

RAMBA ENERGY LIMITED
(Company Registration No. 200301668R)
(Incorporated in the Republic of Singapore)

REPLY TO SGX QUERIES REGARDING SETTLEMENT ANNOUNCEMENT

The Board of Directors of Ramba Energy Limited (the “**Company**”) would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 7 June 2018 (“**SGX Query**”) as follows:-

SGX Query 1:

Please clarify, aside from cash flow, whether the Settlement Sum will also have any material impact on the Group’s operations and financial performance for the current financial year ending 31 December 2018 and if possible, please quantify the gain or loss from the settlement.

Company’s response to SGX Query 1:

Further to the Company’s announcement on 5 June 2018 on the Settlement Agreement, the Company intends to pursue the indemnity that Hexindo had obtained from Eastwin in year 2011 for the Settlement Sum and will update the shareholders as and when there are any material updates arising from the aforementioned. On that basis, the Company does not anticipate for the Settlement Sum to have any material impact on the Group’s operations and financial performance for the current financial year ending 31 December 2018.

SGX Query 2:

With reference to the announcements of 16 April 2015 and 4 August 2016, please disclose the specific reasons relied on by SPE in its commencement of the Arbitration and upheld by tribunal of the Arbitration for holding Hexindo liable to pay the damage of US\$13 million in connection with the Forfeiture of SPE’s 49% Lemang Interest.

Company’s response to SGX Query 2:

Further to the announcements of 16 April 2015 and 4 August 2016, the Company had disclosed that SPE, in its commencement of the Arbitration, was seeking to determine that the Forfeiture of the Lemang Interest and its subsequent substitution with Eastwin were, and continue to be, unlawful because, inter alia, (i) the forfeiture provisions in the JOA which were relied upon by Hexindo were allegedly penal and unenforceable, and (ii) in any event, that the Forfeiture allegedly did not follow the requirements of the JOA.

SGX Query 3:

We note that there were referred to a statement letter dated 16 August 2011 from Eastwin to Hexindo as well as a deed of indemnity dated 19 December 2011 between Eastwin and Hexindo. In this regard, please confirm whether particulars of the statement letter and/or deed of indemnity have previously been disclosed and if not, please disclose the rationale for entry into, and the salient terms of, the statement letter and deed of indemnity.

Company's response to SGX Query 3:

*Both the deed of indemnity and statement letter ("**Indemnity Documents**") were entered into in the year 2011 following the transfer of the 49% interest in the Lemang PSC to Eastwin as a consequence of SPE's default under the 2009 JOA. The Indemnity Documents were obtained as a protection and/or mitigation for the Company on any potential liabilities that may arise from the Forfeiture. The salient terms of the Indemnity Documents include the following indemnity:*

Indemnity

Eastwin hereby unconditionally and irrevocably agree that they will be solely responsible for, and shall protect, defend, fully and effectively indemnify, keep indemnified, and hold Hexindo harmless from and against:

- (i) all and any claims, liabilities, demands, awards, damages or costs (including legal costs) made against Hexindo or incurred by Hexindo with respect to, in favour of or by any other third party which relate to or arise out of allegations made, or causes of action brought, by SPE or any other third party arising from, in relation to, or in connection with, the Forfeiture; and*
- (ii) any loss or expense, including (without prejudice to the generality of the foregoing) legal expenses, fines and/or penalties, incurred by Hexindo which arise out of or in respect of any claims, liabilities, demands, awards, damages or costs as referred to above.*

By order of the Board of
RAMBA ENERGY LIMITED

TAN CHONG HUAT
Non-Executive Chairman
8 June 2018