

PRESS RELEASE**Rex signs options agreements to fund exploration drilling of two wells in Norway**

- *Rex secures funding of US\$1.1 million to reduce capex by issuing options*
- *The issuance highlights quality of Norwegian assets in a challenging market environment*
- *No dilution of equity in Lime Petroleum AS*

SINGAPORE, 9 September 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 that its direct wholly-owned subsidiary Rex International Investment Pte Ltd (“RII”) has entered into options agreements (the “**Options Agreements**”) with Trace Atlantic Oil Ltd (“**Trace**”), for Trace to have options to receive shares of proceeds of potential dividends from Lime Petroleum AS (“**LPA**”) due to RII if drilling activities of the Apollonia prospect in licences PL263D/E and the Fat Canyon prospect in licences PL937/B are successful respectively. RII has a 90 per cent interest in LPA.

Option fees totalling US\$1.1 million, comprising US\$550,000 for each well, will be used to fund part of LPA’s participation in the exploration drilling of the two abovementioned prospects. Should the Apollonia and Fat Canyon wells result in oil discoveries, Trace stands to receive 6.75 per cent and 12.00 per cent of dividends due to RII from any successful sales of the respective licences.

The Group’s interests in LPA will remain unchanged should all options be exercised by Trace. If the contemplated wells in PL263D/E and/or PL937/B turn out dry and unsuccessful (as determined by the Norwegian Oil Directorate), each option relating to the respective wells shall lapse and the terms under the Options Agreements shall be null and void, and RII shall not be liable for any payments whatsoever. Further details of the Options Agreements can be found in the Company’s announcement dated 9 September 2020.

Mr Dan Brostrom, Executive Chairman of Rex, said, "This is an innovative way to 'farm-out' our assets at a premium valuation without diluting our interest in our 90 per cent subsidiary, LPA. The Group has always been prudent in its cash management and the options agreements allow us to reduce our financial exposure in funding LPA's participation in the two exploration wells, especially in the current challenging market environment."

On 1 September 2020, Rex announced the completion of LPA's 20 per cent farm-in to the PL263D/E licences, with an effective date from 1 January 2020 (a standard practice for licence transactions in Norway). The operator Equinor is now expected to spud an exploration well targeting the prospect Apollonia on the licences in late September 2020.

LPA's 15 per cent farm-in to each of the licences PL937 and PL937B in the Norwegian Sea, also with an effective date from 1 January 2020, was completed on 29 May 2020. Exploration drilling on the licences on the prospect Fat Canyon is expected in early 2021. The Fat Canyon prospect is located in the well-known Jurassic reservoir and has strong support from the Group's proprietary Rex Virtual Drilling technology.

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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

Tel: +65 6557 2477

Mok Lai Siong, laisiong.mok@rexih.com

This press release has been prepared by the Company and reviewed by the Company's 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.

The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.