

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 31 October 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 16 October 2014, the National Development and Reform Commission (“**NDRC**”) of the People’s Republic of China has approved the Overall Development Plan (“**ODP**”) for the phased development of the Yongping Oilfield in Fuyu 1 Block. With this approval, the Fuyu 1 Block can now move into the development and production phase.

The approved ODP entails the drilling of up to 1,008 shallow wells over a five (5) year period and is expected to produce a total of 14.6 million barrels of oil (7.2 million barrels of oil net to KRL). The crude oil in the Fuyu 1 Block is low sulphur and heavy in nature with an API of 18.5°.

Pre-development preparation and the procurement of long lead items have started since early 2013. This has helped to accelerate the development program and will allow production to commence in early 2015. Production will be ramped up progressively as more wells are drilled under the approved ODP.

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	246
Fixed Assets	13
Administrative expenses	184

BY ORDER OF THE BOARD

Chang Cheng-Hsing Francis
Group CEO & Executive Director
14 November 2014