

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

**RESPONSES TO QUERIES FROM SHAREHOLDERS IN RESPECT OF THE COMPANY'S ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the annual report issued to shareholders on 30 March 2023 (the “Annual Report”).

Rex International Holding Limited (the “Company” and together with its subsidiaries, the “Group”) refers to the Annual Report and the invitation to shareholders to submit questions in advance of the Annual General Meeting (the “AGM”). The Company would like to provide the following information in response to queries from shareholders.

- 1. Why is production rate at the Yumna Field not back to January 2022 levels before the change-outs of the tanker and the Mobile Offshore Production Unit, even when the unplanned issues have been resolved?**

COMPANY RESPONSE

The Company would like to clarify that it is a natural progression that the volume of oil produced will decrease while the volume of water will increase, maintaining a fairly stable total liquid production volume, as a producing well progresses towards its end of life. The production total liquid capacity is also limited by the production equipment size.

To maintain a certain level of oil production volume, more producer wells are drilled over time to compensate for the lower oil production in the earlier producer wells.

Furthermore, generally after every shut down, the producing wells have to be progressively beamed up (i.e. engineering sequence of choke settings in the start-up of a well) so that the wells would not be damaged and oil recovery from the reservoir could be optimised.

- 2. What active measures is the Board taking to increase the production of various wells?**

COMPANY RESPONSE

The Group has a continuous plan for more production, appraisal and exploration well drillings in Block 50 Oman, subject to the availability of rigs and other equipment.

In Norway, four producer wells and one new water injection well are expected to be added to the Brage Field and four producer wells are expected to be added to the Yme Field over the course of 2023. The expectation of these new wells is that they will add to the reserves and production in Norway during 2023.

3. What is the estimated production rate for the upcoming quarters?

COMPANY RESPONSE

The Company does not give estimated production figures but will keep investors updated on production rates with its monthly production updates for the Yumna Field in Oman and the Brage and Yme Fields in Norway.

4. Why is the well success rate low even when the Company has the advanced proprietary liquid hydrocarbon indicator Rex Virtual Drilling (“RVD”) technology?

COMPANY RESPONSE

- Based on the results from RVD analyses, the Group has declined participation in 17 wells in Norway, which all turned out to be dry when drilled subsequently, saving us tens of millions of dollars in futile capital expenditure.
- With the support and use of RVD technology, the Group has achieved four commercial oil discoveries in Oman and Norway over the years - Oman: the Yumna discovery in Block 50 Oman in 2014; and in Norway: the PL 338C Rolvsnes discovery in the North Sea in 2015, in the PL838 Shrek discovery in the Norwegian Sea in 2019, and in the PL263D/E Apollonia gas discovery in the Norwegian Sea in 2020.
- The Group has been using the RVD technology extensively to de-risk farm-in opportunities and to select licences to apply for in Norway’s Awards in Predefined Areas (APA) rounds. The technology has allowed the Lime Petroleum AS team of exploration geoscientists to focus on licences with RVD support and discard areas without, building up a portfolio of both discoveries and high potential prospects.

5. What will or can the Company do with the pre-qualification of Lime Petroleum AS as an operator in Norway?

COMPANY RESPONSE

The pre-qualification as operator marks an important milestone for Rex’s subsidiary Lime Petroleum AS (“**LPA**”), as it is a confirmation that LPA has built a competent organisation for all major functional areas. LPA will now be allowed to assume operatorship of concessions on the Norwegian Continental Shelf, and operate licences on behalf of licence partnerships. As an operator, LPA will have more authority and control in regard to the direction of a concession and decisions made in concessions, which from LPA’s point of view, will result in better decisions. LPA will have more independence and flexibility when actively seeking new opportunities to enhance its asset portfolio, both in farm-ins and in licence application rounds, be it exploration or production assets, and thus more opportunities will open up.

6. **For the existing oil wells, how much oil can the Company extract economically and over what duration?**

COMPANY RESPONSE

Yumna Field, Oman

The summary qualified person's report on the Yumna Field dated 2 March 2023 states that as of 31 December 2022, the Yumna Field had produced 7.1 MMstb of oil. Remaining 2P gross reserves estimates in the Yumna Field have increased to 8.7 MMstb, making a total of 15.8 MMstb. This means the production will be able to continue for longer in Oman than previously envisaged.

Brage Field, Norway

The discovery in the Brage Field was made in 1980 and production started in 1993. According to the Norwegian Petroleum Directorate, there are 2.5 million Sm³ of oil equivalent or 15.7 mmboe of remaining reserves in the Brage Field. Accordingly, giving LPA net 2P Reserves of about 5.32 mmboe. Work is still ongoing to find new ways of increasing recovery from the field. New wells are being drilled, both production and exploration wells.

Yme Field, Norway

Yme was discovered in 1987. Production started in 1996 but ceased in 2001 because operation of the field was at the time no longer regarded as profitable, even though there were significant remaining reserves. The field has gone through a complete redevelopment, and production started again in October 2021. According to the Norwegian Petroleum Directorate, remaining reserves in the Yme Field stand at 8.71 million Sm³ of oil equivalent i.e. there are remaining 2P Reserves of about 5.5 mmboe in the Yme Field net to LPA.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström
Executive Director and Chairman

21 April 2023