, shareholders of the Company should consult their financial, tax or other advisers.

By order of the Board

Pang Kee Chai, Jeffrey
Executive Director and Chief Executive Officer
21 February 2022

*This announcement has been prepared by CapAllianz Holdings Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule*

226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.