

RAMBA ENERGY LIMITED
(Company Registration No. 200301668R)
(Incorporated in the Republic of Singapore)

**REPLY TO SGX QUERIES REGARDING FIRST HALF FY2017 FINANCIAL RESULTS
ANNOUNCEMENT**

The Board of Directors of Ramba Energy Limited (the “**Company**”) would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) dated 30 August 2017 (“**SGX Query**”) as follows:-

SGX Query 1:

In 1b(i) of the Results Announcement, the Company indicated an increase in Prepaid operating expenses from \$736,000 to \$2,229,000.

- i. Please provide details and explanation for the increase in Prepaid operating expenses and the nature of the prepaid operating expenses

Company's response to SGX Query 1:

The increase in Prepaid operating expenses arose from the drawdown of loan during the interim period, which were mainly made up of (a) Prepaid interest of US\$745,000 (equivalent S\$1,026,000) and (b) Oil Offtake Marketing fees of US\$324,000 (equivalent S\$446,000).

SGX Query 2:

In 1b(i) of the Results Announcement, the Company indicated an increase in Inventories from \$172,000 to \$863,000.

- i. Please provide an explanation for the increase in inventories.

Company's response to SGX Query 2:

The drilling programme for Lemang field started in May 2017 (for up to 5 wells). The inventories include drill-heads, tubings, casings and other accessories which were purchased in advance for the drilling programme.

SGX Query 3:

In Paragraph 8, the Company explained that, “Current assets reduced by S\$7.2 million mainly from the reduction in other receivables of S\$11.1 million as a result of cash call payment from joint venture partners offset against higher cash, prepayment, trade receivables and inventories”.

- i. Please provide details on the nature of “cash call payment from joint venture partners” and explanation for the decrease in such balance

Company's response to SGX Query 3:

With the transfer of operatorship in the Lemang concession on 17 May 2017, our subsidiary PT Hexindo Gemilang Jaya also transferred the balance owing by Joint Venture partners to the new operator, Mandala Lemang Singapore Pte. Ltd., hence the reduction in Other Receivables.

By order of the Board of
RAMBA ENERGY LIMITED

TAN CHONG HUAT
Non-Executive Chairman
4 September 2017