

RH PETROGAS LIMITED

(Registration Number: 198701138Z)

QUARTERLY STATUS UPDATE ON THE PROGRESS OF THE CRUDE OIL PRODUCTION PROJECT AT FUYU 1 BLOCK

The Board of Directors of RH Petrogas Limited (the “**Company**”), the ultimate holding company of Kingworld Resources Limited (“**KRL**”), wishes to provide the following update on the project undertaken by KRL at Fuyu 1 PSC in the Songliao Basin, Jilin Province, the People’s Republic of China, which covers an area of approximately 255 square kilometres (“**Fuyu 1 Block**”), for the three months ended 30 April 2016:-

1. ANY MATERIAL CHANGES TO THE RESERVES OR RESOURCES (INCLUDING THE REASONS FOR THE CHANGE)

The Group appointed RPS Energy Consultants Limited (“**RPS**”), an independent reserve evaluator, to conduct an annual assessment with respect to the Group’s oil and gas reserves and resources as of 1 January 2016. RPS has since completed the independent qualified person report (“**QPR**”) for the Fuyu 1 Block in April 2016.

Based on the QPR, the aggregate proved plus probable reserves (“**2P reserves**”) and best estimate contingent resources (“**2C resources**”) of the Fuyu 1 Block attributable to the Group’s 49% working interest were 13.4 MMBO (million barrels of oil) and 13.8 MMBO respectively as of 1 January 2016. These represent an increase of around 28% in 2P reserves and a decrease of around 28% in 2C resources since the previous announcement dated 7 May 2015 due primarily to changes in the field’s reservoir properties as assessed by RPS given new available data.

2. DETAILS OF DEVELOPMENT AND/OR PRODUCTION ACTIVITIES UNDERTAKEN BY KRL IN RESPECT OF THE FUYU 1 BLOCK PROJECT

There were no material development activities being undertaken during the period under review as the Company continues to put its focus on conserving cash and optimising its capital spending. The Company will continue to monitor the oil market and review its drilling plan accordingly.

3. A SUMMARY OF THE MATERIAL EXPENDITURE INCURRED ON THE EVALUATION, DEVELOPMENT AND/OR PRODUCTION ACTIVITIES FOR THE THREE MONTHS PRECEDING THIS ANNOUNCEMENT

The summary of the expenditure for the three months preceding this announcement is as follows:

	US\$’000
Development expenditure	182
Fixed Assets	-
Administrative expenses	100

BY ORDER OF THE BOARD

Chang Cheng-Hsing Francis
Group CEO & Executive Director
11 May 2016