

RH PETROGAS LIMITED

(Company Registration No: 198701138Z)

RH PETROGAS SIGNS NEW 20-YEAR PRODUCTION SHARING CONTRACTS FOR BOTH THE KEPALA BURUNG AND THE SALAWATI KEPALA BURUNG CONTRACT AREAS IN INDONESIA

The Board of Directors of RH Petrogas Limited (the “**Company**”) refers to its announcement (SGX announcement no SG180625OTHR0VBN) issued on 25 June 2018 and is pleased to update that the new production sharing contracts for each of the Kepala Burung contract area (the “**New Basin PSC**”) and the Salawati Kepala Burung contract area (now renamed as the Salawati contract area, the “**New Island PSC**”) have been executed.

The New Basin PSC and the New Island PSC (collectively the “**New PSCs**”) were executed by the Company’s subsidiaries Petrogas (Basin) Ltd. (“**PBL**”) and Petrogas (Island) Ltd. (“**PIL**”) (collectively the “**Group**”) respectively with Satuan Kerja Khusus Pelaksana Kegiatan Usaha Hulu Minyak Dan Gas Bumi (“**SKK Migas**”) on 11 July 2018. The new 20-year terms will commence after the expiry of the existing Basin and Island PSCs in 2020.

PBL and PIL will each hold a 70% participating interest in the New Basin PSC and the New Island PSC respectively, and each will be the operator for their respective blocks. The remaining 30% participating interest in both blocks will be held by PT Pertamina (Persero).

Mr Francis Chang, CEO of the Group, commented: “The signing of the New PSCs is an excellent and significant development for the Group as these two blocks are our key producing assets. As the operator for both blocks, the Group will be able to better optimise operational and cost synergies between these two contiguous assets. In addition to existing production, the two blocks remain highly prospective and the Group will seek to unlock their upside potential through a series of development and exploration programs. The Group will continue to work closely with the Indonesian Government and our partner to develop and deliver on our plans. This is truly a remarkable milestone for the Group.”

With the signing of the New PSCs, the Group’s participation in the two blocks will extend beyond their current expiry in 2020. As such, the Group expects that certain quantity of contingent oil and gas resources currently recognised by the Group will be upgraded to reserves. The Group plans to update these changes in conjunction with its upcoming annual assessment of reserves and resources as of 1 January 2019 by an independent qualified reserves evaluator.

The Group acquired its interests in both blocks in 2010. It currently holds a majority 60% participating interest in and operates the Basin block and a non-operated 33.2142% participating interest in the Island block. The two PSCs produced an average of around 4,200 barrels of oil equivalent per day (“**BOEPD**”) net to the Group’s participating interests in the last three months. As at 1 January 2018, the two PSCs have a combined 2P reserves of four million barrels of oil equivalent (“**MMBOE**”) and 2C resources of 34.1 MMBOE net to the Group’s participating interests.

BACKGROUND

RH Petrogas Limited (“**RHP**”) is an independent upstream oil and gas company headquartered in Singapore. RHP is listed on the mainboard of the Singapore Stock Exchange and is focused on exploration, development and production of oil and gas deposits. RHP has producing, development and exploration blocks in China, Indonesia and Malaysia.

RHP aspires to be a leading independent upstream oil and gas company in the region and is actively looking for further growth opportunities in the sector.

BY ORDER OF THE BOARD

Chang Cheng-Hsing Francis
Group CEO & Executive Director
11 July 2018