

PRESS RELEASE**Rex in the black for FY2019; ready for recurrent income from Oman**

- *Total profit after tax of US\$22.23 million for FY2019*
- *Cash and cash equivalents and quoted investments totalled US\$61.93 million as at 31 December 2019*
- *Long-term debt free*

SINGAPORE, 28 February 2020 – **Rex International Holding Limited** (“**Rex International Holding**”, “**Rex**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), a technology-driven oil company, today announced its financial results for the three-month period ended 31 December 2019 (“**4Q FY2019**”) and the financial year ended 31 December 2019 (“**FY2019**”). The Group recorded total profit after tax of US\$22.23 million in FY2019, as compared to total profit after tax of US\$2.03 million in FY2018.

As at 31 December 2019, the Group’s cash and cash equivalents and quoted investments totalled US\$61.93 million (31 December 2018: US\$34.12 million), with cash and cash equivalents at US\$21.93 million (31 December 2018: US\$5.31 million); and quoted investments at US\$40.00 million (31 December 2018: US\$28.82 million).

Mr Dan Brostrom, Executive Chairman of Rex, said, “Our prudence in cash management and our strategy to remain long-term debt free have allowed us to tide over the oil price rout which started in 2014 and only improved in 2019. We are pleased to have realised our initial business model to find oil, sell and recycle capital in 2019, with the divestment of the Rolvsnes discovery and related assets in Norway, leading us to be in the black for FY2019 and boosting our war chest. While Brent oil price remains volatile amid this Covid-19 pandemic, we are in a good financial position to progress our plans in Oman and Norway. We are very heartened by the good appraisal well results in Oman and

are geared up financially and technically for oil production there, from which the Group expects to reap recurrent income going forward.”

On 17 February 2020, Rex announced that its 86.37 per cent subsidiary Masirah Oil Ltd (“**MOL**”) had drilled the Yumna 1 well in Block 50 Oman and the well has tested at a production rate of 11,843 stock tank barrels of oil per day through a 1 inch choke, with a crude oil gravity of 42 degrees API¹. The Yumna Field is being further appraised with an extended early production test, in preparation for a declaration of commerciality (DOC), subject to approval by the Ministry of Oil & Gas in Oman. MOL had in December 2019, raised a total of US\$21.5 million from an investment round, to fund its drilling activities of the appraisal well Yumna in Block 50 Oman, its continued operations in Oman as well as for general working capital requirements.

On 16 October 2019, Rex announced the oil and gas discovery on the Shrek prospect in the Norwegian Sea licence PL838, in which Rex’s 90 per cent subsidiary Lime Petroleum AS (“**LPA**”) had acquired a 30 per cent interest in 2019. The operator, PGNiG Upstream Norway AS, had placed preliminary estimates of the size of the discovery between 3 and 6 million standard cubic metres (Sm³) or about 19 and 38 million barrels (1 Sm³: 6.29 bbl) of recoverable oil equivalents. The Group has the option to participate in moving the discovery towards production, or to repeat its proven business model in Norway to farm-in, find oil, monetise and recycle capital. In January 2020, LPA was awarded stakes in two Norwegian Sea licences: a 20 per cent interest in PL1061 and a 30 per cent interest in PL1062.

Note:

¹ API refers to American Petroleum Institute gravity, a measure of how heavy or light the oil is compared to water. If API degree is greater than 10, the oil is lighter and floats on water; if less than 10, it is heavier and sinks.

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Disclaimer

This press release may contain projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company and its directors. Actual future performance, outcome and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and

training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. The Company does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise. These statements can be recognised by the use of words such as "expects," "plans," "will," "estimates," "projects," or words of similar meaning. Such forward-looking statements are not guarantees of future performance and actual results may differ from those forecast and projected or in the forward-looking statements as a result of various factors and assumptions. There is no assurance that Rex Virtual Drilling will consistently deliver accurate analyses and results, as it is dependent on many external factors such as data quality. Shareholders and investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management of future events.

About Rex International Holding

Rex International Holding was listed on Singapore Exchange Securities Trading Limited's Catalist Board on 31 July 2013. The Company de-risks its portfolio of exploration and development assets using its proprietary liquid hydrocarbon indicator Rex Virtual Drilling technology to identify the location of oil reservoirs in the sub-surface through analysis of seismic data. Since the Company's listing, the Group has achieved three offshore discoveries, one in Oman and two in Norway. The Group also offers Rex Virtual Drilling screening services to other oil exploration companies as an additional tool to increase the success rate of finding oil.

Issued by Rex International Holding Limited

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This press release has been prepared by the Company and reviewed by the sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this press release.

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