

**ALPHA ENERGY HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200310813H)

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**PROPOSED NON-RENOUNCEABLE RIGHTS ISSUE OF UP TO 1,503,591,554 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY, TO BE FULLY SUBSCRIBED BY UNDERTAKING PARTIES (AS DEFINED BELOW)**

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**1. INTRODUCTION**

Non-Renounceable Rights Issue

- 1.1 The board of directors (the “**Board**”) of Alpha Energy Holdings Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a non-renounceable non-underwritten rights issue of up to 1,503,591,554 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.014 (the “**Issue Price**”) for each Rights Share, on the basis of two (2) Rights Shares for every one (1) existing ordinary shares in the capital of the Company (“**Shares**”) held by the Entitled Shareholders (as defined below) as at a time and date to be determined by the directors of the Company (the “**Directors**”) for the purpose of determining the Entitled Shareholders’ entitlements under the Rights Issue (the “**Books Closure Date**”), fractional entitlements to be disregarded (the “**Rights Issue**”).

Irrevocable Undertakings and Full Subscription of the Rights Issue

- 1.2 To demonstrate their support for the Rights Issue and their commitment to and confidence in the Company, LTB, LLC (“**LTB**”), Augustus Trust (“**Augustus**”), Neo Alaska Venture, LLC (“**Neo**”), Pinnacle Investment Holdings LLC (“**Pinnacle**”), ATB, LLC (“**ATB**”), Mr. Ang Yew Jin Eugene (“**Eugene**”), JK Technology Pte Ltd (“**JK Tech**”), Mr. Sim Eng Kiang (“**Mr. Sim**”), CIMB Islamic Trustee Berhad (acting as trustee for Affin Hwang Multi Asset Fund) (“**the Fund**”) and Mr. Kenneth Gerard Pereira (“**Kenneth**”) (each, an “**Undertaking Party**” and collectively, the “**Undertaking Parties**”), have each provided irrevocable undertakings (each, an “**Irrevocable Undertaking**” and collectively, the “**Irrevocable Undertakings**”) to the Company to subscribe for, where applicable, their respective *pro rata* entitlement of the Rights Shares and/or unsubscribed Rights Shares (“**Excess Rights Shares**”), supported by evidence of financial resources satisfactory to the Company.
- 1.3 A table showing the proportion of Rights Shares undertaken by each of the Undertaking Parties, based on the assumption that only the Undertaking Parties subscribe (pursuant to both their entitlements and excess applications) for Rights Shares pursuant to their Irrevocable Undertakings, and no other Entitled Shareholder (as defined below) subscribes for their Rights Issue entitlements, is set out as follows:

<b>Name of Undertaking Party</b>	<b>Percentage of Rights Shares undertaken by the Undertaking Party pursuant to its Irrevocable Undertaking<sup>(1)</sup></b>
LTB	12.7%
Augustus	12.7%
Neo	11.1%
Pinnacle	2.3%
ATB	1.4%
JK Tech <sup>(2)</sup>	7.1%
Mr. Sim	4.9%
The Fund <sup>(3)</sup>	44.6%
Kenneth <sup>(3)</sup>	3.3%
<b>Total:</b>	<b>100%</b>

Notes:

- (1) Save for Eugene who has undertaken to the Company that it will transfer its Shares to JK Tech, each of the Undertaking Parties has, pursuant to their Irrevocable Undertaking, irrevocably undertaken to the Company that prior to the Books Closure Date, it will not sell, transfer, or otherwise dispose of or part with the ownership of any of its shares. The percentages are computed based on the total number of Rights Shares available
- (2) Eugene, who directly holds approximately 7.1% of the Existing Share Capital (as defined in paragraph 3.3 below) has irrevocably undertaken to the Company that he will transfer all his Shares in the Company to JK Tech on or before the books closure date of the Rights Issue ("**Transferred Shares**"). JK Tech has irrevocably undertaken to the Company to subscribe and pay in full for the subscription and payment of the *pro rata* entitlement of the Rights Shares accruing to the Transferred Shares pursuant to the Rights Issue. JK Tech is wholly-owned by Eugene.
- (3) Both the Fund and Kenneth have, pursuant to their respective sale and purchase agreements both dated 21 June 2019, acquired a direct interest in 200,000 and 10,000 treasury shares of the Company respectively. The sale of treasury shares by the Company had been announced by the Company on 25 June 2019.

1.4 As a result of the Irrevocable Undertakings, the Company expects the Rights Issue to be fully-subscribed. Please refer to **Appendix A** for further details on the terms of the Irrevocable Undertakings.

## **2 RATIONALE FOR THE RIGHTS ISSUE**

2.1 The Company is undertaking the Rights Issue to strengthen the financial position and capital base of the Group, to partially and/or fully repay certain indebtedness of the Group and to raise proceeds to continue its development works in relation to the Mustang Project. The Rights Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company at a discount and will allow the Group to be less reliant on external sources of funding, thereby potentially incurring lower external funding expenses.

2.2 Further, the Board is of the view that a non-renounceable rights issue is desirable for the Company as, given that the Company had obtained Irrevocable Undertakings which would result in a full subscription of the Rights Issue, it would encourage participation from existing Shareholders of the Company and streamline the Rights Issue process.

## **3 PRINCIPAL TERMS OF THE RIGHTS ISSUE**

### **3.1 Basis for Provisional Allotment**

The Rights Issue is proposed to be made on a non-renounceable basis to Entitled Shareholders (as defined below) on the basis of two (2) Rights Share for every one (1) existing Share held as at the Books Closure Date, fractional entitlements to be disregarded.

### **3.2 Issue Price**

The Issue Price of S\$0.014 per Rights Share represents a discount of approximately 74% to the weighted average price of S\$0.054 per Share on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 10 June 2019, being the last trading date of the Shares immediately prior to the day of this Announcement, and a discount of approximately 49% to the theoretical ex-rights price<sup>1</sup> of S\$0.027 per Share.

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<sup>1</sup> The theoretical ex-rights price is the theoretical market price of each Share assuming (a) the completion of the Rights Issue (b) that no Share Options (as defined below) are exercised and no new Shares are issued on or prior to the Books Closure Date and (c) the Rights Issue is fully subscribed (the "**No Option Exercise Scenario**"), and is calculated based on (A) the sum of (i) the Company's market capitalisation based on the weighted average price of S\$0.054 per Share on the SGX-ST on 10 June 2019, being the last trading day immediately prior to the date of this Announcement and (ii) the gross proceeds of the Rights Issue, divided by (B) the enlarged total number of Shares in issue following the completion of the Rights Issue being 2,255,387,331 (assuming the No Option Exercise Scenario).

### 3.3 Issue Size

As at the date of this Announcement, the issued share capital of the Company comprises 751,795,777 Shares (the "**Existing Share Capital**"), excluding 187,000 treasury shares.

Based on the full subscription by the Entitled Shareholders (as defined below), Existing Share Capital and assuming that on or prior to the Books Closure Date and no Share Options (as in paragraph 8.1 below) are converted into new Shares, the Company will thereafter issue 1,503,591,554 Rights Shares under the Rights Issue, which would constitute 200.0% of the Existing Share Capital and 66.7% of the enlarged share capital of the Company. The enlarged share capital of the Company after the completion of the Rights Issue will be 2,255,387,331 Shares.

Please refer to paragraph 1 of **Appendix B** of this Announcement for illustrations on the issue size of the Rights Issue based on other assumptions.

The number of Shares held by each Undertaking Party, Director, substantial shareholder and their respective interests in the Company, as at the date of this Announcement and after the issuance of the Rights Shares, based on various illustrations set out in paragraph 1 of **Appendix B**, is set out in **Appendix C**, **Appendix D** and **Appendix E** of this Announcement.

### 3.4 Non-Underwritten Rights Issue

The Rights Issue will proceed on a non-underwritten basis as it will be fully subscribed pursuant to the Irrevocable Undertakings as mentioned in paragraph 1.2 to 1.4 above. The Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.

### 3.5 Odd Lots

Shareholders who hold odd lots of the Rights Shares, and who wish to trade in odd lots on Catalist of the SGX-ST ("**Catalist**") should note that they will be able to do so on the Unit Share Market.

### 3.6 Other Principal Terms

Please refer to **Appendix B** for further details on the other principal terms of the Rights Issue.

## 4 SHAREHOLDERS' APPROVAL

### Rights Issue

- 4.1 The Company will be seeking specific approval from the Shareholders by way of an extraordinary general meeting ("**EGM**") to be convened for the Rights Issue. A circular setting out, amongst other things, the details of, and other relevant information pertaining to the Rights Issue (the "**Circular**"), together with the notice of the EGM, will be despatched to the Shareholders in due course.

### Undertaking Fees

- 4.2 The Company will also be seeking specific approval from the Shareholders for the payment of undertaking fees fixed at S\$281,232, S\$29,820, and S\$20,991 to the Fund, Mr. Sim, and Kenneth respectively (the “**Fees**”), each of whom have, pursuant to their respective Irrevocable Undertakings, undertaken to the Company to make applications to subscribe for Excess Rights Shares. The Fees are calculated at three per cent. (3%) of the aggregate issue price of Excess Rights Shares which each of them has undertaken to subscribe pursuant to their respective Irrevocable Undertakings.
- 4.3 For illustration purposes, in the event that all Entitled Shareholders subscribes for their provisional allotments and no Excess Rights Shares are issued to either of the Fund, Mr. Sim, or Kenneth, the Fees will nevertheless be fixed and payable. Mr Sim will pay a net sum of S\$23,929 to the Company for his subscription of his entitlement after deducting the Fees payable to him whereas the Fund and Kenneth will receive a net sum from the Company of S\$275,632, and S\$20,712 respectively, taking into account the amounts which they will pay for their provisional allotments and deducting the Fees payable to them.
- 4.4 Prior to obtaining the Irrevocable Undertakings and agreeing to the Fees, the Company considered other alternatives involving underwriters but due to the current market conditions, was unable to obtain any underwriting of the Rights Issue at a cost lower than the Fees. In view of this, the Directors are of the unanimous view that the Fees were determined on terms which are more favourable compared to normal commercial terms. Accordingly, the Directors are of the unanimous view that the Fees is fair and not prejudicial to the Company and/or the Shareholders.

### Change of Controlling Interest

- 4.5 As Rule 803 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) states that an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in a general meeting, the Company will seek Shareholders’ approval in the EGM for a possible transfer of controlling interest to The Fund due to the allotment of any Excess Rights Shares (if applicable) under the Rights Issue to the Fund pursuant to its Irrevocable Undertaking given.

## **5 USE OF PROCEEDS**

### Gross and Net Proceeds

- 5.1 The Rights Issue (after deducting expenses related thereto) will raise net proceeds (“**Net Proceeds**”) as follows:

<b>Proceeds</b>	<b>Amount</b>
<b>Gross Proceeds</b>	S\$21,050,282
Less: Professional fees and expenses	(S\$200,000)
Less: Undertaking fees	(S\$332,043)
Less: Set-off of amount owing under Term Loan	(S\$8,428,692)
<b>Net Proceeds</b>	<b>S\$12,089,547</b>

## Use of Proceeds

- 5.2 The Company intends to use the Net Proceeds from the Rights Issue to continue its development works in relation to the Mustang Project and for the Group's general working capital purposes in the following estimated proportions:

<b>Use of Proceeds</b>	<b>Percentage of Net Proceeds</b>
To conduct required development works in relation to the Mustang Project, including the construction of the oil export pipeline and installation of oil processing facilities <sup>(1)</sup>	80% - 90%
General working capital purposes	10% - 20%

### Note:

- (1) A portion of the net proceeds meant for development works in relation the Mustang Project will be used to repay the indebtedness of the Group to the Assigned Parties (as defined below).

The indebtedness of the Group to the Assigned Parties (as defined below) arises from an assignment of debt under the Term Loan (as defined below), which the Company had entered into to fund development works in relation to the Mustang Project. Please refer to paragraph 5.6 to 5.9 below for more information.

- 5.3 Pending the deployment of the net proceeds from the Rights Issue, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may deem appropriate in the interests of the Group.
- 5.4 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Instructions Booklet, and provide a status report on the use of the Net Proceeds in its interim and full-year financial statements issued under Rule 705 of the Catalist Rules, Company's annual reports, until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.
- 5.5 The Company has determined that the Net Proceeds will be sufficient to meet the current obligations of the Group.

## Assignment of Debt under the Term Loan and Set-Off

- 5.6 On 4 April 2019, the Company announced that JK North Slope, LLC, a wholly-owned subsidiary of the Company, as the borrower, has entered into a short-term loan agreement dated 4 April 2019 with Alaska Tembusu LLC as the lender, a special purpose vehicle set up by the Assigned Parties (as defined below), in relation to a term loan of amount up to US\$10,900,000 (the "**Term Loan**") for the purpose of meeting the Mustang Project's first oil funding needs. This funding will allow the Mustang Project to achieve first oil through the production of crude oil from the North Tarn #1A well. Please refer to the announcement by the Company dated 4 April 2019 for further details regarding the Term Loan.

5.7 On 21 June 2019, the Company has received notices of assignment of debt from Alaska Tembusu, LLC, assigning US\$6,317,747 in aggregate amount of debts accrued under the Term Loan (the “**Assigned Sum**”) in the following manner:

- (a) US\$1,973,506 to LTB;
- (b) US\$1,973,506 to Augustus Trust;
- (c) US\$1,727,691 to Neo;
- (d) US\$356,569 to Pinnacle; and
- (e) US\$286,475 to ATB

(collectively, the “**Assigned Parties**”).

Accordingly, the Company will make repayment of the Assigned Sum in accordance with the notices of assignment.

5.8 The total amount payable for the subscription of entitled Rights Shares by the Assigned Parties under their respective Irrevocable Undertakings is set out as follows:

<b>Assigned Party</b>	<b>Cost of subscribing for entitled Rights Shares under the Assigned Party’s Irrevocable Undertaking</b>
LTB	S\$2,664,233.10
Augustus Trust	S\$2,664,233.10
Neo	S\$2,332,382.86
Pinnacle	S\$481,367.96
ATB	S\$286,474.92

5.9 The Company intends to partially set-off the cost of subscription of entitled Rights Shares by each Assigned Parties against the Assigned Sum owed to the relevant Assigned Party (the “**Set-Off**”). Therefore, Shareholders should note that notwithstanding that Irrevocable Undertakings have been provided by the Assigned Parties to the Company, the cash inflow to the Company from the Undertaking Party to the Rights Issue will be partially reduced by the Assigned Sum due to the Set-Off.

## 6 **WORKING CAPITAL**

The Directors are of the opinion that after taking into consideration the operating cash flows, present bank facilities, the working capital available to the Group are sufficient to meet its present requirements. Notwithstanding the above, the reasons for undertaking the Rights Issue are set out in paragraph 2 of this Announcement.

## 7 **APPROVALS**

7.1 The Rights Issue is subject and conditional upon:

- (a) the receipt of the listing and quotation notice from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Rights Issue) for the dealing in, listing of and quotation for the Rights Shares on Catalist and, if such

approval is granted subject to conditions, such conditions being acceptable to the Company; and

- (b) the Rights Issue and issue of Rights Shares being approved by Shareholders at the EGM to be convened;

7.2 The Company will be making an application to the SGX-ST, through the Sponsor, for dealing, listing and quotation, of the Rights Shares on Catalist. An appropriate announcement will be made in due course when the Company receives the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares from the SGX-ST.

## 8 ADJUSTMENTS

8.1 As at the date of this Announcement, pursuant to:

- (a) the Alpha Energy Employee Share Option Scheme which was approved by the Shareholders on 29 July 2016 (the “**ESOS**”), 5,280,000 options, all of which may be exercised on or prior to the Books Closure Date with each option carrying the right to subscribe for one (1) new Share (“**ESOS Options**”), remain outstanding;
- (b) a deed poll executed by the Company dated 8 April 2019, S\$6,196,500 in aggregate principal amount of 1.35 per cent convertible perpetual securities, all of which may be exercised on or prior to the Books Closure Date and which, in aggregate, are convertible into 14,824,800 Shares (“**Capital Securities**”), remain outstanding; and
- (c) the option agreement dated 25 September 2018 entered into between the Company and the Alaska Industrial Development and Export Authority (“**AIDEA**”), 40,651,900 non-transferrable options, all of which may be exercised on or prior to the Books Closure Date and each option carrying the right to subscribe for one (1) new Share at the exercise price of S\$0.20 per Share (“**AIDEA Options**”), remain outstanding.

Save for the ESOS Options, Capital Securities and AIDEA Options (collectively the “**Share Options**”), the Company does not have any other outstanding convertible securities.

8.2 As a result of the Rights Issue, adjustments may be made to the number and/or exercise price of the Share Options. The Company will in due course make the relevant announcements and notify holders of the Share Options of such adjustments.

## 9 ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

### 9.1 Entitled Shareholders

The Rights Issue is proposed to all the “**Entitled Shareholders**”, comprising Entitled Depositors and Entitled Scripholders (both as defined below).

Shareholders whose Shares are registered in the name of The Central Depository (Pte) Limited (“**CDP**”) and whose securities accounts with CDP are credited with Shares as at Books Closure Date (“**Depositors**”) will be provisionally allotted their Rights Issue entitlements on the basis of the number of Shares standing to the credit of their securities account with CDP as at the Books Closure Date. To be “**Entitled Depositors**”, Depositors must have registered addresses in Singapore with CDP as at the Books Closure Date or if they have registered addresses outside Singapore, they must have, at least three (3) Market Days prior to the Books Closure Date,

provided CDP, at 9 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138588, with addresses in Singapore for the service of notices and documents.

Duly completed and stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title received no later than 5.00 p.m. (Singapore time) on the Books Closure Date by Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte Ltd) (the “**Share Registrar**”) at 80 Robinson Road #02-00 Singapore 068898, will be registered to determine the provisional entitlements of the transferee (“**Scrip holder**”), which term shall include a person who is registered as a holder of Shares and whose share certificates are not deposited with CDP. To be “**Entitled Scripholders**”, Scripholders must have registered addresses in Singapore as at the Books Closure Date or must have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents.

## 9.2 **Acceptance, Excess Application and Payment Procedures**

Entitled Shareholders will be at liberty to accept in full or in part or decline and will also be eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders’ entitlements and will, together with the provisional allotments which are not taken up for any reason, be aggregated and used to satisfy excess applications (if any), or otherwise dealt with in such manner as the Directors may in their absolute discretion, deem fit for the benefit of the Company, subject to applicable laws and the Listing Manual.

In the allotment of Excess Rights Shares, preference will be given to Entitled Shareholders for rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will not make any allotment and issue of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in general meeting.

The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem fit.

**AS THE RIGHTS ISSUE IS MADE ON A NON-RENOUNCEABLE BASIS, ENTITLED SHAREHOLDERS SHOULD NOTE THAT THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES CANNOT BE RENOUNCED IN PART OR IN WHOLE IN FAVOUR OF A THIRD PARTY, OR TRADED ON THE SGX-ST.**

## 9.3 **CPF Investment Scheme and the Supplementary Retirement Scheme**

Shareholders who hold Shares under the CPF Investment Scheme (“**CPF Investment Scheme Members**”), the Supplementary Retirement Scheme (“**SRS**”) or through a finance company and/or Depository Agent can only accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares through their respective approved CPF agent banks (in the case of CPF Investment Scheme Members), their relevant approved banks with which they hold their SRS accounts, or the respective finance companies and/or Depository Agents through which such Shareholders hold Shares. For CPF Investment Scheme Members, acceptances of Rights Shares and (if applicable) applications for Excess Rights Shares, can



only be made using CPF funds. In the case of insufficient CPF funds or stock limit, CPF Investment Scheme Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares. **ANY APPLICATION MADE BY THE ABOVE-MENTIONED SHAREHOLDERS DIRECTLY TO CDP OR THROUGH AUTOMATED TELLER MACHINES WILL BE REJECTED.**

#### 9.4 Foreign Shareholders

For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Rights Shares will NOT be offered to Shareholders with registered addresses outside Singapore as at 5.00 p.m. (Singapore time) and who have not, by no later than 5.00 p.m. (Singapore time) at least three (3) Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with registered addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”) and the Instructions Booklets and its accompanying documents will not be despatched to Foreign Shareholders. Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue and no provisional allotment of Rights Shares will be made to Foreign Shareholders. No purported acceptance thereof or application for any excess Rights Shares therefor by any Foreign Shareholder will be valid.

**SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE SHOULD PROVIDE (I) CDP AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588 OR (II) THE SHARE REGISTRAR AT 80 ROBINSON ROAD #02-00 SINGAPORE 068898, AS THE CASE MAY BE, IN WRITING, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.**

#### 10 FURTHER ANNOUNCEMENTS

The Company will continue to keep Shareholders updated and release announcements relating to the Rights Issue (including any material developments and progress made) as may be appropriate from time to time.

#### 11 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, none of the Directors and substantial Shareholders has any interests, direct or indirect, in the Rights Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

#### 12 RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been

accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

### 13 CAUTION IN TRADING

The Directors would like to advise the Shareholders that the Rights Issue is subject to certain conditions being fulfilled and there is no assurance that the Rights Issue would be completed. Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the Shares. Shareholders who are in any doubt about this announcement should consult their stockbroker, bank manager, solicitor or other professional adviser.

BY ORDER OF THE BOARD  
**ALPHA ENERGY HOLDINGS LIMITED**

Tan Wee Sin  
Company Secretary  
26 June 2019

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST. 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 Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

*The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).*

## Appendix A – Other Principal Terms of the Irrevocable Undertakings

1. Details of the Irrevocable Undertakings provided by the Undertaking Parties are set out as follows:
  - (a) LTB, Augustus, Neo, Pinnacle and ATB have irrevocably undertaken that they will, subject to the terms of their Irrevocable Undertaking, subscribe and pay in full for their pro rata entitlement of Rights Shares (entitlement pro rata vis-à-vis all other Shareholders), being 190,302,364, 190,302,364, 166,598,776, 34,383,426 and 20,462,494 Rights Shares respectively;
  - (b) Eugene, has irrevocably undertaken that Eugene will, subject to the terms of his Irrevocable Undertaking, transfer 53,617,539 Shares to JK Tech (the “**Transferred Shares**”) prior to the books closure date of the Rights Issue. JK Tech has irrevocably undertaken, subject to the terms of its Irrevocable Undertaking, to subscribe and pay in full for 107,235,078 Rights Shares, being the *pro rata* entitlement of Rights Shares accruing to the Transferred Shares pursuant; and
  - (c) Mr. Sim, The Fund and Kenneth have irrevocably undertaken that they will, subject to the terms of their Irrevocable Undertaking, subscribe and pay in full for (i) their pro rata entitlement of Rights Shares (entitlement pro rata vis-à-vis all other Shareholders), being 3,839,200, 400,000 and 20,000 Rights Shares respectively, and (ii) any Excess Rights Shares, up to 71,000,000, 669,600,000 and 49,980,000 Excess Rights Shares respectively.
2. All Undertaking Parties have also irrevocably undertaken that prior to the Books Closure Date, that they will not procure another person to, sell, transfer or otherwise dispose of or part with the ownership of any of its Shares.
3. The Irrevocable Undertakings shall automatically terminate upon the Company deciding not to proceed with the Rights Issue for any reason whatsoever and upon the release of an announcement by the Company through SGXNET of such decision, subject to the Company’s compliance with the requirements of the Catalist Rules that the Rights Issue will not be withdrawn after the commencement of ex-rights trading.
4. The Irrevocable Undertakings are subject to and conditional upon the receipt of the listing and quotation notice from the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Rights Shares under the Rights Issue) for the dealing in and listing and quotation of the Rights Shares on Catalist.
5. The Company had also obtained confirmation and is satisfied of the sufficiency of the financial resources of the Undertaking Parties in determining their ability to subscribe for the Rights Shares and the Excess Rights Shares.

## Appendix B – Other Principal Terms of the Rights Issue

### 1. Issue Size

#### Maximum Subscription Scenario

**For illustrative purposes only**, based on the Existing Share Capital and assuming that on or prior to the Books Closure Date:

- (a) all the Share Options are converted into new Shares; and
- (b) all the Entitled Shareholders (as defined below) subscribe in full for their pro rata entitlement of Rights Shares (entitlement pro rata vis-a-vis all other Shareholders) under the Rights Issue,

(collectively, referred to as the “**Maximum Subscription Scenario**”), the issued share capital of the Company (excluding treasury shares) will increase to 812,552,477 Shares and the Company will thereafter issue 1,625,104,954 Rights Shares under the Rights Issue, which would constitute 216.2% of the Existing Share Capital and 66.7% of the enlarged share capital of the Company. The enlarged share capital of the Company after the completion of the Rights Issue will be 2,437,657,431 Shares.

#### Minimum Subscription Scenario 1

**For illustrative purposes only**, based on the Existing Share Capital and assuming that on or prior to the Books Closure Date:

- (a) no Share Options are converted into new Shares; and
- (b) only the Undertaking Parties subscribe for their pro rata entitlement of Rights Shares (entitlement pro rata vis-à-vis all other Shareholders) and apply for Excess Rights Shares in accordance with the terms of their Irrevocable Undertakings, and none of the Shareholders (except for Undertaking Parties) subscribe for their entitlements to the Rights Shares and/or apply for any Rights Shares,

(collectively, referred to as the “**Minimum Subscription Scenario 1**”), the Company will issue 1,503,591,554 Rights Shares under the Rights Issue, which would constitute 200.0% of the Existing Share Capital and 66.7% of the enlarged share capital of the Company. The enlarged share capital of the Company after the completion of the Rights Issue will be 2,255,387,331 Shares.

#### Minimum Subscription Scenario 2

**For illustrative purposes only**, based on the Existing Share Capital and assuming that on or prior to the Books Closure Date:

- (a) no Share Options are converted into new Shares;
- (b) only the Undertaking Parties subscribe for their pro rata entitlement of Rights Shares (entitlement pro rata vis-à-vis all other Shareholders) and apply for Excess Rights Shares in accordance with the terms of their Irrevocable Undertakings, and none of the Shareholders (except for Undertaking Parties) subscribe for their entitlements to the Rights Shares and/or apply for any Rights Shares; and
- (c) approval of Shareholders was not obtained in the EGM for a possible transfer of controlling interest to the Fund under the Rights Issue and applications for the Excess Rights Shares by the Fund is scaled down to 14.9% to avoid the transfer of a controlling interest in the Company,

(collectively, referred to as the “**Minimum Subscription Scenario 2**”), the Company will issue 1,111,591,554 Rights Shares under the Rights Issue, which would constitute 147.9% of the Existing Share Capital and 59.7% of the enlarged share capital of the Company. The enlarged share capital of the Company after the completion of the Rights Issue will be 1,863,387,331 Shares.

The number of Shares held by each Undertaking Party, Director, substantial shareholder and their interest in the Company, as at the date of this Announcement and after the issuance of the Rights Shares, for Minimum Subscription Scenario 1, Minimum Subscription Scenario 2 and Maximum Subscription Scenario, is set out in Appendix C, Appendix D and Appendix E of this Announcement respectively.

## 2. **Status and Ranking**

The Rights Shares are payable in full upon acceptance and application by Entitled Shareholders. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

## 3. **Option to Scale Down Subscription**

On the basis that the Rights Issue will be fully subscribed pursuant to the Irrevocable Undertakings provided by the Undertaking Parties to the Company, no Shareholder (together with any party acting in concert with it) is likely to incur a mandatory general offer obligation under the Singapore Code of Take-overs and Mergers (“**Take-over Code**”). Nevertheless, the Company will, if necessary:

- (a) scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for its pro rata Rights Shares entitlement and/or apply for excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him in the position of incurring a mandatory general offer obligation under the Take-over Code as a result of other Shareholders not taking up their Rights Shares entitlements fully; or
- (b) scale down the applications for the Excess Rights Shares by any Shareholder (if such Shareholder chooses to apply for Excess Rights Shares) to avoid the transfer of a controlling interest in the Company unless prior approval of Shareholders is obtained in a general meeting

(the “**Scaling Provisions**”).

The Company is in the midst of procuring irrevocable undertakings from key Shareholders to vote, at the EGM, in favour of the shareholder’s resolution to approve a change of controlling interest to the Fund, and will keep Shareholders updated on the matter.

## Appendix C – Minimum Subscription Scenario 1

	As at date of Announcement		No. of Rights Shares to be issued <sup>(2)</sup>	After issuance of Rights Shares	
	No. of shares	Shareholdings <sup>(1)</sup> (%)		No. of shares	Shareholdings (%)
<b>Undertaking Parties</b>					
LTB	95,151,182	12.7%	190,302,364	285,453,546	12.7%
Augustus	95,151,182	12.7%	190,302,364	285,453,546	12.7%
Neo	83,299,388	11.1%	166,598,776	249,898,164	11.1%
Pinnacle	17,191,713	2.3%	34,383,426	51,575,139	2.3%
ATB	10,231,247	1.4%	20,462,494	30,693,741	1.4%
Mr. Ang Yew Jin Eugene <sup>(3)</sup>	53,617,539	7.1%	-	-	-
JK Tech <sup>(4)</sup>	-	-	107,235,078	160,852,617	7.2%
Mr Sim	1,919,600	0.3%	74,307,052	76,226,652	3.4%
Kenneth	10,000	0.001%	50,000,000	50,010,000	2.2%
The Fund	200,000	0.027%	670,000,000	670,200,000	29.7%
<b>Directors</b>					
Mr. Ang Yew Jin Eugene	53,617,539.00	7.1%	-	-	-
<b>Substantial Shareholders (excluding Directors and the Undertaking Parties)</b>					
Ezion Holdings Limited	106,000,000	14.1%	-	106,000,000	4.7%
CES Oil Services Pte. Ltd.	49,572,000	6.6%	-	49,572,000	2.2%

**Notes:**

- (1) Calculated on the basis that the total number of issued Shares is 751,795,777.

For illustrative purpose only, Minimum Subscription Scenario 1 describes the subscription/application for the Rights Issue based on the existing issued and paid up Share capital of 751,795,777 Shares Existing Share Capital, subject to Scaling Provisions and approvals as may be required, and assuming that (a) the Irrevocable Undertakings are executed and that (b) save for the Undertaking Parties, none of the other entitled Shareholders subscribe for any Right Shares or apply for any Excess Rights Shares pursuant to the Rights Issue, an aggregate of 1,503,591,554 Rights Shares will be issued pursuant to the Rights Issue.

Under Minimum Subscription Scenario 1 and subject to Scaling Provisions, the subscription for Rights Shares and/or Excess Rights Shares by the Undertaking Parties pursuant to the Irrevocable Undertakings (i) will be scaled down in order to avoid the Undertaking Parties and parties acting in concert with him (as defined in the Code) from incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers as a result of other Shareholders not taking up their Rights Shares entitlement fully and (ii) will not be scaled down to avoid the transfer of a controlling interest in the Company.

- (2) Calculated on the basis that the total number of issued Shares after completion of the Rights Issue is 2,255,387,331 and this figure is arrived at on the basis that the Undertaking Parties subscribes for 713,543,702 Rights Shares and 790,580,000 Excess Rights Shares pursuant to the Irrevocable Undertakings. This assumes that there is no subscription and application for any Rights Shares (other than those pursuant to the Irrevocable Undertakings) from other Entitled Shareholders.
- (3) Mr. Ang Yew Jin Eugene is also a Director of the Company, and the sole shareholder of JK Tech, an Undertaking Party.
- (4) JK Tech is a wholly-owned company of Eugene, a Director of the Company and an Undertaking Party.

## Appendix D – Minimum Subscription Scenario 2

	As at date of Announcement		No. of Rights Shares to be issued <sup>(2)</sup>	After issuance of Rights Shares	
	No. of shares	Shareholdings <sup>(1)</sup> (%)		No. of shares	Shareholdings (%)
<b>Undertaking Parties</b>					
LTB	95,151,182	12.7%	190,302,364	285,453,546	15.3%
Augustus	95,151,182	12.7%	190,302,364	285,453,546	15.3%
Neo	83,299,388	11.1%	166,598,776	249,898,164	13.4%
Pinnacle	17,191,713	2.3%	34,383,426	51,575,139	2.8%
ATB	10,231,247	1.4%	20,462,494	30,693,741	1.6%
Mr. Ang Yew Jin Eugene <sup>(3)</sup>	53,617,539	7.1%	-	-	-
JK Tech <sup>(4)</sup>	-	0.0%	107,235,078	160,852,617	8.6%
Mr Sim	1,919,600	0.3%	74,307,052	76,226,652	4.1%
Kenneth	10,000	0.001%	50,000,000	50,010,000	2.7%
The Fund	200,000	0.027%	278,000,000	278,200,000	14.9%
<b>Directors</b>					
Mr. Ang Yew Jin Eugene	53,617,539.00	7.1%	-	-	-
<b>Substantial Shareholders (excluding Directors and the Undertaking Parties)</b>					
Ezion Holdings Limited	106,000,000	14.1%	-	106,000,000	5.7%
CES Oil Services Pte. Ltd.	49,572,000	6.6%	-	49,572,000	2.7%



**Notes:**

- (1) Calculated on the basis that the total number of issued Shares is 751,795,777.

For illustrative purpose only, Minimum Subscription Scenario 2 describes the subscription/application for the Rights Issue based on the existing issued and paid up Share capital of 751,795,777 Shares Existing Share Capital, subject to Scaling Provisions and approvals as may be required, and assuming that (a) the Irrevocable Undertakings are executed and that (b) save for the Undertaking Parties, none of the other entitled Shareholders subscribe for any Right Shares or apply for any Excess Rights Shares pursuant to the Rights Issue, an aggregate of 1,111,591,554 Rights Shares will be issued pursuant to the Rights Issue.

Under Minimum Subscription Scenario 2 and subject to Scaling Provisions, the subscription for Rights Shares and/or Excess Rights Shares by the Undertaking Parties pursuant to the Irrevocable Undertakings (i) will be scaled down in order to avoid the Undertaking Parties and parties acting in concert with him (as defined in the Code) from incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers as a result of other Shareholders not taking up their Rights Shares entitlement fully and (ii) will be scaled down to 398,580,000 Excess Rights Shares pursuant to the Scaling provisions in order to avoid the transfer of a controlling interest in the Company.

- (2) Calculated on the basis that the total number of issued Shares after completion of the Rights Issue is 1,863,387,331 and this figure is arrived at on the basis that the Undertaking Parties subscribes for 713,543,702 Rights Shares and 398,580,000 Excess Rights Shares pursuant to the Irrevocable Undertakings. This assumes that there is no subscription and application for any Rights Shares (other than those pursuant to the Irrevocable Undertakings) from other Entitled Shareholders.
- (3) Mr. Ang Yew Jin Eugene is also a Director of the Company, and the sole shareholder of JK Tech, an Undertaking Party.
- (4) JK Tech is a wholly-owned company of Eugene, a Director of the Company and an Undertaking Party.

## Appendix E – Maximum Subscription Scenario

	As at date of Announcement		No. of Rights Shares to be issued <sup>(2)</sup>	After issuance of Rights Shares	
	No. of shares	Shareholdings <sup>(1)</sup> (%)		No. of shares	Shareholdings <sup>(3)</sup> (%)
<b>Undertaking Parties</b>					
LTB	95,151,182	12.7%	190,302,364	285,453,546	11.7%
Augustus	95,151,182	12.7%	190,302,364	285,453,546	11.7%
Neo	83,299,388	11.1%	166,598,776	249,898,164	10.3%
Pinnacle	17,191,713	2.3%	34,383,426	51,575,139	2.1%
ATB	10,231,247	1.4%	20,462,494	30,693,741	1.3%
Mr. Ang Yew Jin Eugene <sup>(4)</sup>	53,617,539	7.1%	-	-	-
JK Tech <sup>(5)</sup>	-	0.0%	108,195,078	162,292,617	6.6%
Mr Sim	1,919,600	0.3%	3,839,200	5,758,800	0.2%
Kenneth	10,000	0.001%	20,000	30,000	0.0%
The Fund	200,000	0.027%	400,000	600,000	0.0%
<b>Directors</b>					
Mr. Ravinder Singh Grewal s/o Sarbjit Singh	-	-	960,000	1,440,000	0.1%
Mr. Ang Yew Jin Eugene	53,617,539	7.1%	-	-	-
Mr. Tan Ser Ko	-	-	960,000	1,440,000	0.1%
<b>Substantial Shareholders (excluding Directors and the Undertaking Parties)</b>					
Ezion Holdings Limited	106,000,000	14.1%	-	106,000,000	5.7%
CES Oil Services Pte. Ltd.	49,572,000	6.6%	-	49,572,000	2.7%

**Notes:**

- (1) Calculated on the basis that the total number of issued Shares is 812,552,477.
- (2) Assuming that all Entitled Shareholders subscribe in full for their pro-rata Rights Shares entitlements based on the Existing Share Capital.
- (3) Calculated on the basis that the total number of issued Shares after completion of the Rights Issue is 2,437,657,431.
- (4) Mr. Ang Yew Jin Eugene is also a Director of the Company, and the sole shareholder of JK Tech, an Undertaking Party.
- (5) JK Tech is a wholly-owned company of Eugene, a Director of the Company and an Undertaking Party.