

USAGE OF PLACEMENT PROCEEDS

The Board of Directors of the of RH Petrogas Limited (“**the Company**”), refers to its announcement (SGXNet Announcement No 82) made on 21 March 2012 in relation to the usage of the net placement proceeds of S\$41.6 million from the placement of 54,500,000 new shares at S\$0.80 each in the share capital of the Company and wishes to provide the following update on the usage of the net placement proceeds of S\$41.6 million, as follows:-

Intended uses	Re-allocated uses	Net placement proceeds allocated S\$'000	Net placement proceeds used to date S\$'000	Balance S\$'000
As part payment of the unpaid cash consideration for the acquisition of the entire issued share capital of Kingworld Resources Limited	Not Applicable	10,000	10,000	-
To fund the capital expenditure and operating costs in connection with the crude oil production project at Fuyu 1 Block in preparation for commercial production	To fund the capital expenditure, operating costs and other funding requirements of: (a) the crude oil production project at Fuyu 1 Block in preparation for commercial production; and (b) other petroleum exploration and production projects	30,000	30,000	-
Working capital	Not Applicable	1,615	1,615 ⁽¹⁾	-
Total		41,615	41,615	-

Note :

⁽¹⁾ The breakdown of the working capital of S\$1,615,000 utilised was as follows:

	S\$'000
Staff costs	866
Professional fees	540
Other operating expenses	<u>209</u>
	<u>1,615</u>

The Board wishes to inform that the balance of the net placement proceeds of the above placement have been fully utilized for the aforesaid purposes.

BY ORDER OF THE BOARD

Tan Sri Datuk Sir Tiong Hiew King
Executive Chairman
02 August 2013