

REX INTERNATIONAL HOLDING LIMITED

(the “Company”)

(Company Number: 201301242M)

(Incorporated in the Republic of Singapore)

REX INTERNATIONAL HOLDING SUBSIDIARY DIVESTS STAKE IN STEELDRUM OIL COMPANY INC.

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 the Company’s indirect wholly-owned subsidiary Rex Caribbean Holding Limited (BVI) (“**RCH**”) and the other shareholders in Steeldrum Oil Company Inc. (“**Steeldrum**”) (collectively, the “**Sellers**”), have signed a Sale and Purchase Agreement (“**SPA**”) to sell their respective stakes in Steeldrum to Columbus Energy (St Lucia) Ltd (“**Columbus SL**”) (the “**Divestment**”). The SPA is subject to regulatory, joint venture partner and third-party approvals. Completion of the Divestment is expected in the fourth quarter of 2018.

RCH holds a 25.72% stake in Steeldrum, which has been reclassified as an available-for-sale investment of the Group since December 2016.

The consideration for the divestment of Steeldrum is the issuance to the Sellers of an aggregate 92,743,775 new shares in Columbus Energy Resources Plc (“**Columbus**”) (“**Base Columbus Shares**”). Columbus is the parent company of Columbus SL and is listed on the AIM market operated by the London Stock Exchange plc. RCH’s proportion of the total Base Columbus Shares consideration represents 23,853,699 Base Columbus Shares (“**RCH’s Columbus Shares**”) for the sale of its 25.72% stake in Steeldrum, representing 3.67% and 3.22% of the existing and enlarged issued and paid-up share capital of Columbus respectively.

The value of the consideration to be received by RCH, being the RCH’s Columbus Shares, amounts to approximately US\$1.47 million (based on Columbus’ closing share price of GBX 4.65 and an exchange rate of GBP 1 : USD 1.324 as at 12 July 2018) was arrived at on a willing buyer willing seller basis and taking into consideration Steeldrum’s unaudited net assets value/net tangible asset value of approximately US\$8.26 million as at 31 December 2017 and the potential further value creation through Columbus’ growth strategy by holding shares in the enlarged share capital of Columbus. The consideration will be satisfied when the Base Columbus Shares are issued and allotted to the Sellers upon completion of the Divestment.

Columbus SL may also pay deferred consideration to the Sellers if certain events as contemplated under the SPA materialise, as follows:

1. 16,422,434 new Columbus Shares following the re-issuance of the Cory Moruga Exploration & Production Licence and an additional 16,422,434 new Columbus Shares following either a positive final investment decision being made to develop the Cory Moruga field or a sale to a third party (the “**Cory Moruga Shares**”); and
2. 16,920,083 new Columbus Shares in the event the Innis-Trinity field is sold to a third party for no less than US\$4.2 million (the “**Innis-Trinity Shares**”).

The deferred consideration, if payable, will be paid to the Sellers proportionate to their respective stakes in Steeldrum as at the date of the SPA.

In the event that all of the Base Columbus Shares, Cory Moruga Shares and Innis-Trinity Shares vest in the Sellers, the aggregate shares of Columbus ("**Columbus Shares**") which the Sellers will hold will represent 18% of the enlarged share capital of Columbus (of which RCH will hold 4.63% of the enlarged share capital of Columbus). The Sellers will be subject to certain lock-in arrangements that will prohibit them from divesting of their Columbus shares for a period of at least 6 months post completion, save for 10% of the Base Columbus Shares.

Steeldrum is also the parent company of Talon Well Services Ltd ("**Talon**"), which owns a drilling rig and a production rig located in Trinidad. Talon is not part of the Divestment and the Sellers will separate Talon from the combined group of entities to be divested prior to completion. However, the SPA grants Columbus SL a first-priority use of the two rigs, which will be charged at prevailing market rates and payable to an entity held by the Sellers. The Sellers continue to own Talon in proportion to their respective interests in Steeldrum when separated from the combined group of entities to be divested.

The Divestment is a further step by the Group in rationalising its asset base to focus on its two key discovery assets: GA South #1 in Block 50 in Oman and Rolvsnes in PL338C in Norway.

RCH had in late 2015, pooled its assets in Trinidad with other parties into Steeldrum, to allow the Group to meet its then current and future obligations in Trinidad, in addition to becoming exposed to other opportunities that may arise on the island in view of the challenging oil price environment. In December 2016, RCH did not participate in Steeldrum's share issue. The Company also made an impairment assessment on the book value of its equity stake in Steeldrum in its fourth quarter for the financial year ended 31 December 2016. The Group's carrying value of Steeldrum is approximately US\$1.11 million as at 31 March 2018.

Following the completion of the Divestment, the Company will cease to have any interest in Steeldrum.

The Divestment is not expected to have any material financial impact on the Group's earnings per share or net tangible assets per share for the current financial year ending 31 December 2018.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the Divestment. Mr Svein Kjellesvik, who owns 100% of Bevoy Investment Ltd, a substantial shareholder of the Company, and is deemed interested in the Company's shares held by Bevoy Investment Ltd, holds a 9.43% stake in Steeldrum and is also a director on the board of Steeldrum.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström
Executive Director and Chairman

16 July 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.*

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).