

OEL (HOLDINGS) LIMITED
(Company Registration No. 198403368H)
(Incorporated in Singapore)

ENTRY INTO A THIRD SUPPLEMENTAL SALE AND PURCHASE AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF 51% OF THE SHARES IN ALLIED RESOURCES LIMITED

1. INTRODUCTION

The Board of Directors (the “**Director**” or the “**Board**”) of OEL (Holdings) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the following:

- (a) its earlier announcements dated 23 September 2014, 5 February 2015 and 30 April 2015 in relation to the memorandum of understanding (as from time to time amended) that has been entered into in relation of the sale and purchase of such number of shares representing 51% of the entire issued share capital (“**Sale Shares**”) of Allied Resources Limited (“**Allied Resources**”) via the Company’s wholly owned subsidiary to be established (“**Proposed Acquisition**”);
- (b) its earlier announcement dated 30 June 2015 in relation to the sale and purchase agreement (“**Original SPA**”) that has been entered into in relation to the Proposed Acquisition;
- (c) its earlier announcement dated 24 July 2015 in relation to the listing and quotation notice received from SGX-ST for the listing and quotation of 83,747,368 new ordinary shares in the share capital of the Company on the Catalist Board of the SGX-ST pursuant to the Proposed Acquisition;
- (d) its earlier announcement dated 13 August 2015 in relation to the incorporation of a new wholly-owned subsidiary of the Company, known as “Yahweh China Pte. Ltd.” (the “**Purchaser**”) to carry out the Proposed Acquisition;
- (e) its earlier announcement dated 30 October 2015 in relation to the entry of a supplemental sale and purchase agreement (“**First Supplemental SPA**”) in relation to the Proposed Acquisition;
- (f) its earlier announcement dated 30 November 2015 in relation to the entry of a second supplemental sale and purchase agreement (“**Second Supplemental SPA**”) for the extension of the Long-Stop Date to 29 February 2016;
- (g) its earlier announcement dated 29 February 2016 in relation to the entry of a side letter for the extension of the Long-Stop Date to 31 May 2016; and
- (h) its earlier announcement dated 31 May 2016 in relation to the entry of a side letter for the extension of the Long-Stop Date to June 2016.

Unless otherwise stated or the context otherwise requires, capitalized terms used herein shall have the definitions ascribed to them in the Company’s earlier announcement dated 30 June 2015.

2. THIRD SUPPLEMENTAL SALE AND PURCHASE AGREEMENT

The Vendor and the Purchaser had on 21 June 2016 entered into a third supplemental sale and purchase agreement (“**Third Supplemental SPA**”) (the Original SPA, the First Supplemental SPA, the Second Supplemental SPA and the Third Supplemental SPA shall collectively be

referred to as the “SPA”), pursuant to which the following key amendments, *inter alia*, have been agreed by the Vendor and the Purchaser:

Pursuant to the terms of the Third Supplemental SPA, the Consideration shall be satisfied in the following manner:

- (i) subject to paragraph (iii), S\$11,526,842 shall be payable in cash and Consideration Shares, of which S\$10,000,000 shall be payable in the form of cash and S\$1,526,842 shall be satisfied by the Purchaser procuring the Company to issue to the Vendor (or his nominees) 20,357,894 Consideration Shares at the price of S\$0.075 per Consideration Share.
 - (aa) The cash portion of S\$10,000,000 (“**Initial Tranche**”) shall be paid within eighteen (18) months from the Completion Date subject to conditions (A), (B) and (C) set out under paragraph (ii) below having been fulfilled ; and
 - (bb) The 20,357,894 Consideration Shares priced at S\$0.075 per Consideration Share shall be issued to the Vendor (or his nominees) on Completion Date; and
- (ii) subject to paragraph (iii), the balance of the Consideration, being S\$6,688,210, (“**Post-Completion Tranche Payment**”) shall be payable in the form of cash of S\$1,934,000 with the balance S\$4,754,210 to be satisfied by the Purchaser procuring the Company to issue to the Vendor (or his nominees) 63,389,474 Consideration Shares at the price of S\$0.075 per Consideration Share, shall be payable within 24 months from the Completion Date subject to the following conditions having been fulfilled:
 - (A) the Joint Venture Agreement being renewed to 2036 or such other term as may be agreed by the Purchaser, and the renewal being on terms acceptable to the Purchaser (for avoidance of doubt, the renewal may be carried out in the form of equity joint venture or contractual joint venture);
 - (B) any conditions precedent set out under SPA waived as at Completion, or any conditions under which such conditions precedent were waived, being fulfilled; and
 - (C) the Vendor not having breached the terms of, nor terminated, the SPA nor the Service Agreement of the Vendor, and such breach not having been remedied within 14 days of written notice by the Purchaser to the Vendor.
- (iii) The Purchaser shall be entitled if it is not able for any reason whatsoever to raise the full amount of the Initial Tranche or the Post-Completion Tranche Payment, by notice in writing to the Vendor defer the time for payment by the Purchaser of the Initial Tranche and/or the Post-Completion Tranche Payment for a further period of 12 months from the respective due dates of payment. References in the Original SPA to the dates of the payment of the Initial Tranche and/or the Post-Completion Tranche shall, if the periods are extended, refer to such extended periods.

The Vendor has in the Third Supplemental SPA agreed to procure that the Target Group achieves certain production targets as set out in the Third Supplemental SPA for each quarter during the period from 1 July 2016 to 30 June 2018 (“**Production Warranty**”). The Purchaser’s obligation to pay any part of the Consideration shall be conditional upon the Vendor meeting the Production Warranty, unless waived or varied by the Purchaser.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the SPA or the Proposed Acquisition other than through their shareholding interests in the Company.

4. DIRECTORS' 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 SPA and the Proposed Acquisition, 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.

5. DOCUMENTS FOR INSPECTION

Shareholders should note that a copy of the Third Supplemental SPA will be available for inspection during normal business hours at the Company's registered office at No. 98 Aljunied Ave 3 Oakwell Building, Singapore 389933 for three (3) months from the date of this announcement.

By Order of the Board

Chang Ai Ling
Company Secretary
21 June 2016

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd.(the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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.

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