
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 July 2017:-

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 9 May 2017.

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

Development activities carried out during the period under review centred on preparatory works for production testing to be conducted on a number of wells in the block, scheduled to begin in the second half of 2017. Given the challenging market conditions, no new well has been drilled as the Company remains focused on conserving cash and managing operating costs.

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	356
Fixed Assets	17
Administrative expenses	114

BY ORDER OF THE BOARD

Chang Cheng-Hsing Francis
Group CEO & Executive Director
10 August 2017