CIRCULAR DATED 15 MARCH 2019

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

THIS CIRCULAR IS ISSUED BY NAUTICAWT LIMITED (THE "COMPANY"). IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all of your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or the transfer was effected, for onward transmission to the purchaser or the transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this Circular. This Circular has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in the Circular. The contact person for the Sponsor is Ms Alicia Sun, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.

NAUTEC

NAUTICAWT LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201108075C)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF NAUTICAWT ENERGY PTE. LTD.

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	30 March 2019 at 11:00 a.m.
Date and time of Extraordinary General Meeting	:	1 April 2019 at 11:00 a.m.
Place of Extraordinary General Meeting	:	12 Tai Seng Link #05-01A, Singapore 534233

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

"**1H2018**"	:	Half year ended 30 June 2018
"**1H2018 Impairment Adjustment**"	:	The impairment of US$2.6 million made at the Target level in 1H2018 in relation to the assets to be disposed of
"**1H2018 Results Announcement**"	:	The Group's financial statements results announcement for 1H2018 released on 6 August 2018
"**Act**" or the "**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
"**Acquisition**"	:	The farm-out of a 50% participating interest in Block VIIB, West Georgia production sharing contract by Vectra to the Target
"**Block VIIB**"	:	Block VIIB, West Georgia
"**Block VIIB PSC**"	:	Block VIIB, West Georgia production sharing contract
"**Block VIIB PSC asset**"	:	The Target's interests in Block VIIB PSC
"**Board**" or "**Board of Directors**"	:	The board of Directors of the Company for the time being
"**Catalist**"	:	The Catalist sponsor-supervised regime of the SGX-ST
"**Catalist Rules**"	:	The SGX-ST's Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 15 March 2019
"**Company**"	:	NauticAWT Limited
"**Completion**"	:	The completion of the Proposed Disposal which shall take place on the Completion Date
"**Completion Date**"	:	The completion of the Proposed Disposal which shall be no later than thirty-five (35) days after the date of signing the SSA
"**Conditions Precedent**"	:	The conditions precedent to Completion as set out in Section 2.5 of this Circular
"**Consideration**"	:	Has the meaning ascribed to it in Section 2.4 of this Circular
"**Director(s)**"	:	The director(s) of the Company as at the date of this Circular
"**EGM**"	:	The extraordinary general meeting of the Company in relation to the Proposed Disposal, notice of which is set out on pages 16 and 17 of this Circular

"**Extended Expiry Date**"	:	The extended option expiry date of 12 February 2019
"**FY**"	:	Financial year of the Company ended or ending 31 December as the case may be
"**Group**"	:	The Company and its subsidiaries
"**Impairment**"	:	The impairment of US$2.7 million made by the Company upon the Lapsing of the Term Sheet
"**JOA**"	:	The joint operating agreement entered into by the Target and Vectra on 15 December 2016, pursuant to which both parties shall define their respective rights and obligations with respect to petroleum operations conducted under the Block VIIB PSC
"**Lapsing of the Term Sheet**"	:	The Term Sheet that had lapsed on 12 February 2019
"**Latest Practicable Date**"	:	12 March 2019, being the latest practicable date prior to the printing of this Circular
"**LPS**"	:	Loss per share
"**Notice of EGM**"	:	The notice of EGM as set out on pages 16 and 17 of this Circular
"**NTA**"	:	Net tangible assets
"**NVP**"	:	NVP Georgia LLC
"**Potential Disposal**"	:	The potential 100% disposal of the Target and Vectra's interest in the Block VIIB PSC and NVP to QP
"**Proposed Disposal**"	:	The proposed disposal of the entire issued and paid-up share capital of NauticAWT Energy Pte. Ltd., a wholly-owned subsidiary of the Company
"**Proxy Form**"	:	The proxy form in respect of the EGM as set out in this Circular
"**Purchaser**"	:	Mr Cheah Meng Fui, a private individual and investor based in Malaysia
"**QP**"	:	Qyrin Petroleum Technology Sdn Bhd
"**Related Company Balances**"	:	Net amount due to related companies amounting to US$3.0 million
"**Sale Share**"	:	The total issued and paid-up share capital of the Target of S$1.00 comprising 1 ordinary share of S$1.00 each
"**SFA**"	:	The Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time

"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shares**"	:	Ordinary shares in the issued and paid-up capital of the Company
"**Shareholder(s)**"	:	The registered holders of the Shares, except that where the registered holder is CDP, the term "Shareholders" shall, where the context admits, mean the Depositors to whose securities accounts maintained with CDP are credited with the Shares
"**SSA**"	:	The share sale agreement dated 18 February 2019 entered into between the Company and the Purchaser in relation to the Proposed Disposal
"**Sponsor**"	:	SAC Capital Private Limited
"**Substantial Shareholder**"	:	A person who has an interest in voting shares of the Company, the total votes attached to which is not less than 5% of the total votes attached to all the voting shares of the Company
"**Target**"	:	NauticAWT Energy Pte. Ltd.
"**Term Sheet**"	:	The term sheet entered into on 26 July 2018 amongst the Company, QP and Vectra in relation to the Potential Disposal
"**Transfer**"	:	The transfer of the remaining 50% participating interest in the Block VIIB PSC from Vectra to the Target
"**Transfer Agreement**"	:	The agreement of assignment and transfer entered into on 12 March 2019 between the Company and Vectra in relation to the Transfer
"**UHPC**"	:	Ultra High Performance Concrete
"**Vectra**"	:	Vectra Petroleum Limited
"**VWAP**"	:	Volume weighted average price
"**%**" or "**per cent**"	:	Per centum or percentage
"**S$**"	:	Singapore dollars, the lawful currency of Singapore
"**US$**"	:	United States dollars, the lawful currency of the United States of America

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in the SFA.

The term "**treasury shares**" shall have the meaning ascribed to it in Section 4 of the Companies Act.

DEFINITIONS

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Catalist Rules or any modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a date and time of day in this Circular shall be a reference to Singapore date and time, unless otherwise stated.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures which precede them.

NAUTICAWT LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201108075C)

Board of Directors:

Lim How Teck (Chairman and Independent Director)
John Grønbech (Executive Director and Chief Executive Officer)
Teo Lek Hong (Independent Director)
Tay Kee Liat (Independent Director)

Registered Office:

12 Tai Seng Link
#05-01A
Singapore 534233

To: The Shareholders of the Company

Date: 15 March 2019

Dear Sir/Madam

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF NAUTICAWT ENERGY PTE. LTD.

1. INTRODUCTION

On 18 February 2019, the Company announced that it had on 18 February 2019 entered into a share sale agreement (the "**SSA**") with Mr. Cheah Meng Fui (the "**Purchaser**"), pursuant to which the Company shall sell the entire issued and paid-up share capital of NauticAWT Energy Pte. Ltd. (the "**Target**"), a wholly-owned subsidiary of the Company subject to the terms and conditions of the SSA (the "**Proposed Disposal**"). As at the date of signing the SSA, the Target has a total issued and paid-up share capital of S$1.00 comprising 1 ordinary share of S$1.00 each (the "**Sale Share**").

The purpose of this Circular is to provide Shareholders with information on the Proposed Disposal, and to seek approval of Shareholders for the Proposed Disposal to be tabled at the EGM to be held on 1 April 2019 for the matter set out in the Notice of EGM on pages 16 and 17 of this Circular.

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

The Sponsor and the SGX-ST have not independently verified the contents of this Circular. Neither the Sponsor nor the SGX-ST assumes any responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, account or other professional adviser immediately.

2. THE PROPOSED DISPOSAL

2.1 Information on the Target

The Target is a private company incorporated in Republic of Singapore, having its registered office and principal place of business at 12 Tai Seng Link #05-01A, Singapore 534233. As at the date of the SSA, the Target is primarily engaged in the operations of the Block VIIB PSC (as defined below). Save for which, there are no other operations carried out by the Target.

2.1.1 Background Information

The Company refers to its previous announcements on 16 December 2016, 16 March 2017, 20 March 2017, 29 September 2017 and 27 July 2018, in relation to the production enhancement project in Block VIIB, West Georgia and the Company's circular dated 31 May 2017 in relation to, inter alia, the proposed expansion of the Group's business to include oil and gas exploration and production as a result of the Group's interest in the Block VIIB PSC (as defined below).

As announced by the Company on 16 December 2016, the Target had on 15 December 2016 entered into a farm-in agreement with Vectra Petroleum Limited ("**Vectra**"), a company incorporated in Hong Kong, pursuant to which Vectra shall farm-out a 50% participating interest in the Block VIIB, West Georgia ("**Block VIIB**") production sharing contract ("**Block VIIB PSC**") to the Target (the "**Acquisition**") and the Target had on 15 December 2016 entered into a joint operating agreement (the "**JOA**") with Vectra, pursuant to which both parties to the JOA shall define their respective rights and obligations with respect to petroleum operations conducted under the Block VIIB PSC.

The Target and Vectra are the legal and beneficial owners of, and have the right to convey, certain participating interests in the Block VIIB PSC. As at the date of this announcement, the Target and Vectra each holds 50% interest in the Block VIIB PSC. Subsequently, the Company has classified the assets and liabilities attributable to the Target as asset held for sale in the audited financial statements for FY2017.

As announced by the Company on 27 July 2018, the Company had on 26 July 2018 entered into a binding term sheet ("**Term Sheet**") with Qyrin Petroleum Technology Sdn Bhd ("**QP**") and Vectra in relation to the potential 100% disposal of the Target and Vectra's interest in the Block VIIB PSC and NVP Georgia LLC ("**NVP**") to QP (the "**Potential Disposal**").

Subsequent to entering into the Term Sheet, QP did not exercise the option to purchase the Block VIIB before the original option expiry date which had been granted to QP as per terms set out in the Term Sheet (despite the Company having fulfilled the terms by delivering the "Letter of Support" on 20 December 2018 as required under the Term Sheet, where QP has the discretion to exercise or reject the option (as the case may be) for good reason acting reasonably and in good faith). The Company had extended the option expiry date to 12 February 2019 (the "**Extended Expiry Date**") while negotiating with QP. However, the option was still not exercised by QP before the Extended Expiry Date. Accordingly, the Term Sheet had lapsed on 12 February 2019 (the "**Lapsing of the Term Sheet**").

2.1.2 Financial Information

As announced by the Company on 7 August 2018, the net book value of the Target's interests in the Block VIIB PSC (the "**Block VIIB PSC asset**") as at 30 June 2018, which was recorded in the books of the Target, was US$2.6 million. During the second half year ended 31 December 2018, there had been further cash injection of approximately US$0.1 million to the Block VIIB PSC asset for some minimal and limited work program activities.

Upon the Lapsing of the Term Sheet, the Company had made an impairment of US$2.7 million (the "**Impairment**") to the entire Block VIIB PSC asset, which had resulted in a NIL net book value of this asset as at 31 December 2018.

Accordingly, the Target had a net liabilities position as at 30 June 2018 of US$0.4 million (before the

Impairment) and net liabilities position of US$3.0 million (after the Impairment). Based on the unaudited consolidated financial statements of the Target for FY2018, the net liabilities position of the Target, as at 31 December 2018, is US$3.2 million (after the Impairment and including net amount due to related companies of US$3.0 million (the "**Related Company Balances**")). The Related Company Balances, including an amount of US$2.3 million owing from the Target to the Company, will be waived upon completion of the Proposed Disposal.

The Company had informed and discussed with the Company's auditors in relation to the basis of the Impairment, which was made on the investment and receivables in relation to the Block VIIB PSC asset, based on the Consideration. However, as at the Latest Practicable Date, the Impairment, along with the Group's financial statements for FY2018, had not been audited. In view of the aforesaid assessment, the Board is of the opinion that the Impairment is reasonable and justifiable.

2.2 **Information on Block VIIB and NVP**

Block VIIB is located in western Georgia. It contains eighty wells drilled from 1940 to 1994, of which three (3) and four (4) are currently active and producing oil from the Shromosubani and Supsa oil fields respectively.

NVP is a private company incorporated in Georgia and is an operating company under the Block VIIB PSC. The Target and Vectra each holds 50% of shareholding in NVP.

2.3 **Information of the Purchaser**

Mr Cheah Meng Fui is a private individual and investor based in Malaysia who has interests in various industries which include: -

i. Palm oil plantation,
ii. Information Technology, and
iii. Private Fund invested in various markets.

He has secured and entered into a partnership with a company with expertise in Oil and Gas Enhanced Intelligent Oil Recovery (EiOR) for the further extraction of oil in marginal fields.

The Purchaser was introduced to the Company by a business associate of the Company. He is an independent third party and is not related to any of the Company's directors, controlling shareholders, substantial shareholders or their respective associates. The Purchaser is also not related to any of Vectra's directors, controlling shareholders, substantial shareholders or their respective associates.

2.4 **Consideration**

The consideration for the Proposed Disposal shall be the sum of US$1 (the **"Consideration"**), which shall be paid in cash. The Consideration was determined on a willing-buyer willing-seller basis after arm's length negotiations between the Company and the Purchaser, and taking into account, *inter alia,* (i) the net liabilities position of the Target of approximately US$3.2 million as at 31 December 2018, (ii) the liabilities of approximately US$0.3 million at Georgia operations of Block VIIB PSC to be assumed by the Purchaser, (iii) US$0.16 million loan due to QP under the Term Sheet, and (iv) the Block VIIB PSC had not been making any contributions to the financials of the Group since its acquisition in December 2016. Furthermore, there were no other operations carried out by the Target during FY2018, except carrying out minimal and limited work program activities at Block VIIB PSC.

As such, no external independent valuation was carried out for the Proposed Disposal and in turn the Block VIIB PSC.

2.5 **Conditions Precedent**

2.5.1 Completion of the Proposed Disposal is conditional upon the following conditions precedent being fulfilled or waived in accordance with the SSA:

(a) such approvals and consents as may be necessary from any relevant competent authority in Singapore for the transactions contemplated under the SSA being obtained, and not withdrawn or amended, on or before the Completion Date (as defined below);

(b) if required, the approval of the SGX-ST for the transactions contemplated under the SSA, and such approval remaining in full force and effect at Completion (as defined below);

(c) the requisite approval of the Shareholders at an EGM having been obtained for the transactions contemplated under the SSA;

(d) approval of the Board of Directors of the Company for the transactions contemplated under the SSA, including but not limited to the transfer of the remaining 50% participating interest in the Block VIIB PSC from Vectra to the Target before the Completion;

(e) resolutions of the Board of Directors of the Company approving the transfer of the Sale Share contemplated herein; and

(f) resolutions of the Board of Directors of the Purchaser approving the transfer of the Sale Share contemplated herein (if applicable).

2.5.2 Each of the parties to the SSA shall use its best efforts to procure the fulfilment or waiver of the conditions precedent for which it is responsible. In the event that the conditions precedent are not fulfilled or waived within thirty (30) days from the date of signing the SSA or such longer period as may be mutually agreed by the Parties, the SSA shall be deemed rescinded ab initio and the legal costs and expenses incurred by each party in connection with the preparation of all legal documentation in respect of the SSA up to that point in time shall be borne by each party to the SSA.

2.6 **Completion**

Subject to the terms and conditions of the SSA, completion shall take place on the completion date (the "**Completion**"), which shall be no later than thirty-five (35) days after the date of signing the SSA (the "**Completion Date**").

The Proposed Disposal is subject to, amongst other things, the transfer of the remaining 50% participating interest in the Block VIIB PSC from Vectra to the Target (the "**Transfer**") before the Completion.

The Target had on 12 March 2019 entered into an agreement of assignment and transfer (the "**Transfer Agreement**") with Vectra in relation to the Transfer. As the Transfer and the Proposed Disposal are made inter-conditional and there is no consideration to Vectra pursuant to the Transfer Agreement, it is not expected to have any material financial impact on the Group. As the relative figures of the Transfer computed on the applicable bases set out in Rule 1006 of the Catalist Rules do not exceed 5%, the Transfer is considered a non-discloseable transaction under Rule 1008 of the Catalist Rules. To the best of the Company's knowledge, there is no consideration from the Purchaser to Vectra for the remaining 50% participating interest in the Block VIIB PSC.

As at the date of this Circular, the Transfer has not been completed.

2.7 **Service Contracts**

No person will be appointed to the board of directors of the Company in connection with the Proposed Disposal and accordingly, no service contracts in relation thereto will be entered into between the Company and any such person.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL AND USE OF PROCEEDS

3.1 Rationale for the Proposed Disposal

In order to maintain the Block VIIB PSC, the Company has to meet certain obligations including but not limited to substantial funding (including both capital expenditures and operational expenditures) to carry out the work program activities under the PSC. Furthermore, failure to maintain the terms of the PSC can incur a default resulting to termination of the Block VIIB PSC and potential penalties and liabilities arise from the termination.

The Company had incurred an aggregate of US$2.7 million as of 31 December 2018, of which US$1.2 million was in relation to the Acquisition. In order to boost the production, upon the Acquisition, the Target had drawn down a bank loan of S$2.0 million for the re-development of the old wells which had impaired due to damages caused to the rock around the well bores, through poor drilling practice and old soviet era technology originally employed at Block VIIB. However, the re-development costs were capital-intensive, and did not result in an appreciable increase in production.

The Company has had 3 reserve evaluation reports from 2007 to 2017 from independent reserve estimators. Generally, the reserve valuation report determines the majority value of an oil field asset and the exact reserve may or may not recover, subject for numbers of factors such as technology, expertise, environmental, political and government policies, amongst others. The reserve evaluation reports have shown promising reserves and such reports had been provided to all potential buyers for their assessment purposes.

The Company was aware of the potential risks and rewards involved in the Block VIIB PSC based on the available analyses and data prior to the Acquisition. Investments in oil and gas upstream projects carry a high degree of uncertainty given the reliance on an unknown state of nature. In the case of the Block VIIB PSC asset, a combination of mechanical solutions and financial resources for capital and operating expenditures are essential for material improvement to production rates.

To maintain the licence for Block VIIB PSC in good standing and avoid default, immediate and ongoing capital injection is required. However, the Company does not have capital funding to further support that and have been using operating funds from the Group which was stressful to the cash flow. There are no other parties outside of the Purchaser willing to accept the deal and inject capital urgently, following the lapsing of the Term Sheet. A rejection of the Purchaser's offer would almost certainly result in default and loss of the licence with potential penalties.

Notwithstanding the above, due to the changes of the business strategy of the Company focusing its business and funds on the development and production of Ultra High Performance Concrete ("**UHPC**") materials and offering engineered UHPC solutions and potentially acquiring new business after, *inter alia*, review of the Group's cash flows and working capital requirements, the Board has decided to dispose of the Target, and its interests in the Block VIIB PSC and NVP.

The Company had also been in negotiations with third parties to dispose of the Block VIIB PSC asset since 2017, which had been disclosed in the audited financial statements for FY2017, where the Group had classified the assets and liabilities attributable to the Target as asset held for sale. However, save for the offers from QP and the Purchaser, the Company had received no other reasonable offers.

Having taken into consideration the commercial difficulties arising from (i) the liabilities that the Purchaser has to assume, (ii) the net liabilities position of the Target and the Group as at 31 December 2018, and (iii) this asset had not been making any contributions to the financials of the Group since its acquisition in December 2016, the Board is of the view that the Proposed Disposal is in the best interest of the Group and its Shareholders in order to relieve the Group's financial burden. The Group is disposing its non-core asset and there will be no change in risk profile of the Group upon Completion.

3.2 Use of Proceeds, Value of the Target and Gain on the Proposed Disposal

As the Consideration of the Proposed Disposal is only US$1 and the net proceeds will represent a deficit of US$40,000, after deducting estimated fees and expenses to be incurred in connection with the Proposed Disposal of approximately US$40,000, it will not be meaningful to disclose the intended use of such proceeds.

As explained under Section 2.1.2 of this Circular, the Target is in a net liabilities position of US$3.2 million (after the Impairment of US$2.7 million in relation to the Block VIIB PSC asset and including the Related Company Balances) as at 31 December 2018.

Based on the foregoing, the Group would expect to realise a net gain on disposal, after taking the waiver of the Related Company Balances into consideration, of US$0.2 million.

If the Related Company Balances is not waived, the gain on the disposal would have been US$3.2 million. For avoidance of doubt, the amount due to the Company is US$2.3 million as at 31 December 2018. As part of the commercial negotiations with the Purchaser, it is part of the requirements of the SSA for the waiver of the Related Company Balances, only upon which will the Purchaser be interested to acquire 100% interest of the Block VIIB PSC.

4. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects are presented for illustrative purposes only and are not intended to reflect the actual future financial position of the Group following the completion of the Proposed Disposal. The following table illustrates the financial effects of the Proposed Disposal on (i) the net tangible assets ("**NTA**") per Share of the Group (assuming the Proposed Disposal had been completed at the end of that financial year); and (ii) the loss per Share ("**LPS**") of the Group (assuming that the Proposed Disposal had been completed at the beginning of that financial year) based on the latest audited consolidated financial statements of the Group for FY2017.

For the avoidance of doubt, such financial effects do not take into account (i) any corporate actions announced and undertaken by the Group; and (ii) any issuance of new shares in the capital of the Company, on or after 1 January 2018.

4.1 Share Capital

As there will be no issuance of shares by the Company pursuant to the Proposed Disposal, there will be no impact on the issued and paid-up share capital of the Company.

4.2 NTA per Share

	As at 31 December 2017	
	Before the Proposed Disposal	**After the Proposed Disposal**
NTA (US$'000)	112	286

Number of Shares	190,965,893	190,965,893
NTA per Share (US$ cents)	0.06	0.15

4.3 LPS

	FY2017	
	Before the Proposed Disposal	**After the Proposed Disposal**
Loss attributable to owners of the Company (US$'000)	6,855	6,681
Weighted average number of Shares	190,965,893	190,965,893
LPS (US$ cents)	3.59	3.50

4.4 Gearing

	As at 31 December 2017	
	Before the Proposed Disposal	**After the Proposed Disposal**
Total borrowings (US$'000)	7,389	7,389
Shareholders' funds (US$'000)	793	967
Gearing	9.31	7.64

5. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

5.1 The relative figures in relation to the Proposed Disposal are computed on the applicable bases set out in Rule 1006 of the Catalist Rules based on the financial statements for the half year ended 30 June 2018 ("**1H2018**"), being the latest announced unaudited financial statements of the Group as at the date of the SSA.

		Relative Figures	
1006	**Bases**	**Scenario 1[(1)]**	**Scenario 2[(2)]**
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	-312.53%[(3)]	180.66%[(4)]
(b)	The net losses[(5)] attributable to the assets disposed of, compared with the Group's net profits(losses)[(5)].	-2,896.40%[(6)]	108.23%[(7)]
(c)	The aggregate value of the consideration received, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares.	0.00%[(8)]	0.00%[(8)]
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable[(9)]	Not applicable[(9)]
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable[(10)]	Not applicable[(10)]

Notes:

(1) An impairment of US$2.6 million was made at the Target level in 1H2018 in relation to the assets to be disposed of (the "**1H2018 Impairment Adjustment**").

For the avoidance of doubt,

(i) the Group's figures used for the computation in Scenario 1 was based on the Group's financial statements results announcement for 1H2018 released on 6 August 2018 (the "**1H2018 Results Announcement**"), without having adjusted for the 1H2018 Impairment Adjustment.

(ii) The Company has not made any impairment to the assets to be disposed of in the 1H2018 Results Announcement due to the uncertainty of the Potential Disposal and the finalisation of the net consideration payable to QP will only be ascertained upon the entry into the definitive sales and purchase agreement. As at the date of this announcement, the Term Sheet has lapsed.

(2) Based on the 1H2018 Results Announcement and taking into account of the 1H2018 Impairment Adjustment at the Group level.

(3) The assets to be disposed of is in net liabilities position of US$3.0 million as at 30 June 2018, compared with the Group's net asset value US$1.0 million as at 30 June 2018.

(4) The assets to be disposed of is in net liabilities position of US$3.0 million as at 30 June 2018, compared with the Group's net liabilities position of US$1.7 million as at 30 June 2018.

(5) "Net losses/profits" means loss/profit before income tax, minority interests and extraordinary items.

(6) Based on net losses attributable to the assets to be disposed of US$2.7 million for 1H2018, compared with the Group's net profits of US$0.1 million for 1H2018. The Group's net profits for 1H2018 is based on the loss before tax from continuing operations of US$0.3 million, loss for the period from discontinued operations of US$0.1 million and excluding the one-off NauticAWT Performance Share Plan cost of US$0.5 million.

(7) Based on net losses attributable to the assets to be disposed of US$2.7 million for 1H2018, compared with the Group's net losses of US$2.5 million for 1H2018.

(8) Based on the Consideration of S$1.36 (based on Consideration of US$1 at the exchange rate as at 31 December 2018 of S$1.3648:US$1) and the Company's market capitalisation of approximately US$4.2 million (based on the Company's existing issued share capital of 212,333,525 Shares (excluding treasury shares) and the volume weighted average price ("**VWAP**") of S$0.020 per Share on 11 December 2018, being the last full market day on which trades were recorded on Catalist of the SGX-ST immediately preceding the date on which the SSA was entered into).

(9) This basis is not applicable as no equity securities will be issued by the Company as consideration for the Proposed Disposal.

(10) This basis is only applicable to a disposal of mineral, oil and gas assets, and is accordingly not applicable to the Proposed Disposal.

5.2 For the purposes of the Circular, the relative figures in relation to the Proposed Disposal computed on the applicable bases set out in Rule 1006 of the Catalist Rules based on the financial statements for FY2018 being the latest announced unaudited financial statements of the Group as at the Latest Practicable Date are set out below.

1006	Bases	Relative Figures
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	90.39%(1)
(b)	The net losses(2) attributable to the assets disposed of, compared with the Group's net losses(2).	64.60%(3)
(c)	The aggregate value of the consideration received, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares.	0.00%(4)

(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable[5]
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable[6]

Notes:

(1) The assets to be disposed of is in net liabilities position of US$3.2 million as at 31 December 2018, compared with the Group's net liabilities value US$3.6 million as at 31 December 2018.

(2) "Net losses" means loss before income tax, minority interests and extraordinary items.

(3) Based on net losses attributable to the assets to be disposed of US$2.9 million for FY2018, compared with the Group's net losses of US$4.5 million for FY2018. The Group's net losses for FY2018 is based on the loss before tax from continuing operations of US$2.2 million, loss for the year from discontinued operations of US$2.8 million and excluding the one-off NauticAWT Performance Share Plan cost of US$0.5 million.

(4) Based on the Consideration of S$1.36 (based on Consideration of US$1 at the exchange rate as at 31 December 2018 of S$1.3648:US$1) and the Company's market capitalisation of approximately US$4.2 million (based on the Company's existing issued share capital of 212,333,525 Shares (excluding treasury shares) and the volume weighted average price ("**VWAP**") of S$0.020 per Share on 11 December 2018, being the last full market day on which trades were recorded on Catalist of the SGX-ST immediately preceding the date on which the SSA was entered into).

(5) This basis is not applicable as no equity securities will be issued by the Company as consideration for the Proposed Disposal.

(6) This basis is only applicable to a disposal of mineral, oil and gas assets, and is accordingly not applicable to the Proposed Disposal.

5.3 For avoidance of doubt, the relative figures computed on the applicable bases set out in Rule 1006 above sets out the net impact of the Proposed Disposal, being the Proposed Disposal of the Company's equity interests in the Target, which in turn holds 50% interest in the Block VIIB PSC. The Transfer is to facilitate the disposal of 100% interests in the Block VIIB PSC, held collectively by the Target and the Vectra, to the Purchaser, and is not expected to have any material impact to the figures set out in this announcement.

Having regard to the above, as the relative figures calculated on the bases pursuant to Rule 1006(a) and (b) exceed 50% as presented in Sections 5.1 and 5.2 of the Circular above, the Proposed Disposal constitutes a 'major transaction' under Chapter 10 of the Catalist Rules, and is therefore subject to the approval of the Shareholders at an EGM to be convened.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 Interests in the Company

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up share capital in the Company as recorded in the Register of Directors' Shareholdings maintained pursuant to Section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to Section 88 of the Companies Act are as follows:

	Direct Interest		**Deemed Interest**		**Total Interest**	
	Number of Shares	**%[1]**	Number of Shares	**%[1]**	Number of Shares	**%[1]**

Directors						
John Grønbech	82,088,000	38.66	-	-	82,088,000	42.99
Lim How Teck	150,600	0.07	-	-	150,600	0.07
Tay Kee Liat	-	-	-	-	-	-
Teo Lek Hong	-	-	-	-	-	-
Substantial Shareholders						
John Grønbech	82,088,000	38.66	-	-	82,088,000	38.66
Kim Seng Holdings Pte. Ltd. [(2)]	48,360,000	22.78	-	-	48,360,000	25.32
Tan Fuh Gih[(2)]	857,751	0.40	48,360,000	22.78	49,217,751	23.18
Tan Kim Seng[(2)]	-	-	48,360,000	22.78	48,360,000	22.78
Tan Hoo Lang[(2)]	-	-	48,360,000	22.78	48,360,000	22.78

Notes:

1. Based on 212,333,525 Shares as at the Latest Practicable Date.
2. Kim Seng Holdings Pte. Ltd. is an investment holding company incorporated in Singapore. Tan Kim Seng, Tan Fuh Gih and Tan Hoo Lang hold 24.0%, 22.0% and 22.0% of the issued and paid-up share capital of Kim Seng Holdings Pte. Ltd. respectively and are each deemed interested in the shares held by Kim Seng Holdings Pte. Ltd. The remaining shareholders of Kim Seng Holdings Pte. Ltd. are Tan Wei Min (20%), Tan Ah Ling (5.0%), Loh Sok Beng (5.0%) and Tan Ah Moy (2.0%). Tan Kim Seng, Tan Fuh Gih, Tan Hoo Lang, Tan Wei Min, Tan Ah Ling, Loh Sok Beng and Tan Ah Moy are siblings. Tan Kim Seng, Tan Fuh Gih and Tan Hoo Lang are directors of Kim Seng Holdings Pte. Ltd.

6.2 **Interests in the Proposed Disposal**

Save for their interests in the Shares as disclosed above, none of the Directors, the controlling shareholders, or substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Disposal.

7. DIRECTORS' RECOMMENDATION

The Directors, having reviewed and considered, among other things, the terms and conditions of the SSA, the rationale for and benefits of the Proposed Disposal, and all other relevant information set out in this Circular, are unanimously of the opinion that the Proposed Disposal is in the best interests of the Company and accordingly, recommend that Shareholders vote in favour of the ordinary resolution as set out in the Notice of EGM.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 16 and 17 of this Circular, will be held on 1 April 2019 at 11:00a.m. at 12 Tai Seng Link #05-01A, Singapore 534233 for the purpose of considering and, if thought fit, passing, with or without any modification, the ordinary resolution set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak

and vote thereat unless his name appears on the Depository Register, as certified by the CDP, as at 72 hours before the EGM.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information is accurately extracted from those sources and/or reproduced in the Circular in its proper form and context.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date hereof up to and including the date of the EGM:

(a) the Constitution of the Company;

(b) the annual report for FY2017;

(c) the SSA; and

(d) the Transfer Agreement.

Yours faithfully
For and on behalf of the Board of Directors of
NAUTICAWT LIMITED

John Grønbech
Executive Director and CEO

NAUTICAWT LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201108075C)

NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalised terms in this Notice which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 15 March 2019.

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of NauticAWT Limited (the "**Company**") will be held at 12 Tai Seng Link #05-01A, Singapore 534233 on Monday, 1 April 2019 at 11:00a.m., for the purpose of considering and, if thought fit, passing with or without any modifications the following resolution.

ORDINARY RESOLUTION

THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF NAUTICAWT ENERGY PTE. LTD.

That:

(a) approval be and is hereby given for the disposal of the entire issued and paid-up share capital of NauticAWT Energy Pte. Ltd., a wholly-owned subsidiary of the Company pursuant to the terms and conditions of the share sale agreement dated 18 February 2019 between the Company and Cheah Meng Fui (the "**Proposed Disposal**"); and

(b) the directors of the Company and each of them be and are hereby authorised to do all acts and things as they and/or he in their and/or his absolute discretion may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to the Proposed Disposal, this Ordinary Resolution and/or the matters contemplated therein.

By Order of the Board
NAUTICAWT LIMITED

Chua Kern
Company Secretary

15 March 2019

Notes:

1. A member of the Company entitled to attend and vote at the extraordinary general meeting (the "**Meeting**") is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

2. A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act (Chapter 50) of Singapore (the "**Act**")) is entitled to appoint not more than two proxies and where two proxies are appointed, shall specify the proportion of the shareholding to be represented by each proxy.

3. A member who is a relevant intermediary (as defined in Section 181 of the Act) is entitled to appoint more than two proxies and where such member's form of proxy appoints more than one proxy, the number of and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Each proxy must be appointed to exercise the rights attached to the different share or shares held by such member.

4. If a proxy is to be appointed, the instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02 Singapore 068898, not less than 48 hours before the time appointed for holding the AGM.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representative appointed for the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representatives to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representatives for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representatives for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

(Please see notes overleaf before completing this form)

IMPORTANT:

1. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investors**") may attend and cast his vote(s) at the EGM in person. SRS Investors who are unable to attend the EGM but would like to vote may inform their SRS Approved Nominees to appoint the chairman of the EGM to act as their proxy, in which case, the SRS Investors shall be precluded from attending the EGM.
2. This proxy form is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Please read the notes to this proxy form.

NAUTICAWT LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201108075C)

I/We_____ (Name) NRIC/Passport No._____

of _____ (Address) being a

being a member/members* of NauticAWT Limited (the "**Company**"), hereby appoint[2]:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares[5]	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares[5]	**%**
Address			

or failing *him/her/them, the chairman of the extraordinary general meeting ("**Meeting**"), as *my/our proxy/proxies to vote for *me/us on *my/our behalf at the Meeting of the Company to be held at 12 Tai Seng Link #05-01, Singapore 534233 on Monday, 1 April 2019 at 11:00a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Ordinary Resolution proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

If you wish to exercise all your votes "For" or "Against", please tick (✓) within the appropriate box provided. Otherwise, please indicate the number of votes as appropriate.

No.	**Ordinary Resolution**	**For**	**Against**
1.	The proposed disposal of the entire issued and paid-up share capital of NauticAWT Energy Pte. Ltd., a wholly-owned subsidiary of NauticAWT Limited		

Dated this _____ day of _____ 2019

_____
Signature(s) of Shareholder(s) or,
Common Seal of Corporate Shareholder[9]
** Delete where inapplicable*

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT: PLEASE READ NOTES ON THE REVERSE CAREFULLY BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore), you should insert that number of shares. If you have shares registered in your name in the register of members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the register of members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the register of members. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.

2. Except for a member who is a relevant intermediary as defined in Section 181(6) of the Companies Act (Cap. 50) of Singapore ("**Companies Act**"), a member shall be entitled to appoint no more than two (2) proxies to attend and vote at the Meeting of the Company. A proxy need not be a member of the Company.

3. A member who is a relevant intermediary (as defined in Section 181(6) of the Companies Act) and who is entitled to attend and vote at the AGM may appoint more than two (2) proxies to attend and vote on its behalf but each proxy must be appointed to exercise the rights attached to a different share or shares held by it (which number and class of shares shall be specified). In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

4. Relevant intermediary means:

    (a) a banking corporation licensed under the Banking Act (Cap. 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

    (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) of Singapore and who holds shares in that capacity; or

    (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation

5. Where a member appoints more than one (1) proxy, the member shall specify the proportion of his/her/its Shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

6. Completion and return of this proxy form shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this proxy form to the EGM.

7. This proxy form must be deposited at the Company's share registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898, not less than 48 hours before the time appointed for the EGM (or at any adjournment thereof).

8. This proxy form must be under the hand of the appointor or by his/her attorney duly authorised in writing.

    (i) Where this proxy form is executed by a corporation, it must be executed either under its seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorized.

(ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form.

9. A corporation which is a member may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.

GENERAL:
The Company shall be entitled to reject this proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is shown not to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM (or at any adjournment thereof), as certified by the Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:
By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Notice of EGM dated 15 March 2019.

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