

**REX INTERNATIONAL HOLDING LIMITED**

(Company Registration No.: 201301242M)

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**Unaudited Financial Statement and Dividend Announcement  
For the Fourth Quarter Ended 31 December 2017**

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**Corporate Profile**

Rex International Holding Limited (the “**Company**”) was listed on Singapore Exchange Securities Trading Limited’s Catalist Board on 31 July 2013.

Rex International Holding Limited is a new generation technology-driven oil company that owns a set of proprietary and innovative exploration technologies, Rex Technologies, developed by the Company’s Swedish founders. These include the liquid hydrocarbon indicator Rex Virtual Drilling technology, which can pinpoint the location of oil reservoirs in the sub-surface using seismic data. The Rex Technologies allow the Company to de-risk its portfolio of exploration and development assets.

Wholly-owned subsidiary Rex Technology Management Ltd (“**RTM**”) provides Rex Virtual Drilling seismic data analysis services to partners and clients, while Rex International Holding has been using the Rex Technologies to grow and de-risk its portfolio of exploration and development assets.

Rex International Holding also has, amongst others, two indirect subsidiaries, Lime Petroleum AS (“**LPA**”) and Masirah Oil Ltd (“**MOL**”). These subsidiaries hold interests in assets in Norway and Oman, in regions with previous oil and gas discoveries, as well as well-developed oil and gas infrastructures.

For the purpose of this announcement, the financial results of Rex International Holding Limited and its subsidiaries (the “**Group**”) comprise the consolidated unaudited accounts of the Group for the three-month period ended 31 December 2017 (“**4Q FY2017**”) and financial year ended 31 December 2017 (“**FY2017**”).

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group		
	31-Dec-17	31-Dec-16	Change	31-Dec-17	31-Dec-16	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
	Unaudited	Unaudited		Unaudited	Audited	
<b>Revenue:</b>						
- Service revenue	88	104	(15)	356	350	2
<b>Cost of sales:</b>						
- Cost of services	(109)	(249)	(56)	(230)	(723)	(68)
- Exploration and evaluation expenditure	(2,259)	(16,760)	(87)	(3,163)	(44,198)	(93)
<b>Gross loss</b>	<b>(2,280)</b>	<b>(16,905)</b>	<b>(87)</b>	<b>(3,037)</b>	<b>(44,571)</b>	<b>(93)</b>
Administration expenses	(2,997)	(4,120)	(27)	(11,265)	(16,159)	(30)
Other income	25	36	(31)	993	851	17
<b>Results from operating activities</b>	<b>(5,252)</b>	<b>(20,989)</b>	<b>(75)</b>	<b>(13,309)</b>	<b>(59,879)</b>	<b>(78)</b>
Finance income	334	640	(48)	1,012	1,542	(34)
Foreign exchange gain/(loss)	42	(692)	NM	263	(293)	NM
Finance costs	(295)	(770)	(62)	(1,378)	(3,168)	(57)
<b>Net finance income/ (costs)</b>	<b>81</b>	<b>(822)</b>	<b>NM</b>	<b>(103)</b>	<b>(1,919)</b>	<b>(95)</b>
Net change in fair value of available-for-sale investment, net of tax	-	-	NA	830	-	NM
Impairment of a jointly controlled entity	(2,148)	-	NM	(2,148)	(1,246)	72
Loss on dilution of investment in an associate	-	(2,090)	NM	-	(2,090)	NM
Share of equity-accounted losses of an associate and a jointly controlled entity, net of tax	-	(873)	NM	(678)	(2,593)	(74)
<b>Loss before tax</b>	<b>(7,319)</b>	<b>(24,774)</b>	<b>(70)</b>	<b>(15,408)</b>	<b>(67,727)</b>	<b>(77)</b>
Tax credit	3,149	13,872	(77)	6,477	35,988	(82)
<b>Loss for the period/ year, net of tax</b>	<b>(4,170)</b>	<b>(10,902)</b>	<b>(62)</b>	<b>(8,931)</b>	<b>(31,739)</b>	<b>(72)</b>
<b>Loss attributable to:</b>						
Owners of the Company	(4,015)	(10,302)	(61)	(8,524)	(29,498)	(71)
Non-controlling interests	(155)	(600)	(74)	(407)	(2,241)	(82)
<b>Loss for the period/ year, net of tax</b>	<b>(4,170)</b>	<b>(10,902)</b>	<b>(62)</b>	<b>(8,931)</b>	<b>(31,739)</b>	<b>(72)</b>

NM – Not meaningful  
NA – Not applicable

**Other comprehensive (loss)/ income**

 - *Items that are or may be reclassified subsequently to profit or loss:*

Net change in fair value of an available-for-sale investment, net of tax	-	(168)	NM	-	830	NM
Foreign currency translation differences from foreign operations	(711)	(1,863)	(62)	1,125	451	149
Net change in fair value of an available-for-sale investment, net of tax (reclassified to profit or loss on disposal)	-	-	NA	(830)	-	NM
<b>Other comprehensive (loss)/ income for the period/ year, net of tax</b>	<b>(711)</b>	<b>(2,031)</b>	<b>(65)</b>	<b>295</b>	<b>1,281</b>	<b>(77)</b>
<b>Total comprehensive loss for the period/ year, net of tax</b>	<b>(4,881)</b>	<b>(12,933)</b>	<b>(62)</b>	<b>(8,636)</b>	<b>(30,458)</b>	<b>(72)</b>
<b>Total comprehensive loss attributable to:</b>						
Owners of the Company	(4,640)	(12,099)	(62)	(8,377)	(28,410)	(71)
Non-controlling interests	(241)	(834)	(71)	(259)	(2,048)	(87)
<b>Total comprehensive loss for the period/ year</b>	<b>(4,881)</b>	<b>(12,933)</b>	<b>(62)</b>	<b>(8,636)</b>	<b>(30,458)</b>	<b>(72)</b>

NM – Not meaningful  
 NA – Not applicable

**1(a)(ii) Notes to Consolidated Statement of Comprehensive Income**

Loss before taxation is stated after (charging)/ crediting the following:

	Group			Group		
	Three Months Ended		Change	Twelve Months Ended		Change
	31-Dec-17	31-Dec -16		31-Dec-17	31-Dec-16	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Unaudited	Unaudited		Unaudited	Audited		
Depreciation of plant and equipment	(27)	(42)	(36)	(136)	(181)	(25)
Amortisation of an intangible asset	(212)	(213)	-	(850)	(850)	-
Write-off of doubtful receivables	-	-	NA	-	(1,250)	NM
Impairment of a jointly controlled entity	(2,148)	-	NM	(2,148)	(1,246)	72
Loss on dilution of investment in an associate	-	(2,090)	NM	-	(2,090)	NM
Net change in fair value of available-for-sale investment, net of tax	-	-	NA	830	-	NM
Net gain on disposal of an available-for-sale investment, net of tax	-	-	NA	185	-	NM
Impairment of exploration and evaluation assets	(2,141)	(16,544)	(87)	(2,477)	(43,231)	(94)
Change in fair value of quoted investments	(70)	(322)	(78)	579	697	(17)
Loss on disposal of quoted investments	-	(8)	NM	-	(89)	NM

NM – Not meaningful

NA – Not applicable

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	31-Dec-17 US\$'000 Unaudited	31-Dec-16 US\$'000 Audited	31-Dec-17 US\$'000 Unaudited	31-Dec-16 US\$'000 Audited
<b>Assets</b>				
Exploration and evaluation assets	76,890	58,175	-	-
Plant and equipment	86	207	17	25
Intangible assets	5,915	6,765	-	-
Subsidiaries	-	-	92,977	90,636
Jointly controlled entities <sup>(1)</sup>	-	2,344	-	-
Available-for-sale investments <sup>(2)</sup>	1,106	2,637	-	1,531
<b>Non-current assets</b>	<b>83,997</b>	<b>70,128</b>	<b>92,994</b>	<b>92,192</b>
Inventories	2,810	3,188	-	-
Trade and other receivables	9,529	22,609	2,397	2,276
Quoted investments	33,574	31,102	33,574	31,102
Cash and cash equivalents	11,700	33,240	8,631	18,108
<b>Current assets</b>	<b>57,613</b>	<b>90,139</b>	<b>44,602</b>	<b>51,486</b>
<b>Total assets</b>	<b>141,610</b>	<b>160,267</b>	<b>137,596</b>	<b>143,678</b>
<b>Equity</b>				
Share capital	255,758	254,873	255,758	254,873
Reserves	7,907	8,295	1,493	2,888
Accumulated losses	(145,121)	(139,892)	(135,248)	(125,890)
<b>Total equity attributable to owners of the Company</b>	<b>118,544</b>	<b>123,276</b>	<b>122,003</b>	<b>131,871</b>
<b>Non-controlling interests</b>	<b>6,610</b>	<b>10,160</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>125,154</b>	<b>133,436</b>	<b>122,003</b>	<b>131,871</b>
<b>Liabilities</b>				
Deferred tax liabilities	2,358	581	-	-
Provisions	10,740	10,821	-	-
<b>Non-current liabilities</b>	<b>13,098</b>	<b>11,402</b>	<b>-</b>	<b>-</b>
Loans and borrowings	-	12,488	-	-
Trade and other payables	3,358	2,941	15,593	11,807
<b>Current liabilities</b>	<b>3,358</b>	<b>15,429</b>	<b>15,593</b>	<b>11,807</b>
<b>Total liabilities</b>	<b>16,456</b>	<b>26,831</b>	<b>15,593</b>	<b>11,807</b>
<b>Total equity and liabilities</b>	<b>141,610</b>	<b>160,267</b>	<b>137,596</b>	<b>143,678</b>

**Footnotes:**

(1) Jointly controlled entities comprised the Group's equity interest in:

Name of jointly controlled entities	Percentage of interest	
	31-Dec-17	31-Dec-16
Lime Petroleum Plc ("Lime")*	65.00%	65.00%
HiRex Petroleum Sdn Bhd ("HiRex")**	41.00%	41.00%
Rexonic AG ("Rexonic")**	50.00%	50.00%

\* Lime is currently undergoing liquidation.

\*\* The Group's carrying value of investments in Rexonic and HiRex were fully impaired as at 31 December 2017 and 31 December 2016 respectively.

(2) Available-for-sale investments in the Group

Comprised the Group's investments in Steeldrum Oil Company Inc. ("Steeldrum") as at 31 December 2017; and in North Energy ASA ("North Energy") and Steeldrum as at 31 December 2016. The Group fully disposed of its shares in North Energy in the three-month period ended 31 March 2017.

Available-for-sale investments in the Company

Comprised the Company's investment in North Energy as at 31 December 2016.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**
**Amount repayable in one year or less, or on demand**

As at 31-Dec-17		As at 31-Dec-16	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	12,488	-

**Amount repayable after one year**

As at 31-Dec-17		As at 31-Dec-16	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

**Details of any collateral**

The credit facilities of the Group as at 31 December 2017 and 2016 were secured by:

- First priority assignment of tax refunds in Norway;
- First priority charge over certain bank accounts in Norway;
- First priority pledge of certain subsidiary's participation interests in licences in Norway; and
- First priority assignment of certain insurance in Norway.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	Three Months Ended	Three Months Ended	Twelve Months Ended	Twelve Months Ended
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
	US\$'000	US\$'000	US\$'000	US\$'000
	Unaudited	Unaudited	Unaudited	Audited
<b>Cash flows from operating activities</b>				
Loss before tax for the period/ year before tax	(7,319)	(24,774)	(15,408)	(67,727)
Adjustments for:				
Depreciation	27	42	136	181
Amortisation of intangible assets	212	213	850	850
Net finance (income)/ costs	(39)	130	366	1,626
Impairment of a jointly controlled entity	2,148	-	2,148	1,246
Loss on dilution of investment in an associate	-	2,090	-	2,090
Net change in fair value of an available-for-sale investment, net of tax	-	-	(830)	-
Net gain on disposal of an available-for-sale investment, net of tax	-	-	(185)	-
Impairment of exploration and evaluation assets	2,141	16,544	2,477	43,231
Write-off of doubtful receivables	-	-	-	1,250
Share of equity-accounted losses of an associate and jointly controlled entities, net of tax	-	873	678	2,593
Equity settled share-based payment transactions	104	661	352	1,184
Change in fair value of quoted investments	70	322	(579)	(697)
Loss on disposal of quoted investments	-	8	-	89
	(2,656)	(3,891)	(9,995)	(14,084)
Changes in:				
Inventories	-	-	378	(471)
Trade and other receivables	(584)	6,467	(1,911)	15,049
Trade and other payables	475	(5,039)	418	(23,700)
Tax receipts from exploration and evaluation activities in Norway	22,375	54,248	22,375	54,248
<b>Net cash from operating activities</b>	<b>19,610</b>	<b>51,785</b>	<b>11,265</b>	<b>31,042</b>

**Cash flows from investing activities**

Interest received	334	640	1,012	1,542
Proceeds from disposal of an available-for-sale investment	-	-	1,717	-
Investments in jointly controlled entities	-	-	(580)	(500)
Investment in an associate	-	-	-	(332)
Purchase of quoted investments	(48)	-	(2,253)	(7,269)
Proceeds from disposal of quoted investments	-	6,272	361	8,405
Exploration and evaluation expenditure	(2,323)	(1,225)	(20,237)	(40,297)
Purchase of plant and equipment	-	-	(9)	(45)
<b>Net cash (used in)/ from investing activities</b>	<b>(2,037)</b>	<b>5,687</b>	<b>(19,989)</b>	<b>(38,496)</b>

**Cash flows from financing activities**

Interest paid	(154)	(519)	(818)	(2,185)
Proceeds from partial disposal of subsidiaries	-	-	-	9,750
Proceeds from bank loans	1,892	1,208	6,757	29,251
Repayment of bank loans	(20,262)	(53,803)	(20,262)	(53,803)
<b>Net cash used in financing activities</b>	<b>(18,524)</b>	<b>(53,114)</b>	<b>(14,323)</b>	<b>(16,987)</b>

**Net (decrease)/ increase in cash and cash equivalents**

	(951)	4,358	(23,047)	(24,441)
Cash and cash equivalents at beginning of the period/ year	13,027	28,830	33,240	53,447
Effect of exchange rate changes on balances held in foreign currency	(376)	52	1,507	4,234
Cash and cash equivalents at end of the period/ year	11,700	33,240	11,700	33,240



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Attributable to owners of the Company							Non-controlling interests US\$'000	Total equity US\$'000	
	Share capital US\$'000	Merger reserve US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Translation reserve US\$'000	Accumulated losses US\$'000			Total US\$'000
<b>Group (Unaudited)</b>										
At 1 January 2017	254,873	4,129	1,080	830	1,605	651	(139,892)	123,276	10,160	133,436
<b>Total comprehensive loss for the period</b>										
Loss for the period	-	-	-	-	-	-	(4,509)	(4,509)	(252)	(4,761)
<b>Other comprehensive income</b>										
Foreign currency translation differences	-	-	-	-	-	1,602	-	1,602	234	1,836
Net change in fair value of an available-for-sale investment, net of tax (reclassified to profit or loss)	-	-	-	(830)	-	-	-	(830)	-	(830)
<b>Total other comprehensive (loss)/income</b>	-	-	-	(830)	-	1,602	-	772	234	1,006
<b>Total comprehensive (loss)/ income for the period</b>	-	-	-	(830)	-	1,602	(4,509)	(3,737)	(18)	(3,755)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Issuance of shares	885	-	-	-	(885)	-	-	-	-	-
Share-based payment transactions – employee share option scheme and performance share plan	-	-	-	-	248	-	-	248	2	250
<b>Total contributions by and distributions to owners</b>	885	-	-	-	(637)	-	-	248	2	250
<b>Changes in ownership interests in subsidiaries</b>										
Acquisition of non-controlling interests without a change in control, representing total changes in ownership interests in subsidiaries	-	-	-	-	-	-	3,295	3,295	(3,295)	-
<b>Total transactions with owners</b>	885	-	-	-	(637)	-	3,295	3,543	(3,293)	250
At 30 September 2017	255,758	4,129	1,080	-	968	2,253	(141,106)	123,082	6,849	129,931

	Attributable to owners of the Company							Non-controlling interests US\$'000	Total equity US\$'000	
	Share capital US\$'000	Merger reserve US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Translation reserve US\$'000	Accumulated losses US\$'000			Total US\$'000
<b>Group (Unaudited)</b>										
At 1 October 2017	255,758	4,129	1,080	-	968	2,253	(141,106)	123,082	6,849	129,931
<b>Total comprehensive income for the period</b>										
Loss for the period	-	-	-	-	-	-	(4,015)	(4,015)	(155)	(4,170)
<b>Other comprehensive income</b>										
Foreign currency translation differences, representing total other comprehensive loss	-	-	-	-	-	(625)	-	(625)	(86)	(711)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	(625)	(4,015)	(4,640)	(241)	(4,881)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Share-based payment transactions – employee share option scheme and performance share plan, representing total contributions by and distributions to owners	-	-	-	-	102	-	-	102	2	104
<b>Total transactions with owners</b>	-	-	-	-	102	-	-	102	2	104
<b>At 31 December 2017</b>	<b>255,758</b>	<b>4,129</b>	<b>1,080</b>	<b>-</b>	<b>1,070</b>	<b>1,628</b>	<b>(145,121)</b>	<b>118,544</b>	<b>6,610</b>	<b>125,154</b>

	Attributable to owners of the Company							Non-controlling interests US\$'000	Total equity US\$'000	
	Share capital US\$'000	Merger reserve US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Translation reserve US\$'000	Accumulated losses US\$'000			Total US\$'000
<b>Group (Unaudited)</b>										
At 1 January 2016	254,055	4,129	1,080	-	1,239	393	(127,220)	133,676	19,282	152,958
<b>Total comprehensive income for the period</b>										
Loss for the period	-	-	-	-	-	-	(19,196)	(19,196)	(1,641)	(20,837)
<b>Other comprehensive income</b>										
Foreign currency translation differences	-	-	-	-	-	1,887	-	1,887	427	2,314
Net change in fair value of available-for-sale investment, net of tax	-	-	-	998	-	-	-	998	-	998
<b>Total other comprehensive income</b>	-	-	-	998	-	1,887	-	2,885	427	3,312
<b>Total comprehensive income/ (loss) for the period</b>	-	-	-	998	-	1,887	(19,196)	(16,311)	(1,214)	(17,525)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Issuance of shares	818	-	-	-	(759)	-	-	59	-	59
Share-based payment transactions – employee share option scheme and performance share plan	-	-	-	-	464	-	-	464	-	464
<b>Total contributions by and distributions to owners</b>	818	-	-	-	(295)	-	-	523	-	523
<b>Changes in ownership interests in subsidiaries</b>										
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	9,171	9,171	(9,171)	-
Partial disposal of subsidiaries without a change in control	-	-	-	-	-	-	4,652	4,652	5,098	9,750
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	-	13,823	13,823	(4,073)	9,750
<b>Total transactions with owners</b>	818	-	-	-	(295)	-	13,823	14,346	(4,073)	10,273
At 30 September 2016	254,873	4,129	1,080	998	944	2,280	(132,593)	131,711	13,995	145,706

	Attributable to owners of the Company							Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000	Merger reserve US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Translation reserve US\$'000	Accumulated losses US\$'000			
<b>Group (Unaudited)</b>										
At 1 October 2016	254,873	4,129	1,080	998	944	2,280	(132,593)	131,711	13,995	145,706
<b>Total comprehensive income for the period</b>										
Loss for the period	-	-	-	-	-	-	(10,302)	(10,302)	(600)	(10,902)
<b>Other comprehensive income</b>										
Foreign currency translation differences	-	-	-	-	-	(1,629)	-	(1,629)	(234)	(1,863)
Net change in fair value of available-for-sale investment, net of tax	-	-	-	(168)	-	-	-	(168)	-	(168)
<b>Total other comprehensive loss</b>	-	-	-	(168)	-	(1,629)	-	(1,797)	(234)	(2,031)
<b>Total comprehensive loss for the period</b>	-	-	-	(168)	-	(1,629)	(10,302)	(12,099)	(834)	(12,933)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Share-based payment transactions – employee share option scheme and performance share plan, representing total contributions by and distributions to owners	-	-	-	-	661	-	-	661	2	663
<b>Changes in ownership interests in subsidiaries</b>										
Acquisition of non-controlling interests without a change in control, representing total changes in ownership interests in subsidiaries	-	-	-	-	-	-	3,003	3,003	(3,003)	-
<b>Total transactions with owners</b>	-	-	-	-	661	-	3,003	3,664	(3,001)	663
<b>At 31 December 2016</b>	<b>254,873</b>	<b>4,129</b>	<b>1,080</b>	<b>830</b>	<b>1,605</b>	<b>651</b>	<b>(139,892)</b>	<b>123,276</b>	<b>10,160</b>	<b>133,436</b>

	Share capital US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b>Company (Unaudited)</b>						
At 1 January 2017	254,873	505	830	1,553	(125,890)	131,871
<b>Total comprehensive income for the period</b>						
Loss for the period	-	-	-	-	(620)	(620)
<b>Other comprehensive income</b>						
Net change in fair value of an available-for-sale investment, net of tax (reclassified to profit or loss), representing total other comprehensive loss	-	-	(830)	-	-	(830)
<b>Total comprehensive loss for the period</b>	-	-	(830)	-	(620)	(1,450)
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Issuance of shares	885	-	-	(885)	-	-
Share-based payment transactions – performance share plan	-	-	-	232	-	232
<b>Total transactions with shareholders</b>	885	-	-	(653)	-	232
At 30 September 2017	255,758	505	-	900	(126,510)	130,653

	Share capital US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b><u>Company (Unaudited)</u></b>						
At 1 October 2017	255,758	505	-	900	(126,510)	130,653
<b>Total comprehensive loss for the period</b>						
Loss for the period, representing total comprehensive loss for the period	-	-	-	-	(8,738)	(8,738)
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Share-based payment transactions – performance share plan, representing total contributions by and distributions to owners	-	-	-	88	-	88
<b>At 31 December 2017</b>	<b>255,758</b>	<b>505</b>	<b>-</b>	<b>988</b>	<b>(135,248)</b>	<b>122,003</b>

	Share capital US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b><u>Company (Unaudited)</u></b>						
At 1 January 2016	254,055	505	-	1,239	(119,598)	136,201
<b>Total comprehensive income for the period</b>						
Loss for the period	-	-	-	-	(4,065)	(4,065)
<b>Other comprehensive income</b>						
Net change in fair value of an available-for-sale investment, net of tax, representing total other comprehensive income	-	-	998	-	-	998
<b>Total comprehensive income/(loss) for the period</b>	-	-	998	-	(4,065)	(3,067)
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Issuance of shares	818	-	-	(759)	-	59
Share-based payment transactions – employee share option scheme and performance share plan	-	-	-	435	-	435
<b>Total transactions with shareholders</b>	818	-	-	(324)	-	494
At 30 September 2016	254,873	505	998	915	(123,663)	133,628

	Share capital US\$'000	Capital reserve US\$'000	Fair value reserve US\$'000	Share-based payment reserve US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b><u>Company (Unaudited)</u></b>						
At 1 October 2016	254,873	505	998	915	(123,663)	133,628
<b>Total comprehensive income for the period</b>						
Loss for the period	-	-	-	-	(2,227)	(2,227)
<b>Other comprehensive income</b>						
Net change in fair value of an available-for-sale investment, net of tax, representing total other comprehensive income	-	-	(168)	-	-	(168)
<b>Total comprehensive loss for the period</b>	-	-	(168)	-	(2,227)	(2,395)
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Share-based payment transactions – performance share plan, representing total transactions with shareholders	-	-	-	638	-	638
<b>At 31 December 2016</b>	<b>254,873</b>	<b>505</b>	<b>830</b>	<b>1,553</b>	<b>(125,890)</b>	<b>131,871</b>



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

#### Share Capital

The Company's issued and fully paid-up capital as at 31 December 2017 comprised 1,283,310,851 (30 September 2017: 1,283,310,851) ordinary shares. The Company did not issue any new shares during 4Q FY2017.

#### Employee Share Option Scheme (the "ESOS")

On 29 November 2013, the Company granted an aggregate of 3,187,500 options pursuant to its ESOS to eligible participants (the "Options"), of which 150,000 Options were cancelled in 2014, and 750,000 Options were cancelled in 4Q FY2017. Details of the Options granted under the ESOS are as follows:

Date of grant of Options	Exercise price of Options	Number of Options outstanding at 1-Oct-17	Options granted in 4Q FY2017	Options exercised in 4Q FY2017	Options cancelled in 4Q FY2017	Number of Options outstanding at 31-Dec-17	Exercise period of Options
29.11.13	S\$0.65	2,025,000	-	-	(500,000)	1,525,000	29.11.14 to 28.11.18
29.11.13	S\$0.52	1,012,500	-	-	(250,000)	762,500	29.11.15 to 28.11.18
		<u>3,037,500</u>	<u>-</u>	<u>-</u>	<u>(750,000)</u>	<u>2,287,500</u>	

The total number of Options outstanding as at 31 December 2017 was 2,287,500, which would be exercisable into 2,287,500 shares (31 December 2016: 3,037,500 Options exercisable into 3,037,500 shares).

#### Performance Shares Plan (the "PSP")

Details of the awards of ordinary shares granted under the PSP ("Awards"), including those granted but not yet vested as at 31 December 2017, are as follows:

Date of grant of Award	Number of shares which are the subject of Awards granted as at 1-Oct-17	Number of shares which are the subject of Awards adjusted in 4Q FY2017	Number of shares which are the subject of Awards granted in 4Q FY2017	Number of shares which are the subject of Awards which had lapsed/ cancelled in 4Q FY2017	Number of shares which are the subject of Awards vested in 4Q FY2017	Number of shares which are the subject of Awards granted as at 31-Dec-17	Number of holders
29.04.16	11,407,100 <sup>(1)</sup>	-	-	-	-	11,407,100	4
28.04.17	156,288,800 <sup>(2)</sup>	-	-	-	-	156,288,800	18
	167,695,900	-	-	-	-	167,695,900	

- (1) The actual number of Awards to be delivered will range from 0% to 100% and is contingent on the achievement of pre-determined benchmarks set over a two-year performance period.
- (2) The actual number of Awards to be delivered are based on the average of the Company's closing market prices of shares over a consecutive period of five (5) market days in which transactions in the shares were recorded, at any time within a two-year period from the date of grant of the Awards ("**Average Performance Market Price**"). If the Average Performance Market Price is S\$0.15 and above, 40% of the number of shares in the Awards shall be released after the vesting period. If the Average Performance Market Price is S\$0.30 and above, an additional 60% of the number of shares in the Awards shall be released. If the Average Performance Market Price is less than S\$0.15, none of the Shares in the Award shall be released unless otherwise determined by the committee administering the PSP. Please refer to the Company's announcement dated 28 April 2017.

The total number of shares which are the subject of Awards granted but not yet vested as at 31 December 2017 is 167,695,900 shares (31 December 2016: 22,126,124 shares).

Save for the aforementioned Options and Awards, the Company did not have any other outstanding convertibles as at 31 December 2017 and 31 December 2016. There were also no treasury shares or subsidiary holdings as at 31 December 2017 and 31 December 2016.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Company	
31-Dec-17	31-Dec-16

Total number of issued shares excluding treasury shares	1,283,310,851	1,267,421,563
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The Company did not have any treasury shares as at 31 December 2017 and 31 December 2016.

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation as those in the audited financial statements for the financial year ended 31 December 2016 except for the adoption of accounting standards and interpretations applicable for the financial period beginning 1 January 2017.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The adoption of the new/revised accounting standards and interpretations applicable for the financial period beginning 1 January 2017 did not result in a significant change to the Group's accounting policies and did not have a material impact on the Group's results for the current financial period reported on.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

- (a) Based on the weighted average number of ordinary shares in issue; and  
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

Loss per ordinary share ("LPS")	Group		Group	
	Three months ended		Twelve months ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Net loss attributable to owners of the Company (US\$)	(4,015,000)	(10,302,000)	(8,524,000)	(29,498,000)
Weighted average number of ordinary shares	1,283,310,851	1,267,421,563	1,280,665,408	1,266,692,229
Basic and fully diluted LPS (US cents)	(0.31)	(0.81)	(0.67)	(2.33)

The basic and fully diluted LPS are the same during the respective financial periods/ years as the potential ordinary shares are anti-dilutive as the effect of the share conversions would be to decrease the loss per share.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.**

	Group		Company	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Net asset value# (US\$)	125,154,000	133,436,000	122,003,000	131,871,000
Total number of issued shares excluding treasury shares	1,283,310,851	1,267,421,563	1,283,310,851	1,267,421,563
Net asset value per ordinary share based on number of shares in issue as at the end of the financial year (US cents)	9.75	10.53	9.51	10.40

# Net asset value as disclosed above includes non-controlling interests.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Consolidated Statement of Comprehensive Income

The Group recorded total service revenue of US\$0.36 million in FY2017, as compared to total service revenue of US\$0.35 million for the financial year ended 31 December 2016 ("FY2016") from technical services rendered to external clients by RTM.

Cost of services decreased from US\$0.72 million in FY2016 to US\$0.23 million in FY2017, due to lower variable costs attributed to services rendered to clients by RTM.

The Group recorded total exploration and evaluation ("E&E") expenditure of US\$3.16 million in FY2017, of which US\$2.48 million was due to impairment of E&E assets. Comparatively, the Group recorded total E&E expenditure of US\$44.20 million in FY2016, of which \$43.23 million was due to impairment of E&E assets. The decrease in impairment loss was mainly due to fewer drilling campaigns and relinquishments in Norway in FY2017.

The Group recorded total gross loss of US\$3.04 million in FY2017, as compared to total gross loss of US\$44.57 million in FY2016.

Total administrative expenses decreased to US\$11.27 million in FY2017, from US\$16.16 million in FY2016, mainly due to a decrease in non-recurring professional fees and a decrease in staff costs partly due to lower headcount.

The Group recorded total other income of US\$0.99 million in FY2017, against US\$0.85 million in FY2016. The increase was mainly due to certain ad-hoc consultancy work performed by one of the subsidiaries.

Total finance costs decreased to US\$1.38 million in FY2017, from US\$3.17 million in FY2016, mainly due to decrease in bank borrowings.

The Group recorded total net foreign exchange gain of US\$0.26 million in FY2017, against total net foreign exchange loss of US\$0.29 million in FY2016. The net foreign exchange gain recorded in FY2017 was due to the appreciation of the Singapore dollar ("SGD") against the United States dollar ("USD") in FY2017 compared to FY2016, when the SGD depreciated against the USD.

The Group recorded net change in the fair value of an available-for-sale investment, net of tax (reclassified from equity on disposal) of US\$0.83 million upon disposal of the Group's shares in North Energy in FY2017.

Total share of equity-accounted losses from a jointly controlled entity and an associate decreased to US\$0.68 million in FY2017, from US\$2.59 million in FY2016. The decrease was mainly due to lower share of loss from Rexonic as a result of lower operational expenses incurred in FY2017, and the cessation of equity accounting for the results of Steeldrum in 4Q FY2016 when the Group's shareholding in Steeldrum was lowered from 36.86% to 25.72%. The Group reclassified the carrying value of Steeldrum from investment in an associate to an available-for-sale investment as at 31 December 2016.

After taking into consideration the challenging economic environment and the continued uncertainties of Rexonic's business developments, the Group fully impaired the carrying value of its investment in Rexonic of US\$2.15 million in FY2017.

The Group recorded total tax credit of US\$6.48 million in FY2017, against US\$35.99 million in FY2016, from the Norwegian authorities in relation to exploration costs incurred in Norway. The decrease was due to fewer drilling campaigns in Norway in FY2017.

#### Statement of Financial Position

Non-current assets increased to US\$84.00 million as at 31 December 2017, from US\$70.13 million as at 31 December 2016. The increase was mainly due to an increase of US\$18.72 million (net of impairment) in E&E assets, as a result of E&E activities in Oman and Norway, offset by 1) a decrease in available-for-sale investment of US\$1.53 million, due to the disposal of shares in North Energy ASA; 2) a US\$2.15 million write-off of investment in a jointly controlled entity, Rexonic; and 3) a US\$0.85 million amortisation of intangible assets (technology and customer contracts) in FY2017.

Trade and other receivables of the Group decreased to US\$9.53 million as at 31 December 2017, from US\$22.61 million as at 31 December 2016, due to a decrease in income tax receivables from the Norwegian tax authorities, as a result of fewer E&E activities in Norway in FY2017.

Quoted investments increased to US\$33.57 million as at 31 December 2017, from US\$31.10 million as at 31 December 2016, mainly due to the purchase of US\$2.25 million in quoted investments in FY2017.

Deferred tax liabilities increased to US\$2.36 million as at 31 December 2017, from US\$0.58 million as at 31 December 2016, due to an increase in capitalised exploration and evaluation costs in Norway.

All short-term bank borrowings drawn-down of credit facilities to fund exploration activities in Norway by LPA were fully repaid in 4Q FY2017. Hence, there was no short-term bank borrowings as at 31 December 2017, as compared to US\$12.49 million as at 31 December 2016. LPA, a pre-qualified petroleum company in Norway, is eligible to receive a cash tax refund of 78% of exploration costs annually from the Norwegian tax authorities.

Working capital decreased to US\$54.26 million as at 31 December 2017, from US\$74.71 million as at 31 December 2016.

#### Statement of Cash Flows

The Group reported net cash of US\$11.27 million generated from operating activities in FY2017, after accounting for movements in working capital. This was primarily due to receipt of tax refunds of US\$22.38 million from the Norwegian tax authorities in relation to the exploration costs incurred in Norway, offset by payments of office-related administrative and operational expenses as well as consultancy and professional fees incurred in relation to the Group's business.

Net cash of US\$19.99 million used in investing activities in FY2017 was largely attributable to 1) exploration and evaluation expenditure of US\$20.24 million incurred for drilling activities undertaken by LPA and MOL, and 2) purchase of US\$2.25 million in quoted investments. The

cash outflow from the investing activities was partially offset by the cash inflows generated from investing activities including 1) interest received from funds placed in banks and quoted investments of US\$1.01 million; and 2) proceeds received from the disposal of an available-for-sale investment of US\$1.72 million.

Net cash of US\$14.32 million used in financing activities in FY2017 was attributable to the repayment of short-term bank borrowings of US\$20.26 million, and payment of interest expense of US\$0.82 million in relation to the bank borrowings. The cash outflow from financing activities was partially offset by proceeds from borrowings of US\$6.76 million for drilling activities in Norway.

The Group recorded an overall net decrease in cash and cash equivalents of US\$23.05 million in FY2017. As at 31 December 2017, the Group's cash and cash equivalents stood at US\$11.70 million and quoted investments stood at US\$33.57 million, totalling US\$45.27 million, as compared to a total of US\$64.34 million as at 31 December 2016 (comprising cash and cash equivalents of US\$33.24 million and quoted investments of US\$31.10 million).

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Brent prices closed at US\$67 a barrel for the year ended 31 December 2017 compared to US\$57 a barrel in the previous corresponding period.<sup>1</sup> In November 2017, the Organization of the Petroleum Exporting Countries (OPEC)-led supply cuts continued to experience good progress, with OPEC coming into agreement with Non-OPEC producers to extend production curbs until end-2018.<sup>2</sup> Incidentally, a number of pipeline shutdowns in Canada, the US, the North Sea and Libya pushed Brent prices to a two and half year high of over US\$67 a barrel in December 2017.<sup>3</sup>

The US Energy Information Administration (EIA) increased its forecast of Brent prices to average US\$62 a barrel in 2018 and 2019, compared with an average of US\$54 a barrel in 2017.<sup>4</sup> The International Monetary Fund (IMF) also forecast strengthening global economic conditions which could positively affect oil demand growth in 2018.<sup>5</sup>

The Group remains focused on bringing its key discovery assets in Norway and Oman towards production, as well as expanding the clientele base for Rex Virtual Drilling ("RVD"), its proprietary technology.

The Group will update the market as and when there are material developments to its operational plan.

**Footnotes:**

<sup>1</sup>Bloomberg data

<sup>2</sup>Reuters: OPEC, Russia agree oil cut extension to end of 2018, 30 November 2017

<https://www.reuters.com/article/us-opec-meeting/opec-russia-agree-oil-cut-extension-to-end-of-2018-idUSKBN1DU0WW>

<sup>3</sup>Wall Street Journal: Oil eases off more than two year high, 27 December 2017

<https://www.wsj.com/articles/oil-slips-off-more-than-two-year-high-1514369699>

<sup>4</sup>US Energy Information Administration (EIA): Short-term Energy Outlook, February 2018

[https://www.eia.gov/outlooks/steo/pdf/steo\\_full.pdf](https://www.eia.gov/outlooks/steo/pdf/steo_full.pdf)

<sup>5</sup>OilPrice.com: Oil prices rise on brighter global economic prospects, OPEC cuts

<https://oilprice.com/Energy/Oil-Prices/Oil-Prices-Rise-On-Brighter-Global-Economy-Prospects-OPEC-Cuts.html>

**11. Dividend**

**a) Current financial period reported on**

No dividend has been declared or recommended for 4Q FY2017 and FY2017.

**b) Corresponding period to immediately preceding financial year**

No dividend has been declared or recommended for 4Q FY2016 and FY2016.

**c) Date payable**

Not applicable.

**d) Book closure date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended for 4Q FY2017 and FY2017.

**13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPT. There were no IPT transactions of S\$100,000 and above during FY2017.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that undertakings have been procured from the Board of Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).



15. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Oil & Gas US\$'000	Non-Oil & Gas US\$'000	Corporate US\$'000	Total US\$'000
<b><u>FY2017 (Unaudited)</u></b>				
Total revenue for reportable segments	-	2,864	-	2,864
Elimination of inter-segment revenue	-	(2,508)	-	(2,508)
Consolidated revenue	-	356	-	356
Other income	206	-	787	993
Segment expense	(4,934)	(1,954)	(4,307)	(11,195)
Finance income	98	2	912	1,012
Foreign exchange (loss)/ gain	(8)	(25)	296	263
Finance costs	(1,234)	(3)	(141)	(1,378)
Depreciation	(120)	-	(16)	(136)
Amortisation of intangible assets	-	(850)	-	(850)
Share of loss of a jointly controlled entity	-	(678)	-	(678)
Other material non-cash items:				
- Net change in fair value of an available-for-sale investment, net of tax (reclassified to profit or loss on disposal)	830	-	-	830
- Impairment of exploration and evaluation assets	(2,477)	-	-	(2,477)
- Impairment of a jointly controlled entity	-	(2,148)	-	(2,148)
<b>Reportable segment loss before tax</b>	<b>(7,639)</b>	<b>(5,300)</b>	<b>(2,469)</b>	<b>(15,408)</b>
<b>Reportable segment assets</b>	<b>91,995</b>	<b>7,077</b>	<b>42,538</b>	<b>141,610</b>
<i>Segment assets include:</i>				
Additions to:				
- Plant and equipment	2	-	7	9
- Exploration and evaluation assets	20,237	-	-	20,237
<b>Reportable segment liabilities</b>	<b>(15,442)</b>	<b>(532)</b>	<b>(482)</b>	<b>(16,456)</b>

	Oil & Gas US\$'000	Non-Oil & Gas US\$'000	Corporate US\$'000	Total US\$'000
<b><u>FY2016 (Audited)</u></b>				
Total revenue for reportable segments	-	3,926	-	3,926
Elimination of inter-segment revenue	-	(3,576)	-	(3,576)
Consolidated revenue	-	350	-	350
Other income	-	138	713	851
Segment expense	(5,336)	(2,224)	(8,008)	(15,568)
Finance income	366	-	1,176	1,542
Foreign exchange (loss)/ gain	(114)	(392)	213	(293)
Finance costs	(2,858)	(3)	(307)	(3,168)
Depreciation	(139)	-	(42)	(181)
Amortisation of intangible assets	-	(850)	-	(850)
Share of loss of jointly controlled entities and an associate	(873)	(1,720)	-	(2,593)
Other material non-cash items:				
- Impairment of exploration and evaluation assets	(43,231)	-	-	(43,231)
- Impairment of a jointly controlled entity	(1,246)	-	-	(1,246)
- Loss on dilution of investment in an associate	(2,090)	-	-	(2,090)
- Write-off of doubtful receivables	-	(1,250)	-	(1,250)
<b>Reportable segment loss before tax</b>	<b>(55,521)</b>	<b>(5,951)</b>	<b>(6,255)</b>	<b>(67,727)</b>
<b>Reportable segment assets</b>	<b>97,613</b>	<b>13,189</b>	<b>49,465</b>	<b>160,267</b>
<i>Segment assets include:</i>				
Investment in jointly controlled entities	-	2,344	-	2,344
Additions to:				
- Plant and equipment	38	-	7	45
- Exploration and evaluation assets	40,297	-	-	40,297
<b>Reportable segment liabilities</b>	<b>(25,554)</b>	<b>(475)</b>	<b>(802)</b>	<b>(26,831)</b>

**Geographical Information**

	<b>FY2017 Unaudited US\$'000</b>	<b>FY2016 Audited US\$,000</b>
<b>Revenue</b>		
West Africa	351	350
United States of America	5	-
	<b>356</b>	<b>350</b>
<b>Non-current assets</b>		
Norway	4,794	2,751
Oman	72,165	57,137
Switzerland	-	2,344
Trinidad & Tobago	1,106	1,106
British Virgin Islands	5,915	6,765
Singapore	17	25
	<b>83,997</b>	<b>70,128</b>

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

**Oil and Gas Segment**

The oil and gas segment comprised LPA, MOL and Steeldrum as at 31 December 2017.

The oil and gas segment loss of US\$7.64 million for FY2017 arose from 1) administrative and operating expenses of US\$4.93 million; 2) finance costs of US\$1.23 million from the bank borrowings to fund exploration activities in Norway and unwinding of decommissioning provisions in relation to the exploration activities undertaken by MOL; and 3) impairment of exploration and evaluation assets of US\$2.48 million. The oil and gas segment loss was partially offset by positive net change in the fair value of available-for-sale investment, North Energy, reclassified to profit or loss on disposal of US\$0.83 million.

Please refer to section 8 for further details.

**Non-oil and Gas Segment**

The non-oil and gas segment comprised RTM and Rexonic as at 31 December 2017.

The non-oil and gas segment registered a consolidated revenue of US\$0.36 million for FY2017 which arose from the technical services rendered to clients by RTM.

The non-oil and gas segment loss of US\$5.30 million for FY2017 arose from 1) cost of technical services rendered and operating expenses incurred by RTM of US\$1.95 million; 2) amortisation expense of intangible assets of US\$0.85 million; 3) share of loss of Rexonic of US\$0.68 million; and 4) impairment of investment in Rexonic of US\$2.15 million.

Please refer to section 8 for further details.

### Corporate

The corporate segment loss of US\$2.47 million for FY2017 arose from administrative expenses of US\$4.31 million which was partially offset by 1) finance income of US\$0.91 million; 2) other income of US\$0.79 million; and 3) foreign exchange gain of US\$0.30 million.

Please refer to section 8 for further details.

#### 18. A breakdown of sales as follows:

	Twelve months ended		Change %
	31-Dec-17 US\$'000	31-Dec-16 US\$'000	
<b><u>Group</u></b>			
(a) Sales reported for first half year	174	180	(3)
(b) Operating loss after tax before deducting minority interests reported for first half year	(2,677)	(8,113)	(67)
(c) Sales reported for second half year	182	170	7
(d) Operating loss after tax before deducting minority interests reported for second half year	(6,254)	(23,626)	(74)

#### 19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. There is no annual dividend for FY2017 and FY2016.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lina Berntsen	41	Daughter to Mr. Hans Lidgren, a substantial shareholder of the Company	Chief Technology Officer of the Group since 1 August 2013. To co-ordinate the use of the Rex Technologies for the Group.	NIL

21. Use of proceeds pursuant to Rule 704(30)

The Company had on 6 November 2013, completed a placement of 70 million new ordinary shares at an issue price of S\$0.755 per share (the “2013 Placement”), raising net proceeds of S\$50.87 million (after deducting placement expenses of S\$1.98 million).

The utilisation of proceeds from the Company’s 2013 Placement exercises as at the date of this announcement is as follows:

Use of proceeds	Amount allocated S\$’000	Amount redeployed S\$’000	Amount utilised S\$’000	Balance S\$’000
Exploration and drilling activities in new opportunities in the Asia-Pacific region	17,856	(17,856) <sup>(1)(2)</sup>	-	-
Exploration and drilling activities in new opportunities in geographical regions including the Middle East, Norway and Western Europe	16,787	(6,268) <sup>(3)</sup>	(10,519)	-
Invest in and expand the business in the oil services sector using well stimulation technology	16,228	(100) <sup>(4)</sup>	(16,128)	-
Share buyback mandate	-	5,960 <sup>(1)</sup>	-	5,960
General working capital	-	13,264 <sup>(2)(3)(4)</sup>	(13,264) <sup>(5)</sup>	-
<b>Total</b>	<b>50,871</b>	<b>(5,000)</b>	<b>(39,911)</b>	<b>5,960</b>

**Footnotes:**

<sup>(1)</sup> The provisional amount of S\$5.96 million which was redeployed was equivalent to 50% of the illustrated maximum amount of funds required for market purchases as disclosed in Section 2.9(c) of the circular to shareholders in relation to the proposed adoption of the share buyback mandate dated 1 October 2015.

- (2) S\$6.90 million and S\$5.00 million were redeployed to general working capital and further field development in Oman respectively due to fewer opportunities in the Asia Pacific region.
- (3) S\$6.27 million was redeployed to general working capital due to fewer opportunities in the Western Europe region.
- (4) S\$0.10 million was redeployed to general working capital as no further funds will be used for the investment in the oil service sector.
- (5) S\$13.26 million was used for Singapore's office staff cost and operational expenses, consultancy and professional fees.

## 22. Use of funds/cash by mineral, oil and gas companies pursuant to Rule 705(6)

### Actual use of funds/cash for 4Q FY2017

Purpose	Amount
	US\$'000
Exploration and drilling activities in Norway	1,033*
Exploration and drilling activities in Oman	716
General working capital	1,348
<b>Total</b>	<b>3,097</b>

In 4Q FY2017, US\$1.03 million and US\$0.72 million were used for exploration and drilling related activities in Norway and Oman respectively. US\$1.35 million was used for the Singapore and RTM offices' staff costs and operational expenses, consultancy and professional fees.

Actual amount of funds used for drilling activities in Norway and Oman was US\$0.23 million higher and US\$0.28 million lower than the projected amount in 3Q FY2017 respectively. There was a slight decrease of US\$0.05 million in the actual amount of funds used for general working capital.

The actual use of funds for 4Q FY2017 amounted to US\$3.10 million, which was fairly consistent to the projected amount in 3Q FY2017.

- \* Net of tax refund receivables from the Norwegian tax authorities in relation to the exploration costs incurred in Norway. LPA is a pre-qualified oil company in Norway which is eligible to receive a cash tax refund of 78% of exploration costs annually.

### Projection on the use of funds/cash in 1Q FY2018

Purpose	Amount
	US\$'000
Exploration and drilling activities in Oman	865
Exploration and drilling activities in Norway	2,600*
General working capital	1,400
<b>Total</b>	<b>4,865</b>

- \* Net of tax refund receivables from the Norwegian tax authorities in relation to the exploration costs incurred in Norway.

**23. Negative Confirmation by the Board pursuant to Rule 705(6)(b) of Catalist Listing Manual.**

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

**24. Pursuant to Rule 705(7)(a) - Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.**

In 4Q FY2017, the Group incurred US\$1.94 million and US\$0.38 million for seismic studies and drilling activities in Norway and Oman respectively.

The Group's exploration work is an ongoing process. The exploration activities fulfilled in 4Q FY2017 included Rex Virtual Drilling, actual drillings and preparatory work in Oman and Norway.

**25. Pursuant to Rule 705(7)(b) - An update on its reserves and resources, where applicable, in accordance with the requirements as set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.**

Norway

An independent qualified person's report ("QPR") in respect of the Rolvsnes (previously known as Edvard Grieg South) discovery from Gaffney, Cline & Associates Ltd will be included in a CD-ROM enclosed in the Company's Annual Report for the financial year ended 31 December 2017, as part of its obligations under the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual, Section B: Rules of Catalist ("Catalist Rules") on the disclosure of its reserves and resources. The asset is PL338C in Norway, where the Rolvsnes discovery was made in 2015. The operator Lundin Petroleum Norway AS is currently performing development feasibility studies for a sub-sea tie-back to their operated Edvard Grieg platform some 7km to the north. Lime Petroleum AS ("LPA") holds a 30% working interest in the asset.

A summary from the QPR of the contingent resources of the Rolvsnes discovery which is attributable to LPA, a subsidiary in which the Company has an indirect 90% interest, as per Appendix 7D of the Catalist Rules is provided below:

CATEGORY	GROSS ATTRIBUTABLE TO LICENCE (MMbbl/Bcd)	NET ATTRIBUTABLE TO LPA		REMARKS
		(MMbbl/Bcd)	CHANGE FROM PREVIOUS UPDATE (%)	
<b>CONTINGENT RESOURCES OF OIL</b>				
1C	10.3	3.1	0	Unchanged from previous update (when called Edvard Grieg South).
2C	31.4	9.4	0	
3C	77.9	23.4	0	
<b>CONTINGENT RESOURCES OF NATURAL GAS</b>				
1C	10.4	3.1	0	Unchanged from previous update (when called Edvard Grieg South).
2C	31.8	9.5	0	
3C	78.7	23.6	0	

MMbbl: Millions of barrels  
Bcd: Billions of cubic feet

Please refer to the Company's announcement dated 2 February 2018.

**BY ORDER OF THE BOARD OF**  
Rex International Holding Limited

Dan Broström  
Executive Director and Chairman

27 February 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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