



Rex International Holding

Target Price: S\$1.19

FACTSHEET

Introduction

Rex International Holding Ltd ("Rex" or the "Company") is an independent E&P company with interests in Norway, the UAE, Oman and Trinidad & Tobago; the Company also has an equity interest in a company with interests in the United States.

Overview

Rex has established significant licence positions in a number of highly attractive oil provinces. This has been achieved in relatively short order and leveraging off of its key differentiating factors, which are its exclusive access to cutting-edge technologies such as Rex Virtual Drilling, Rex Gravity and Rex Seepage.

Rex Virtual Drilling has been demonstrated to be highly effective through blind trials and live applications at identifying the most prospective drilling locations, and with the Company's recent Omani exploration well, which flowed in excess of 3,000 barrels of oil per day (bopd), providing further support of their use of ground-breaking technologies to find oil.

The Company is funded through its near-term exploration and appraisal programme. With the news of the drilling on its recently acquired Trinidadian acreage and the Company's ambition to put the Omani discovery on early production in the next 8-12 month period, there is also the prospect of near-term cash flow.

Shareholders

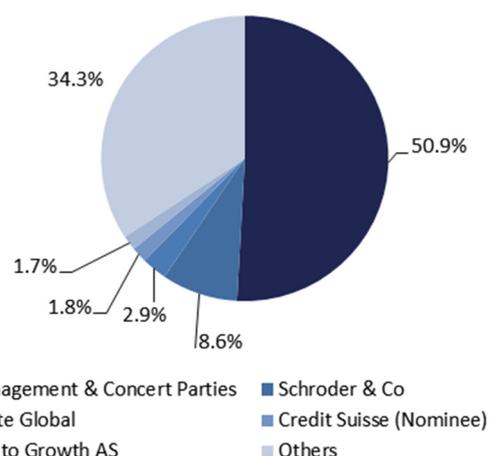
Reserves & Resources (mm boe)

Asset	Reserves				Unrisked Resources	
	Proven	Probable	2P	Possible	Contingent	Prospective
Oman	-	-	-	-	11.6	2,128
Norway	-	-	-	-	9.9	385
UAE	-	-	-	-	-	366
Other	-	-	4.6	-	-	-
Total	-	-	4.6	-	21.5	2,879
						S\$0.18/bbl

Source: Company & SP Angel Data

At its recent fundraising, the Company was well supported by private and institutional investors alike. Management and related parties own 50.9% of the company with the majority remainder (~48.6%), being held by the public. A more fulsome breakdown is provided in the following chart.

Top 5 Shareholders



Source: Bloomberg & SP Angel data

Peer Group

The Company has an equity exposure to approximately 4.6mm bbl of 2P reserves, and as such, the drilling success on its licences means that its Contingent Resources are not only highly prospective, but offer the most potential for a near-term revaluation. While there are a limited number of listed companies, in the Singapore market, we feel that it

is best compared with the likes of Kris Energy (KRIS SP), Interra Resources (ITTR SP) and RH Petrogas (RHP SP), each of whom have in excess of 25mm bbl of 2P reserves or contingent resources.

Valuation

We have valued the company's portfolio using our usual DCF methodology, and conventional geological risking; we have not applied any additional premium to the geological de-risking that might accrue from the use of Rex Virtual Drilling technology.

This results in a target price of S\$1.19 per share. However, we have provided for an increase in the technical to commercial chance of success risking; and the recently acquired Trinidadian acreage has not been included; we will provide further analysis at a later date.

Valuation Summary

Area	NAV			
	(\$mm)		(\$\$/share)	
	Un-risked	Risked	Un-risked	Risked
Core NAV	223	166	0.26	0.19
Development & Appraisal NAV	155	73	0.18	0.08
Exploration NAV	9,593	788	11.13	0.92
Total NAV	9,971	1,027	11.57	1.19

Source: SP Angel data

Share Data

Static Data

Shares in Issue	1,095.0mm
Options (Exercise Range – S\$)	3.2mm (S\$0.52 to S\$0.65)
Diluted Shares	1,098.2mm
3 month Average Volume	5.44mm

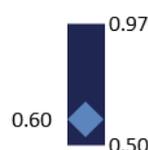
Source: Bloomberg & SP Angel data

Performance Data (22nd April 2014)

Bloomberg Ticker	REXI SP		
Last Price (S\$)	0.60		
Market Cap (S\$ mm)	662.5		
Net Cash / (Debt) – (S\$ mm)	113.4		
EV (S\$ mm)	549.1		
Share Performance	5-Day	1-Month	1-Year
Price (S\$)	0.58	0.62	-
Change (%)	2.45%	(3.2%)	-

Source: Bloomberg & SP Angel data

52 Week Range (S\$)

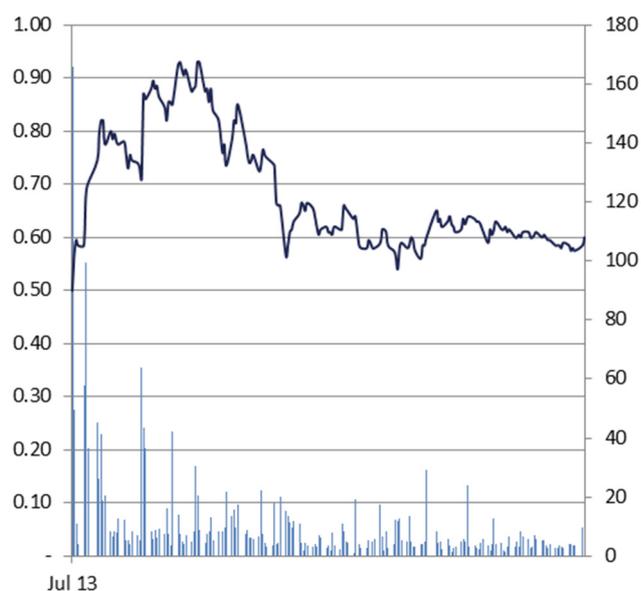


Consensus Recommendation



Source: Bloomberg & SP Angel data

3-Year Share Price Chart (S\$ - LHS) & Volume (mm – RHS)



Source: Bloomberg & SP Angel data

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