
USD\$30 MILLION CREDIT FACILITY

The Board of Directors (the “Board”) of Alpha Energy Holdings Limited (the “Company”) is pleased to advise that its wholly owned subsidiary Caracol Petroleum, LLC (“Caracol”) has executed a credit facility (the “Facility”) with ING Capital, LLC (“ING”).

Introduction

Caracol holds the Company’s interest in the Mustang project located in the North Slope which is a prolific oil producing region in Alaska, United States of America. Caracol has two other partners who are also contributing to the cost of developing the Mustang Project; in the following the three entities are referred to as the Project Partners.

Amounts expended on drilling of wells at the Mustang Project qualify for a rebate of 45% under the Alaskan Clear and Equitable Scheme (“ACES”). The tax rebate was introduced by the Alaskan State Government in 2010 to incentivise drilling and development of oil and gas projects within Alaska. Alaska has an AAA credit rating by international credit ratings agencies.

The tax rebate is paid in cash to holders of a working interest in the Mustang Project, is not determined on the success of any a well and is not repayable to the State. Applications for a tax rebate are made in February of the year following the qualifying expenditure. After an audit process, the rebates are typically paid approximately 6 months after an application is lodged.

The Facility

The Project Partners have executed a USD\$30 million Facility with ING to provide funding of 95% of the tax credits available to the Project Partners at the time of the capital expenditure.

Currently, the Project Partners have accrued approximately USD\$22.5 million in tax rebates which relate to drilling expenditures at the Mustang Project in late 2014 and 2015. Approximately USD\$6.5 million of this amount is anticipated to be paid in August 2015 and the remainder in August 2016, all amounts received will be used to pay the principal and interest on the Facility.

The Facility can also be used for all future drilling expenditures at the Mustang Project and therefore reduces substantially the amounts that need to be contributed by the Company. This is the Company’s first credit facility supporting its expansion in the oil and gas industry and is an important milestone.

By Order of the Board

Lim Ka Bee
Company Secretary
11 May 2015



(Company Registration No. 200310813H)

www.alphaenergy.com.sg

This announcement has been prepared by the Company and its contents have been reviewed by the Company's 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 Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.