
DISCLOSURE PURSUANT TO RULES 705(6) AND 705(7) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) LISTING MANUAL SECTION B: RULES OF CATALIST (THE “CATALIST RULES”)

Pursuant to Rules 705(6) and 705(7) of the Catalist Rules, the Board of Directors (“**Board**”) of Alpha Energy Holdings Limited (the “**Company**”) wishes to announce the following for the third quarter ended 30 September 2020 (“**3Q 2020**”).

Rule 705(6)(a) of the Catalist Rules**(i) Use of funds/cash for the quarter:-**

For 3Q 2020, funds/cash were mainly used for the following activities:-

	Budget USD	Actual USD
Land & Rentals	126,000	125,923
Lease Operating Expenditure	245,000	405,641
Base Camp Costs	68,000	105,198
Surface Development	100,000	10,000
Corporate Administrative Expenses	195,000	235,901
Total	734,000	882,663

Land & Rentals. Costs were in line with the budget for maintenance of lease rentals for the exploration acreage.

The actual lease operating expenditure were higher than the budgeted amount due to the higher than anticipated one-off expenses incurred in reorganisation and relocation of storage of materials and equipment in order to reduce the storage space used, as part of the Group’s cost saving efforts.

Base camp costs increased due to timing difference as some costs incurred in 2Q 2020 were invoiced in 3Q 2020.

Surface development costs are lower than budgeted expenditure due to halt of the seawater injection study used for the analysis of connecting the Mustang’s pipeline to the Alpine seawater supply pipeline. This halted during its initial stage, as the Group is of the view that it is extremely difficult to continue developing the Mustang Project in light of the public auction of the Mustang Assets on 23 September 2020.

Corporate administrative expenses. The increase is largely due to increased insurance arising from the reorganisation and relocation of storage of materials and equipment and

municipal taxes costs due to amount owing by Brooks Range Petroleum Corporation (“BRPC”) for the FY2017 to FY2019.

(ii) Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter ending 31 December 2020 (“4Q 2020”), subject to the Company securing the necessary financing facilities and availability of adequate funds, the funds/cash are budgeted for the following activities:-

	Budget USD
Lease Operating Expenditure	228,000
Corporate Administrative Expenses	149,953
Total	377,953

As compared to the actual expenditure incurred in 3Q 2020, the decrease in projected expenditure in 4Q 2020 is due to exclusion of land and rentals lease operating expenditure, base camp costs and surface development associated with the Mustang project.

The budget has been allocated for Group’s proportionate working interest in the Badami oil field, which operations were suspended in May 2020 due to low crude oil prices and lack of demand that have resumed in October 2020, as well as the cost for BRPC’s maintenance of the office and corporate expenses.

The Company has minimised all non-essential expenditure.

Rule 705(7) of the Catalist Rules

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

There were no exploration, mining, development or production activities in 3Q 2020.

The Group had on, 22 May 2020, received notices of default and sale (the “**Notices**”) from the Trustee Services of Alaska, Inc, at the direction of the Group’s creditor, AIDEA, notifying the Group that AIDEA had elected to sell the Group’s assets comprising the Mustang Pad, the Mustang Road, as well as all leases held by the Group through its subsidiaries in relation to the Mustang Project (the “**Sold Assets**”) to satisfy the Group’s indebtedness under the loan agreement with AIDEA.

The public auction was held on 23 September 2020 and the Mustang Road, Mustang Pad and all the Group's leases except on the leases relating to Badami oil field was awarded to the highest bidder, Mustang Holding LLC. With the conclusion of the auction, Mustang Holding LLC shall assume the control and title of the Sold Assets, subject to the approval from the Department of Natural Resources of the State of Alaska. The auction of the Badami oil field has been delayed to 20 January 2021.

Rule 705(6)(b) of the Catalist Rules

Confirmation by the B/oard

The Board confirms that, to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

By Order of the Board

Tan Wee Sin
Company Secretary
15 November 2020

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg).