

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

LIME PETROLEUM PLC - UPDATE

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning ascribed to them in the Company's announcements dated 31 December 2015 and 25 January 2016, in relation to Gulf Hibiscus Limited's ("**GHL**") filing of an application in the Isle of Man Court for leave to bring a derivative action on behalf of Lime Petroleum Plc ("**Lime**"), being the Company and GHL's jointly-controlled entity, against three (3) directors of Lime, namely Mr Karl Helge Tore Lidgren, Mr Simon Comina and Mr Laurence Keenan (the "**Lime Directors**") ("**Announcements**").*

In the Announcements, Mr Laurence Keenan was erroneously grouped among the directors nominated to the board of directors of Lime by Rex Middle East Ltd, a wholly-owned subsidiary of the Company, and Schroder & Co Banque S.A.. The Board of Directors (the "**Board**") of Rex wishes to clarify that while Mr Karl Helge Tore Lidgren is the director nominated to the board of directors of Lime by Rex Middle East Ltd and Mr Simon Comina is the director nominated to the board of directors of Lime by Schroder & Co Banque S.A., Mr Laurence Keenan is an external independent director of Lime. The appointment of Mr Laurence Keenan as an external independent director has been approved by Hibiscus Petroleum Berhad ("**Hibiscus**"), Rex and Schroder & Co Banque S.A.. All the above mentioned Lime Directors have been on the board of directors of Lime since its inception in 2011. Mr Lim Kock Hooi, GHL's nominated director to Lime, was recently appointed in place of Dr Kenneth Gerard Pereira, who had been on the board of directors of Lime since its inception.

LK (Fiduciaries) Limited ("**LKFL**") is the registered agent of Lime, responsible for secretarial and administrative matters relating to the Board of Lime. LKFL had on 3 February 2016, sent a letter to the board of directors of Lime, requesting their immediate attention and attendance at a board meeting to be convened on 4 February 2016 to make the necessary decisions with regard to Lime's financial distress situation, which if unresolved, could trigger a variety of legal actions against Lime. Among the options to be considered to limit Lime's liabilities were i) to wind up the company; ii) for Lime's shareholders to subscribe for further Lime shares; and iii) to find a third party to subscribe for Lime shares. The Company is confident that all actions undertaken by Lime have been in compliance with prevailing rules and regulations and that the Lime Directors have at all times acted consistently with their duties to Lime.

The Board refers to Hibiscus' announcement posted on Bursa Malaysia on 4 February 2016. Hibiscus claimed that the Lime Directors intended to proceed to make decisions at the 4 February 2016 board meeting without the presence of the GHL nominated director, but omitted to provide the background that the GHL nominated director had been invited to the meeting but chose not to attend.

Hibiscus' announcement only highlighted one of three options suggested - namely winding-up - and made defamatory allegations against the Lime Directors, purportedly claiming that they only acted with the view to avoid a derivative action against them instigated by GHL.

Hibiscus failed to disclose that the underlying reason for an emergency board meeting in Lime is to resolve the financial distress situation Lime is currently facing. In a financial distress situation, the Lime

Shareholders' Agreement provides for decisions to be taken by a simple majority of the directors of Lime.

The Company wishes to highlight that no winding up procedures of Lime have been initiated. However, that remains a possibility should Lime be unable to raise additional funding in the very short term to alleviate its current financial distress.

Lime's current situation of financial distress is a result of the breakdown of the relationship between Hibiscus and Rex, triggered by GHF's failure to honour its commitment to cash calls in Lime Petroleum Plc for use in Lime's former subsidiaries Lime Petroleum Norway AS ("LPN") and Masirah Oil Ltd ("MOL"). Rex and Lime have on several occasions asked Hibiscus to confirm and present clear proof whether Hibiscus had available funds to invest at the respective times for the cash calls. Hibiscus has refused to give such confirmation.

The Company reiterates that Mr Laurence Keenan has been on the Lime board since 2011 as an external independent director and that his appointment has been approved by all of the shareholders in Lime. In its announcement dated 4 February 2016, Hibiscus had exploited the error in Rex's announcement dated 25 January 2016 to mislead the market that Mr Laurence Keenan is a Rex nominee to Lime's board.

The letter from LKFL was addressed to the directors of Lime and confidential. GHF is bound by the Lime Shareholders' Agreement not to disclose confidential information to third parties. Hibiscus' announcement on 4 February 2016 is a clear breach of the Lime Shareholders' Agreement.

GHF has only made an application for leave to bring a derivative action on behalf of Lime against the Lime Directors. The application has not been heard by the court and is being resisted. Shareholders should be aware that no claim has been commenced against the Lime Directors. Directions have been given to the application by the Isle of Man Court of a hearing date in late April 2016.

The implications for the Company and its reputation arising from the defamatory allegations made by the Board of Hibiscus in their announcement dated 4 February 2016 remain under consideration by the Company and the named representatives.

As at the date of this announcement, the Company has a 65 per cent indirect interest in Lime. Lime holds 3.51 per cent of LPN while Rex International Investments Pte Ltd, the Company's wholly-owned subsidiary, holds 96.49 per cent in LPN. The Company's effective interest in LPN is 98.77 per cent. Lime holds 6.4 per cent in MOL. The other shareholders of MOL are Petroci at 36 per cent and Rex Oman Ltd, the Company's indirect wholly-owned subsidiary, at 57.6 per cent. The Company's effective interest in MOL is 61.76 per cent. The Company will make further announcements as and when there are material developments on this matter.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström
Executive Director and Chairman

6 February 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.