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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 October 2016:-

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

There were no material changes to the reserves or resources since the previous announcement dated 11 May 2016.

**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. OPEC (Organization of Petroleum Exporting Countries) has recently at the end of September 2016 announced its plan to cut production, though details of the production cut and the success of its implementation remain uncertain. The Company continues to monitor the market and will review its drilling plans as market condition changes. In the meantime, the Company remains focused on cost control and cash conservation.

**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	192
Fixed Assets	-
Administrative expenses	130

**BY ORDER OF THE BOARD**

Chang Cheng-Hsing Francis  
Group CEO & Executive Director  
10 November 2016