

## **RH PETROGAS LIMITED**

(Registration Number: 198701138Z)

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

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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 31 July 2014:-

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

There are no material changes to the reserves or resources since the previous announcement dated 25 November 2009.

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

As announced on 22 August 2012, China National Petroleum Corporation (“**CNPC**”) has approved the Overall Development Plan (“**ODP**”) of the phased development of the Yongping Field in the Fuyu 1 Block. CNPC has submitted the ODP to the National Development and Reform Commission (“**NDRC**”). Pursuant to NDRC’s request for additional supporting studies pursuant to new internal requirements, the Company has completed and submitted such supporting studies to CNPC for its further submission to NDRC. The Company has on 11 October 2013, received NDRC’s approval for such supporting studies.

In July 2014, representatives from the Company and CNPC met with NDRC and were informed that the ODP application was being processed by the relevant departments within NDRC and they would update in due course. The Company expects to receive the final ODP approval from NDRC in the second half of 2014. Development drilling and commercial production at Yongping Field will commence after such approval is granted. With the approval of CNPC, pre-development preparation has commenced in 2013 including the procurement of items with long lead times.

**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
Evaluation expenditure	-
Development expenditure	255
Fixed Assets	-
Administrative expenses	143

#### **BY ORDER OF THE BOARD**

Chang Cheng-Hsing Francis  
Group CEO & Executive Director  
7 August 2014