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## **MUSTANG PROJECT – DRILLING PROGRESS ON SECOND WELL**

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The Board of Directors (the “Board”) of Alpha Energy Holdings Limited (the “Company”) refers to the announcement dated 18 March 2015 and wishes to advise that the second well at the Southern Miluveach Unit (“SMU”), otherwise known as the Mustang Project, has commenced drilling.

The second well is named SMU-03 and is being drilled into a fault block named Shamrock.

### **Introduction**

The Mustang project is located in the North Slope which is a prolific oil producing region in Alaska, USA.

The Shamrock fault block has the brightest amplitude on the 3D seismic survey of the SMU. SMU-03 is a horizontal well and is being drilled from the Mustang Production Pad to a total measured depth (“MD”) of approximately 13,000 feet, inclusive of 5,900 feet of horizontal section.

The SMU-03 will be a horizontal producer well when the Mustang Field commences oil production.

### **Well Progress**

The SMU-03 well is currently at 7,231 feet MD, intermediate casing has been run and cemented. Once cement has set, drilling operations will commence on the horizontal section of the well.

### **Forward Plan**

The horizontal section of the well will be approximately 5,900 feet in length and will be drilled into the targeted Kuparuk “C” Sand. On completion of drilling, a production liner will be inserted and a production flow testing of SMU-03 will be undertaken.

Production flow testing of the SMU-02 well, which drilling was completed in March 2015, will be undertaken together with the production flow testing of SMU-03 after the drilling of SMU-03 has been completed.

### **Mustang Field Geology**

The SMU encompasses approximately 12 contiguous square miles (7,680 acres) in the North Slope oil productive region of Alaska. It is located directly north of Tarn field, south of Palm field, and southwest of the 2M drilling pad of the Kuparuk River Unit, Kuparuk field.

Four wells have been drilled into the SMU. These are the Kuparuk River Unit 2L-03 well drilled in the south, the North Tarn 1 and 1A wells situated in the center, and the Mustang 1 well drilled to the eastern side. The wells all encountered Early Cretaceous aged Upper Kuparuk River Formation sandstones which are the objective of the oil development at the SMU and the prolific oil producer in Kuparuk River Unit and Palm fields.

The main oil bearing interval at the Mustang field is the Kuparuk "C" sand, which is a bioturbated shallow marine sandstone. The sand ranges in thickness up to 50 feet in adjacent Kuparuk River Field area. The Kuparuk "C" sand is a clean, blocky, bioturbated and high quality reservoir which exhibits permeabilities ranging from 1 to 300 millidarcies. The reservoir permeability averages 75 millidarcies. Average porosity and water saturation for the SMU are 21.1 percent and 19.3 percent, respectively.

In the four wells drilled within the SMU, the net oil varies from 13 to 25 feet total vertical thickness ("TVT") at an average depth of 6,035 feet true vertical depth subsea, average net oil thickness for the SMU is 17.5 feet TVT.

By Order of the Board

Lim Ka Bee  
Company Secretary  
15 April 2015

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's 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 Catalist. The Sponsor has not verified the contents of this announcement.*

*The Sponsor has also not drawn on any specific technical expertise in its review 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 Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.*