

REX INTERNATIONAL HOLDING LIMITED
(the "Company")
(Company Number: 201301242M)
(Incorporated in the Republic of Singapore)

REX PARES DOWN STAKES IN LIME PETROLEUM NORWAY AND MASIRAH OIL

The Board of Directors (the "**Board**") of Rex International Holding Limited (the "**Company**" or "**Rex**", and together with its subsidiaries, the "**Group**") wishes to inform that it has on 3 June 2016 completed the sale of part of the Group's majority stakes in Lime Petroleum Norway AS ("**LPN**") and Masirah Oil Limited ("**MOL**") to Schroder & Co Banque S.A. ("**Schroders**") (the "**Transactions**").

The Board considers the Transactions to be in the interest of and beneficial to the Group as it allows the Group to lower its majority shareholding in LPN and MOL, hence reducing the Group's risk exposure, while maintaining its focus on the assets in Norway and Oman held by these entities. Rex will continue to have majority stakes and board representation in LPN and MOL pursuant to the Transactions.

Sale of LPN shares

Rex International Investments Pte. Ltd. ("**RII**"), the Company's wholly-owned subsidiary, has sold certain of its shares in LPN (the "**LPN Disposal**"), equivalent to 10.0% of the entire issued share capital of LPN, to Schroders for a consideration of US\$5.0 million ("**LPN Consideration**"). The LPN Consideration is at a premium to the average cost per share of RII's investment in LPN.

The consideration was arrived at after an arm's length negotiation on a willing-buyer and willing-seller basis, and after taking into consideration, among others, (a) the unaudited net tangible asset value of LPN of NOK 285.53 million (approximately US\$34.43 million based on an exchange rate of US\$1 : NOK 8.29 as at 30 March 2016) as at 30 March 2016, (b) the growth potential of LPN's assets and (c) the carry commitment provided by RII until 31 December 2017 ("**LPN Carry Commitment**") in respect of future fund raising by LPN.

In the event that LPN will require additional financing for, among others, its operations and financing obligations, RII will pursuant to the LPN Carry Commitment, contribute on Schroders' behalf, such amounts required to be contributed by Schroders on a *pro rata* basis in order to maintain Schroders' 10.0% shareholding in LPN until 31 December 2017.

The consideration will be satisfied by way of transfer of shares held by Schroders in Dahan Petroleum Limited ("**Dahan**") to RII and/or its nominees, equivalent to approximately 12.8% of the total issued share capital of Dahan ("**Dahan Share Transfer 1**"), concurrently with execution of the LPN Disposal agreement. As set out in the Company's announcement of 15 April 2016, Dahan has submitted liquidation proposals to its shareholders and further to the receipt of the shares in Dahan ("**Dahan Shares**"), RII and/or its nominees will assume Schroders' rights in Dahan and will participate in the proposed winding up process¹.

¹ The Dahan Shareholders' Agreement sets out certain distribution restrictions, whereby distributions will only be paid to Schroders and Right Ally Limited until they receive the equivalent amount of their respective initial committed capital.

Sale of MOL shares

Rex Oman Ltd ("**Rex Oman**"), a wholly-owned subsidiary of the Company, has sold part of its shares, equivalent to 5.0% of MOL's total issued share capital, to Schroders for a consideration of US\$4.75 million ("**MOL Consideration**") (the "**MOL Disposal**" together with the LPN Disposal, the "**Transactions**"). The MOL Consideration is at a premium to the average cost per share of Rex Oman's investment in MOL.

The consideration was arrived at after an arm's length negotiation on a willing-buyer and willing-seller basis, and after taking into consideration, among others, (a) the unaudited net tangible asset value of US\$93.8 million of MOL as at 30 March 2016, (b) the growth potential of MOL's assets and (c) the carry commitment provided by Rex Oman ("**MOL Carry Commitment**") in respect of future fund raising by MOL.

The MOL Carry Commitment will see Rex Oman contributing on Schroders' behalf any amounts required to be contributed by Schroders on a *pro rata* basis in future fund raising required by MOL for, among others, its operations and financing obligations, such that Schroders' shareholdings in MOL will remain at 5.0%. The MOL Carry Commitment shall be for a period of up to the earlier of (a) the declaration of commerciality for the Block 50 concession area in Oman or (b) where the Government of Oman may grant an extension for the works to be carried out in Oman, the MOL Carry Commitment shall be extended to 31 December 2017.

The consideration will be satisfied by way of transfer of shares held by Schroders in Dahan to Rex Oman and/or its nominees, equivalent to approximately 12.2% of the total issued share capital of Dahan ("**Dahan Share Transfer 2**", where Dahan Share Transfer 1 and Dahan Share Transfer 2 shall collectively be referred to as the "**Dahan Share Transfers**"), concurrently with execution of the MOL Disposal agreement.

The shareholdings in LPN, MOL and Dahan before and after the completion of the Transactions are as follows:

LPN	Before the LPN Disposal	RIL: 97.84%; Lime Petroleum Plc: 2.16%
	After the LPN Disposal	RIL: 87.84%; Schroders: 10%; Lime Petroleum Plc: 2.16%
MOL	Before the MOL Disposal	Rex Oman: 69.06%; Petroci Holding: 26.37%; Lime Petroleum Plc: 4.57%
	After the MOL Disposal	Rex Oman: 64.06%; Petroci Holding: 26.37%; Schroders: 5%; Lime Petroleum Plc: 4.57%
Dahan	Before the Dahan Share Transfers	Schroders: 25%; Right Ally Limited: 16%; Lime Petroleum Plc: 59%
	After the Dahan Share Transfers	Resonance Capital Ltd ² : 25%; Right Ally Limited: 16%; Lime Petroleum Plc: 59%

Pursuant to the completion of the Dahan Share Transfers, Dahan has become an indirect 25.0% owned jointly controlled entity of the Company.

Schroders has an estimated residual of initial committed capital in Dahan equivalent to the consideration for the LPN Disposal and the consideration for the MOL Disposal (as defined herein), being approximately US\$ 9.75 million, subject to the final proceeds from the liquidation proposals.

² Indirect wholly owned subsidiary of Rex and nominee of RIL and Rex Oman to hold the Dahan Shares.

Schroders is a global asset manager with £324.9 billion of assets under management and offices in 28 countries across Europe, the Americas, Asia and the Middle East.

The Transactions will not have a material impact on the Group's earnings per share and net tangible assets per share for the financial year ending 31 December 2016.

None of the Directors and controlling shareholders of the Company have any interest, direct or indirect (other than through their shareholdings in the Company), in the above Transactions.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström
Executive Director and Chairman

7 June 2016

*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 Catalyst. The Sponsor has not verified the contents 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 Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.