

# COMPANY PRESENTATION REX INTERNATIONAL HOLDING

Credit Suisse Exploration & Production and  
Offshore & Marine Corporate Day

Singapore, 21-22 January 2014



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THE OIL AND GAS INDUSTRY IS TRADITIONALLY  
CHARACTERISED BY HIGH RISK – HIGH REWARD

REX CHANGES THE FORMULA THROUGH THE  
USE OF SUPERIOR TECHNOLOGY EFFECTIVELY  
DELIVERING:  
LOWER RISK WHILE MAINTAINING HIGH REWARD



### **Game-changing and green technologies**

- Higher exploration accuracy than peers – success rate of over 50% vs. usual 10% to 15%
- Substantial cost saving and improved profitability
- Proprietary technology, several years' head start
- Faster analysis than peers - weeks compared to years
- Joint venture Rexonic has environment-friendly, world's first high power ultrasound system for commercial oil stimulation

### **Existing portfolio – Proof of Concept**

- Portfolio of 16 licences\*
- High growth in portfolio going forward
- Active drilling programme in portfolio
- Concessions and licences in areas with known reservoirs of oil and gas
- Close to production
- Existing production in Trinidad

### **Effective business model**

- Lower risk position: Acquiring equity position whilst committing limited funds
- Selling oil in the ground once proven to recycle funds into new assets, while keeping some producing assets for medium to long-term
- Investor-friendly model where clusters of assets will be sold off or spun off as a new listed entity and shares divided out to investors
- Minimum target of 50 million barrels of oil recoverable per new offshore concession
- Shorter lead time between investment and proving up reserves

\*Assuming transfer of 20% stake in PL 509 is completed

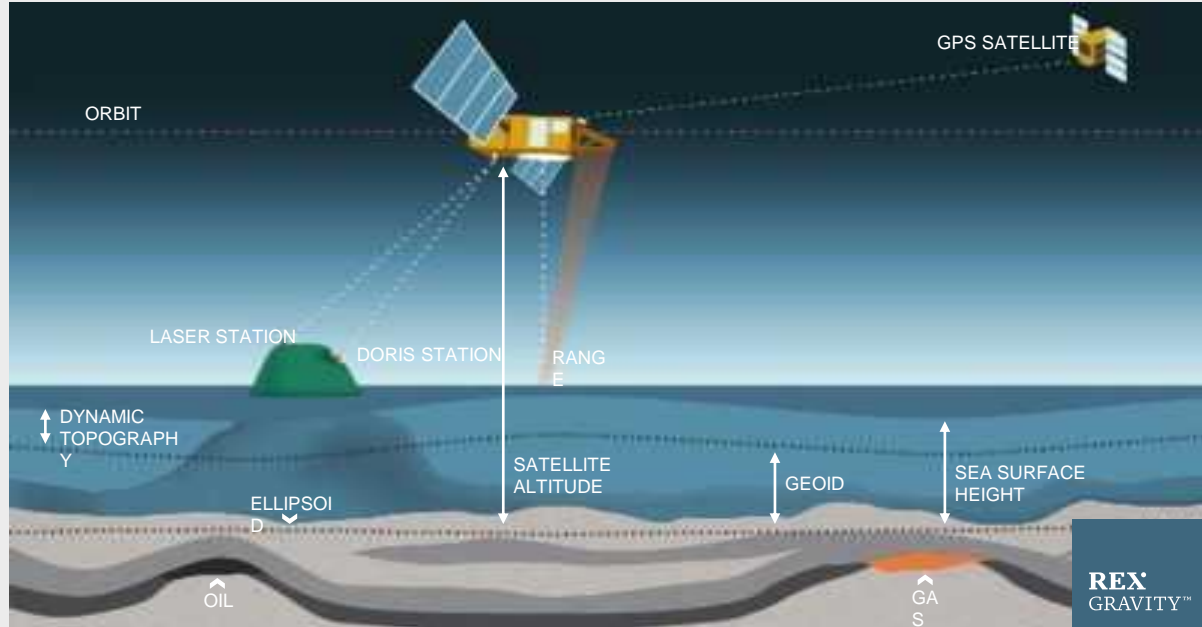


TECHNOLOGIES

REX TECHNOLOGIES

**REX**  
change the game

## DYNAMIC TOPOGRAPHY MEASUREMENT USING SATELLITES



Based on satellite gravity data

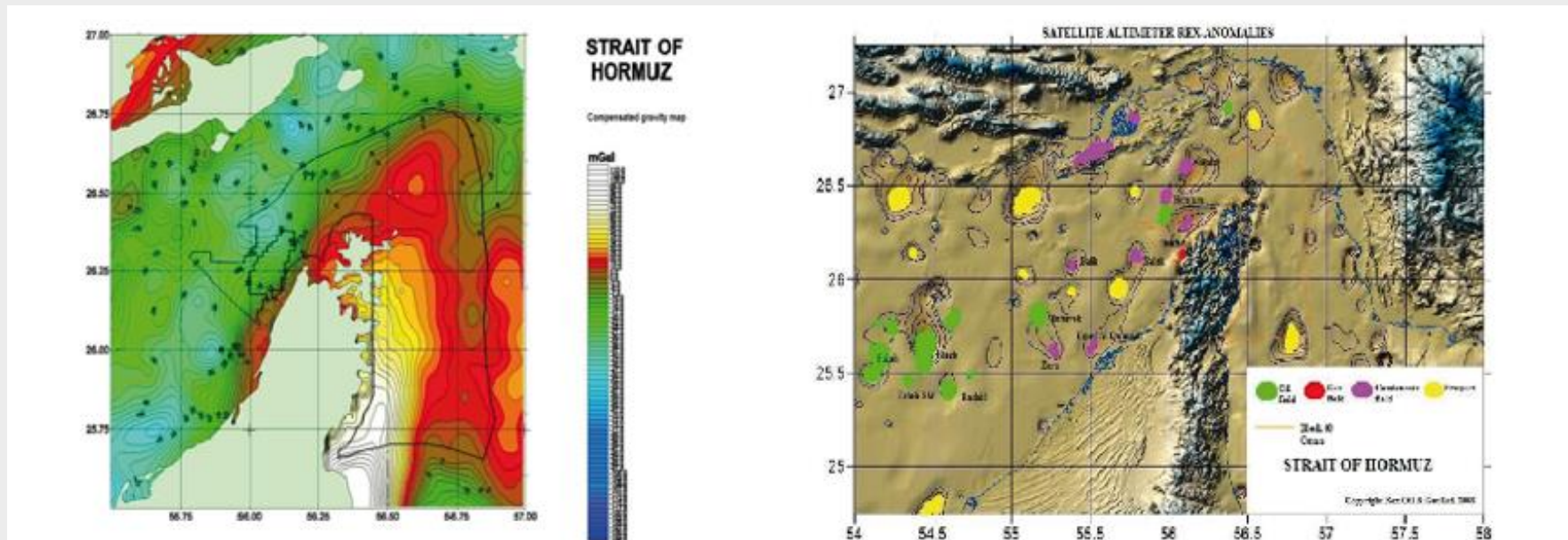
Water depth compensation

High correlation with known hydrocarbon accumulations

Highly cost efficient

*The Rex Technologies are developed and fully owned by Rex Technology Management Ltd.*

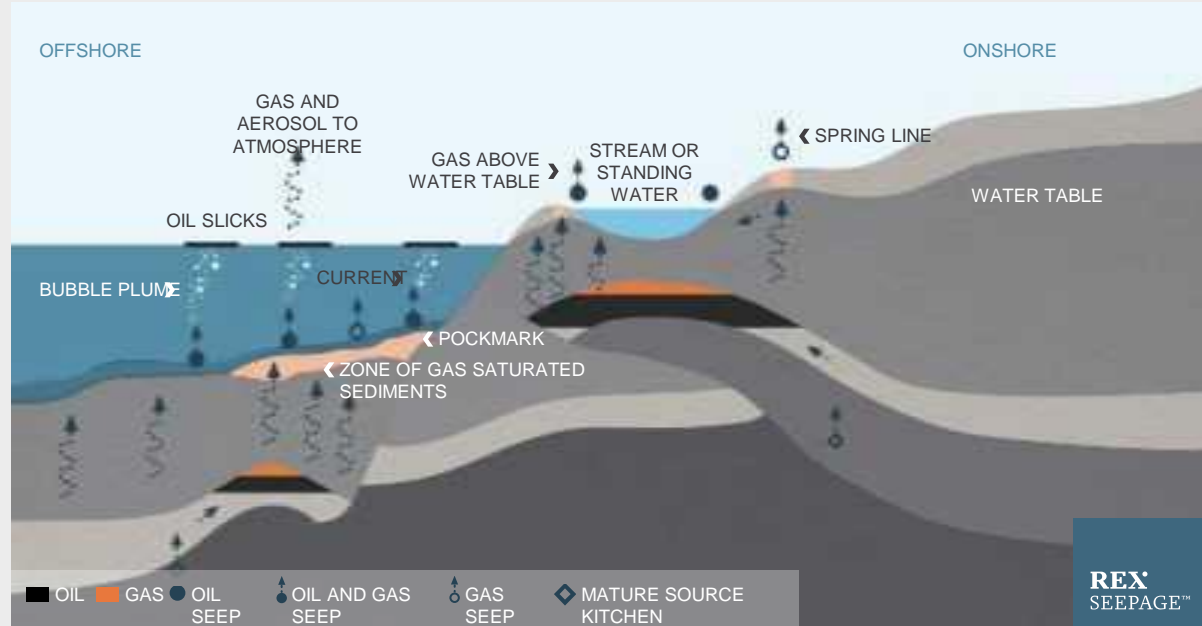
## COMPARISON: TRADITIONAL vs REX



Traditional satellite chart

Presence of hydrocarbons more well defined with Rex Gravity

## ADVANCED OFFSHORE SEEPAGE MEASUREMENTS



Based on thermal imaging

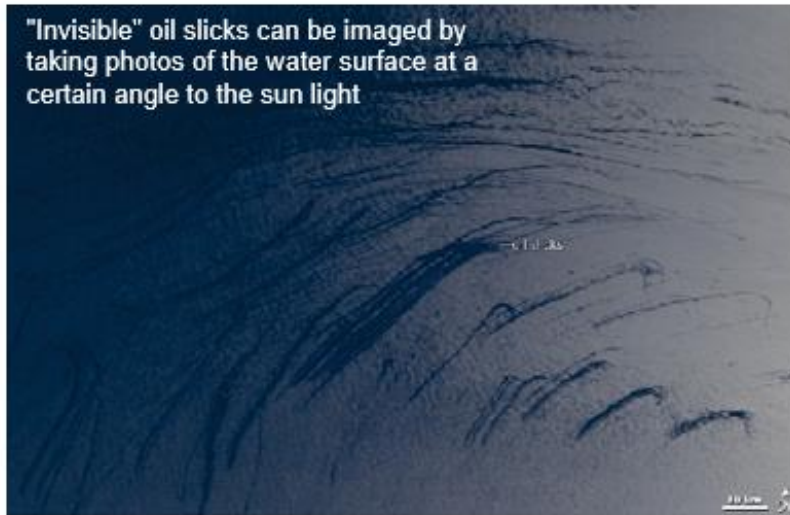
Advanced analysis of sea surface temperature. An analysis of the thermal infrared spectrum emitted from the top (<0.1mm) ocean layer

A thin oil layer will absorb and emit solar energy differently than water without oil sheen. Part of the energy will be emitted in the infrared (IR) wavelength region. The emissivity of water and oil is different dependent on time-of-observation (day and night)

*The Rex Technologies are developed and fully owned by Rex Technology Management Ltd.*



## COMPARISON: TRADITIONAL vs REX



Traditional photo image of oil slicks

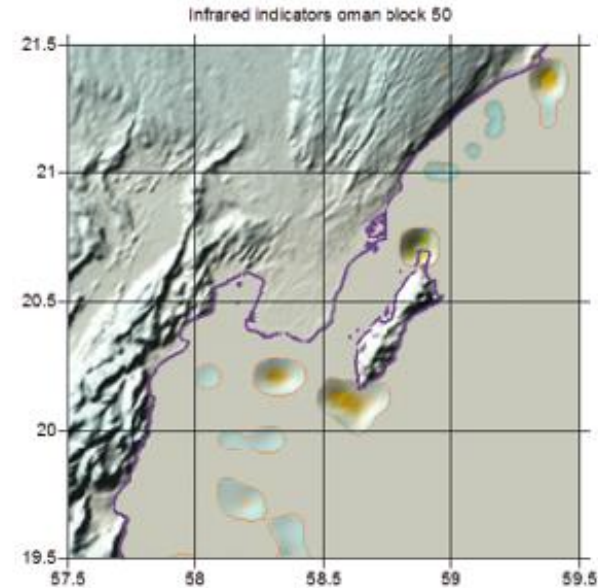
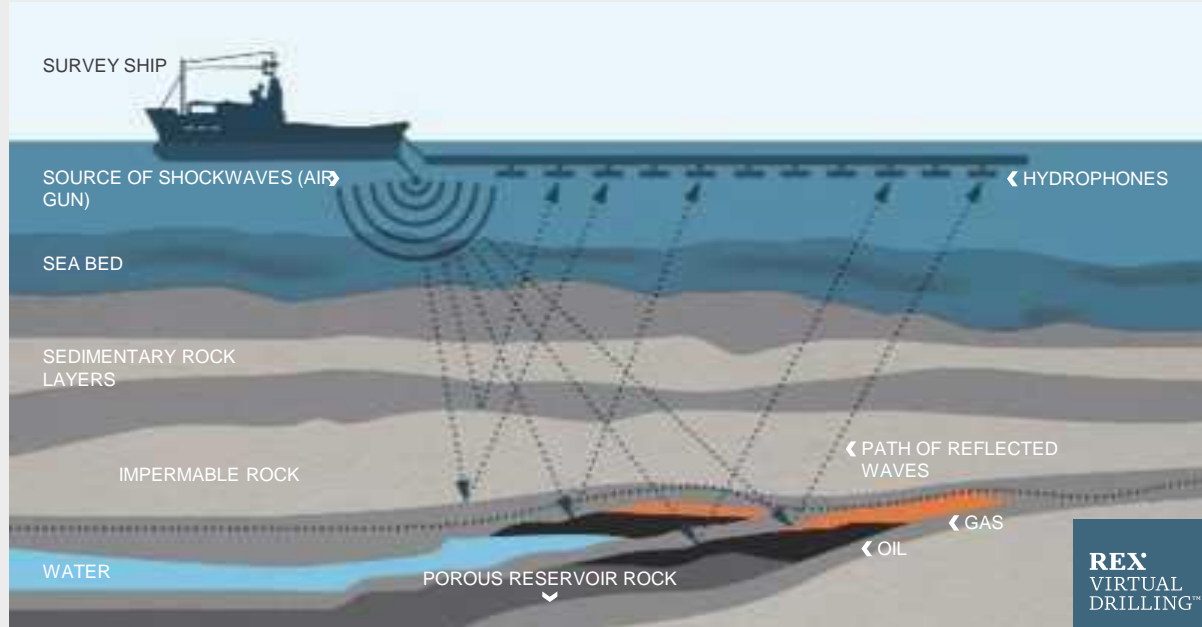


Chart using Rex Seepage

## OFFSHORE COLLECTION OF SEISMIC DATA USED IN REX VIRTUAL DRILLING (“RVD”)



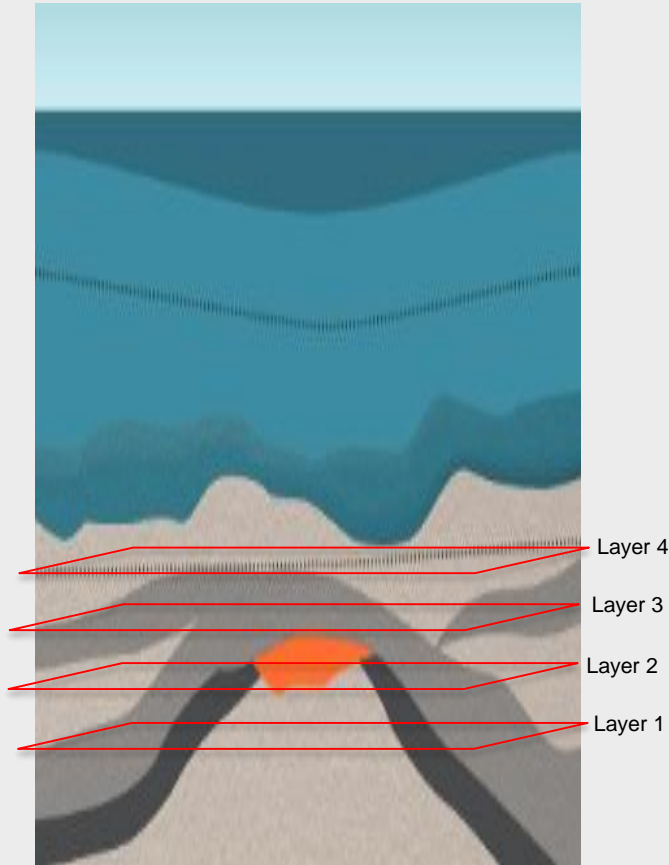
Detects the presence of hydrocarbon accumulations as well as migration paths

Provides information about fluid type (oil/brine)

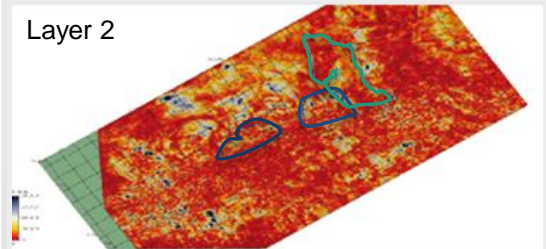
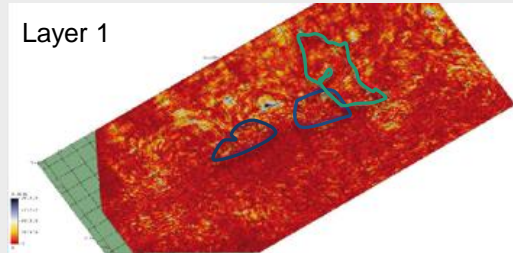
Provides volumetric reserve information

Works on both offshore and onshore seismic data

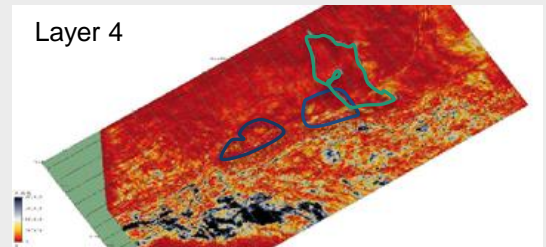
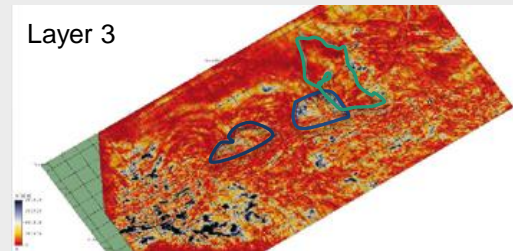
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□ □ TRADITIONAL GEOLOGIST FINDINGS  
■ OIL FINDINGS USING REX VIRTUAL DRILLING™



Locations of hydrocarbons found using Rex Virtual Drilling are defined in black.



### CASE STUDY LOW END

– one successful well discovered, sell off oil-in-the-ground

|                         |                 |
|-------------------------|-----------------|
| Min size reservoir      | 50 MMBbl        |
| Oil in the ground price | US\$ 5 / barrel |
| Participation interest  | 20%             |
| Net revenue             | US\$ 50 million |
| CAPEX                   | US\$ 10 million |
| PROFIT                  | US\$ 40 million |



## EXAMPLE OF SUCCESS RATES – IMPACT ON REVENUE OVER TIME

### EXPLORATION SUCCESS RATE OF FINDING OIL: 50%



### TRADITIONAL E&P COMPANY'S SUCCESS RATE: ABOUT 10%



|   | Rex International Holding                                | Traditional Players |
|---|--|---------------------|
| Exploration success rate of finding oil | 50%  | 10% - 15%           |
| Cost                                    | Under \$100,000  | May go in millions  |
| Time required                           | 4 – 6 weeks  | 1 – 3 years         |
| Involvement                             | Participation by equity holding;<br>NOT service provider |                     |

USED REX VIRTUAL DRILLING ON 59 PROSPECTS MONITORED BY NORTH ENERGY OVER PAST 2 YEARS:  
**OUT OF 41 WELLS DRILLED, 35 PREDICTIONS WERE SPOT-ON**



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**16 predicted positive**

- 11 drilled with commercial oil (69%)
- 5 failures had weak anomalies (*decision to drill based on North Energy's own interpretation of data*)

**25 predicted negative**

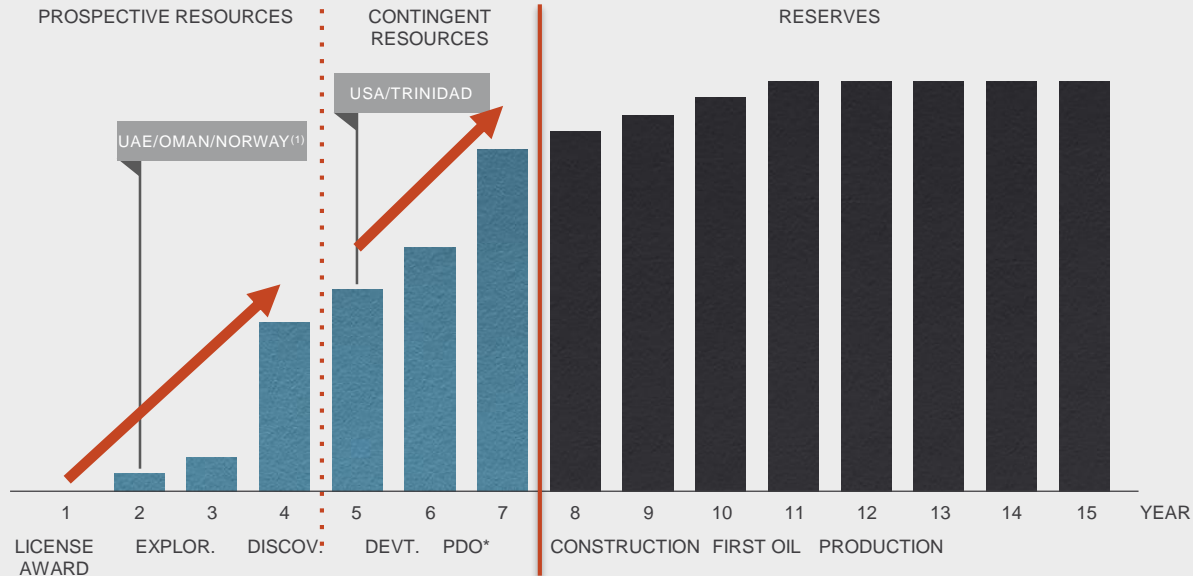
- 24 out of 25 were dry (96%)
- Savings in 2012/13
- Full effect in 2014

**18 positives not drilled yet**

- 5 in North Energy acreage

\*Plan for Development and Operation

\$/BOE, RISKED



### Exploration & Appraisal phases

1. Prove up value
2. Sell oil in the ground



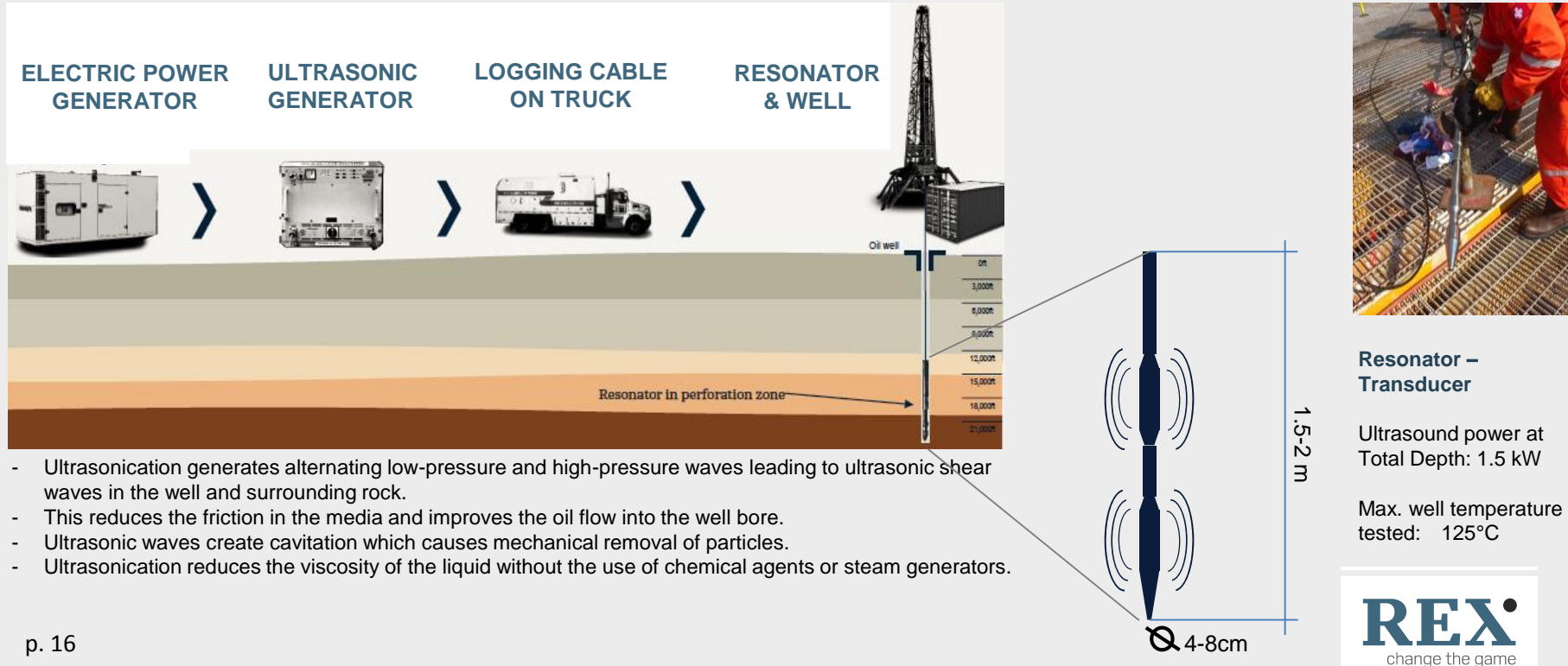
### Production phase

3. Complementary recurring revenue from Rexonic (license or service model) without need for heavy capex

<sup>(1)</sup> Assuming transfer of 20% stake in PL 509 is completed

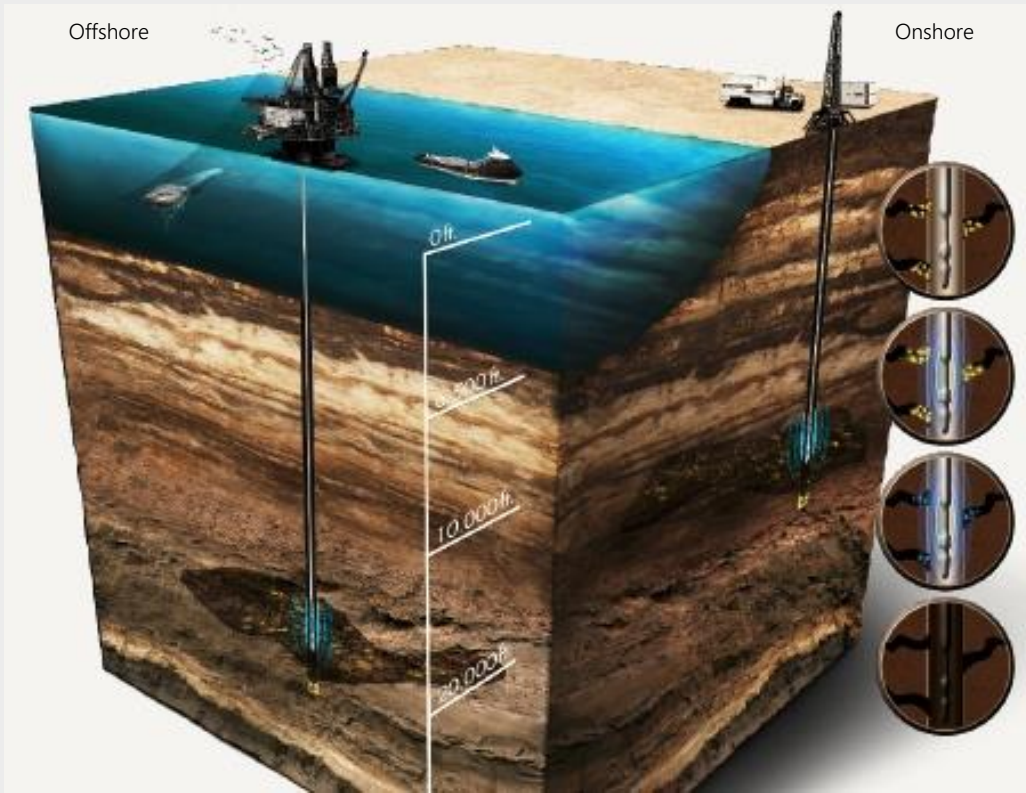
## VALUE-ADDED TECHNOLOGY FOR OIL PRODUCTION

– the world's first high power ultrasound system for commercial oil stimulation





Cleans the capillaries of wax, asphaltenes and particles to increase the oil flow into the borehole  
Increases oil production by 30% up to 380% and can be deployed onshore and offshore



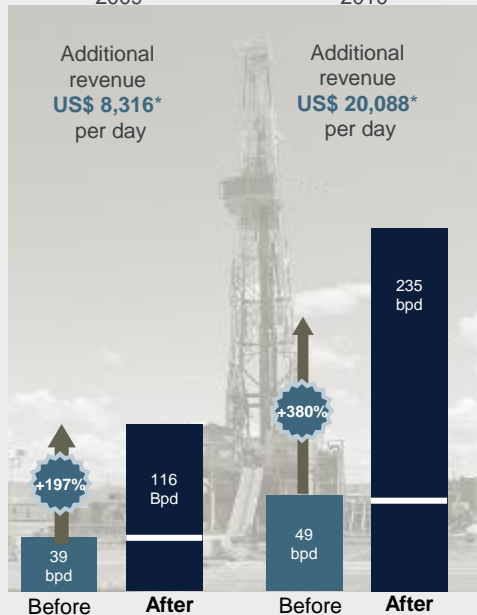
1. Paraffins, asphaltenes, particles and other damages are plugging pore spaces. Oil wells are not producing at their potential capacity.
2. Rexonic's ultrasound dislodges the formations. The cleaning mechanism of micro-acoustic streaming begins.
3. The ultrasound's high power disrupts the adhesive forces that hold the particles in place. Consequently, these particles get removed.
4. Pore space and permeability are restored, resulting in an increased oil flow and cost-effective production.

## FIELD TESTED TECHNOLOGY

- Proven that oil production can be increased by 30% up to 380%

### ONSHORE

CENTRAL AMERICA 2009      CENTRAL AMERICA 2010



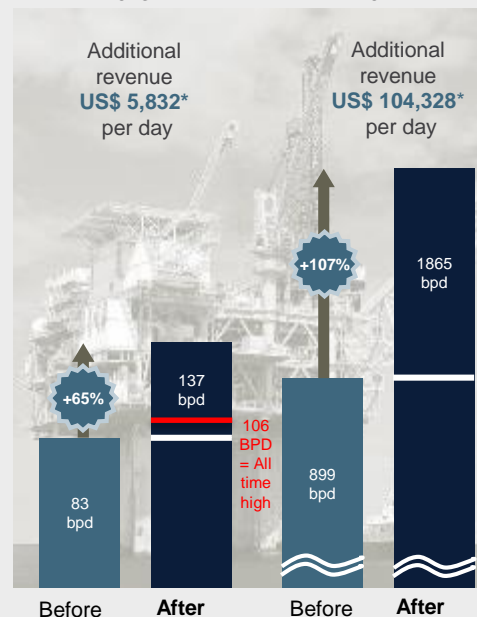
### CLIENT ADVANTAGES

- Short downtime of less than 2 hours
- Less environmental risks
- Cheaper than common chemical treatment procedures
- Easy to scale technology
- No switching costs, as Rexonic technology can be used in addition to existing Enhanced Oil Recovery technologies
- Fast return on investment

\* Source: Bloomberg. Crude Oil (Brent)  
= US\$108 /b (26.09.2013)

### OFFSHORE

SOUTH AMERICA 2013      CENTRAL AMERICA 2011



## CASE STUDY

– example of impact on one successful stimulation of a clogged production well and assuming 30% increased production

|  |                   |
|--|-------------------|
| Existing daily production of clogged well  | 100 bpd           |
| Daily production after Rexonic stimulation | 130 bpd           |
| <hr/>                                      |                   |
| Increase in daily production               | 30 bpd            |
| Crude oil price                            | US\$ 100 / barrel |
| <hr/>                                      |                   |
| INCREASED REVENUE PER DAY                  | US\$ 3,000        |
| INCREASED REVENUE PER YEAR                 | US\$ 1.1 million  |

### SCALABLE BUSINESS MODELS

- Service model
- Licensing model

## ACOUSTIC CLEANING - SAFER AND CLEANER FOR HUMANS AND NATURE

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### **WATER**

No water waste, no water pollution, no sea contamination

### **AIR**

No air pollution before, during and after the treatments

### **GROUND**

No ground contamination before, during and after the treatments

### **HEALTH AND SAFETY**

No hazard for human resources, no hesitation against health problems

### **DIFFERENTIATORS**

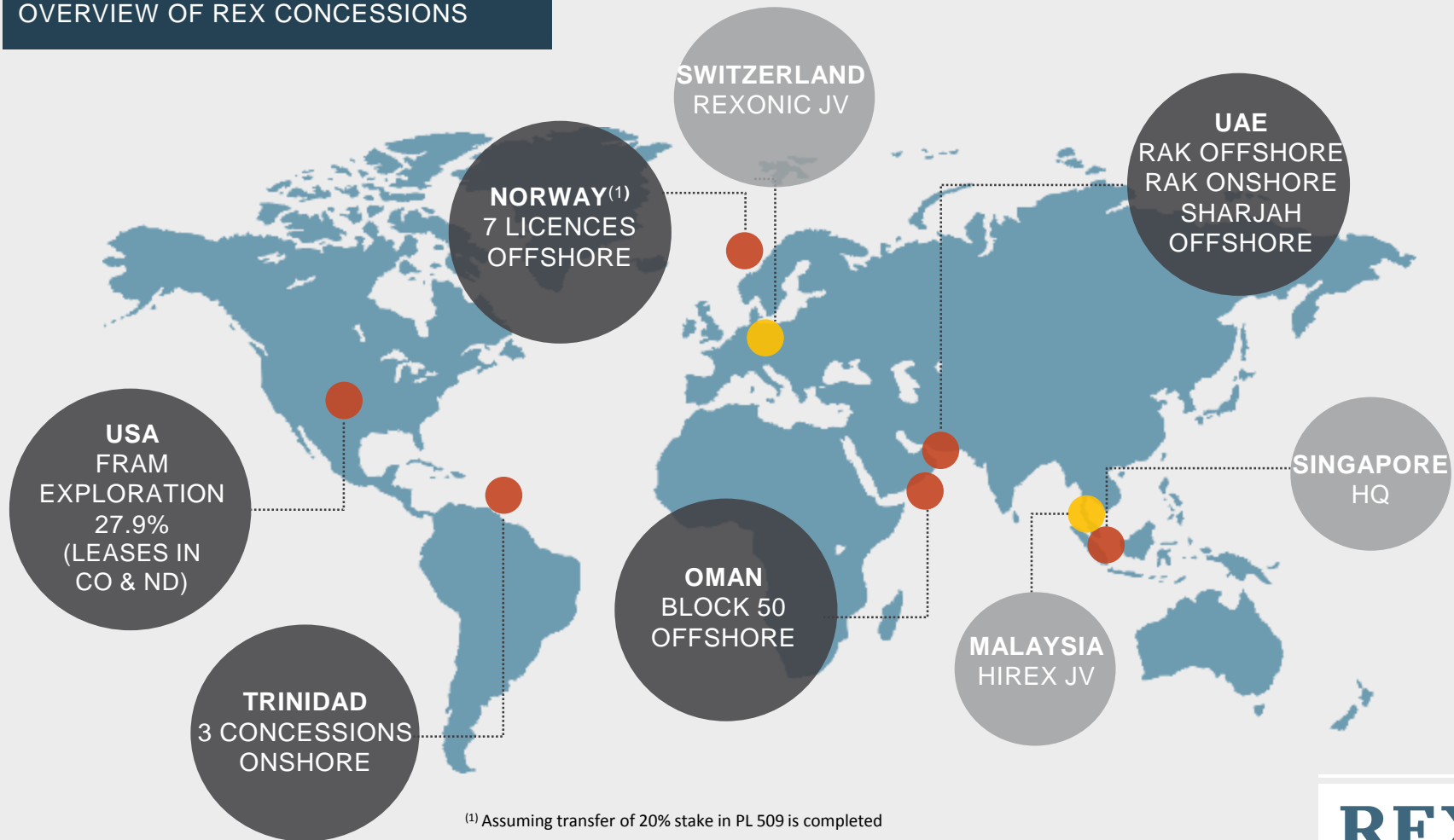
No chemicals



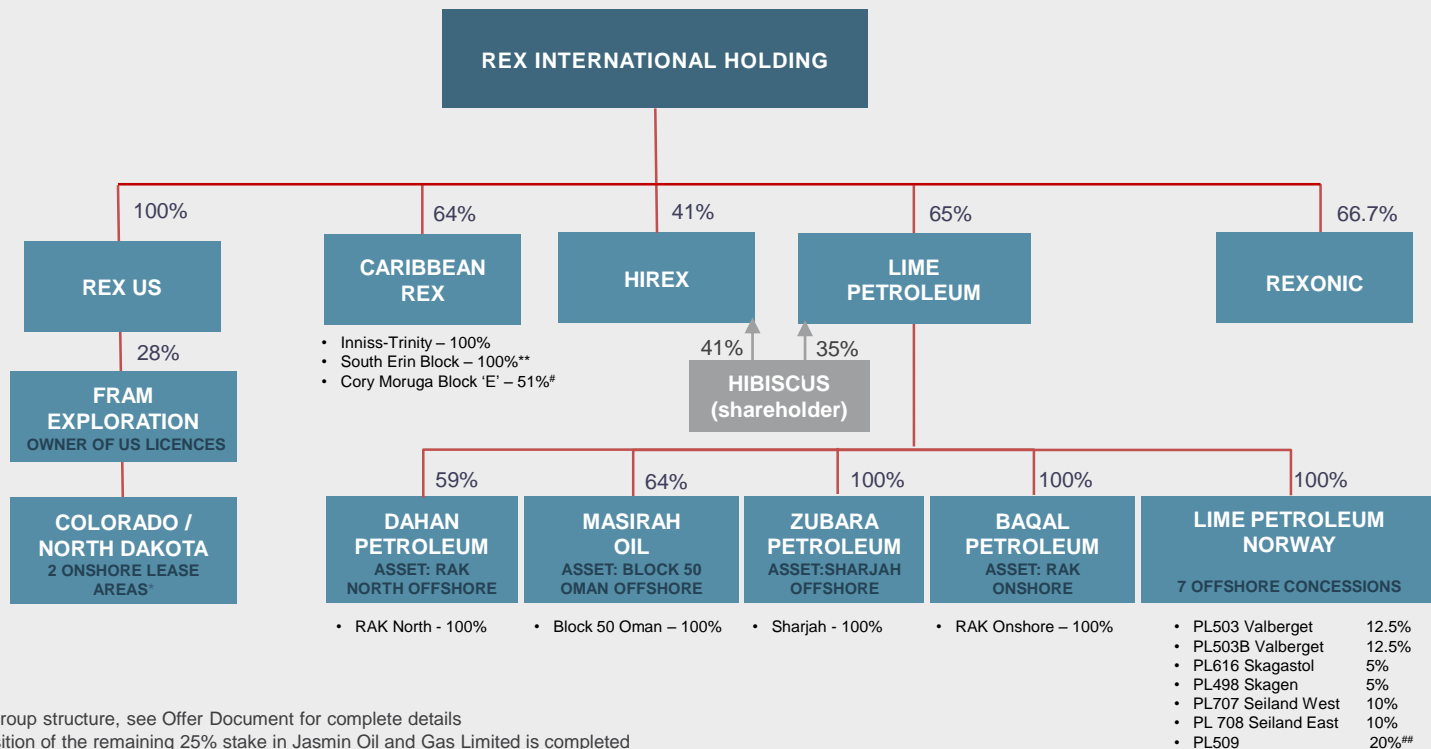
# ASSETS OVERVIEW AND FUTURE PLANS

- 2-3 year holding period for investment
- Politically stable, conducive tax environment
- For offshore concessions, with potential of about 50 million barrels of oil
- 5-10 times return on capital
- Optimum stake of about 20-30%

## OVERVIEW OF REX CONCESSIONS



## REX COMPANY STRUCTURE\*



### Notes:

\* Simplified model of group structure, see Offer Document for complete details

\*\* Assuming the acquisition of the remaining 25% stake in Jasmin Oil and Gas Limited is completed

# Assuming certain well obligations are met

## Assuming transfer of 20% stake in PL 509 is completed

## As at IPO, 31 July 2013

Exposure to **10** concessions

Geographical footprint in **3** regions: the Middle East, the US and Norway

**1** Joint Venture:

- HiRex for Southeast Asia

Shareholder base:

**1,004,683,156** shares

Raised at IPO: **S\$85.3 million**



## As at 31 December 2013

Exposure to **16** concessions

Geographical footprint in **4** regions: the Middle East, the US, Norway and Trinidad & Tobago

**2** Joint Ventures:

- HiRex for Southeast Asia
- Rexonic, Switzerland, for Central and South America

Shareholder base:

**1,094,957,263** shares

Raised at Private Placement: **+S\$50.5 million**



Expect to drill:

- 4-6 offshore wells
- Up to 30 onshore wells

*\*Drilling programme is subject to availability of suitable rigs (can take up to 9 months to commission), agreement and contribution of funding by concession partners and operators, regulatory approval and other factors.*

| Location          | Onshore/<br>Offshore | Wells (estimated) |          |          |          | Operator                      | Type of<br>Seismic<br>Data | Average Cost<br>per well<br>(estimated)    | Rex's funding<br>commitment                           |
|-------------------|----------------------|-------------------|----------|----------|----------|-------------------------------|----------------------------|--|---|
|                   |                      | 1Q                | 2Q       | 3Q       | 4Q       |                               |                            |  |   |
| Oman              | Offshore             | ●                 |          |          |          | Hibiscus                      | 3D                         | US\$20-25m                                 | Existing funds in Masirah Oil                         |
| Trinidad & Tobago | Onshore              |                   | ●●<br>●● | ●●<br>●● | ●●<br>●● | Caribbean Rex                 | 2D / 3D                    | US\$1m /<br>US\$3-5m<br>(Diff. well types) | Existing funds in Rex Caribbean                       |
| UAE               | RAK<br>Offshore      |                   |          | ●        |          | Dahan Petroleum               | 2D / 3D                    | US\$35m                                    | Partly funded by existing funds in Lime Petroleum Plc |
|                   | Sharjah<br>Onshore   |                   |          |          | ●        | Zubara Petroleum              | 2D / 3D                    | US\$40m                                    | Funded by farm-in                                     |
| Norway            | Offshore             |                   |          |          | ●        | Established players in Norway | 3D                         | US\$80-100m before 78% govt repayment      | Existing funds in Lime Petroleum Norway               |

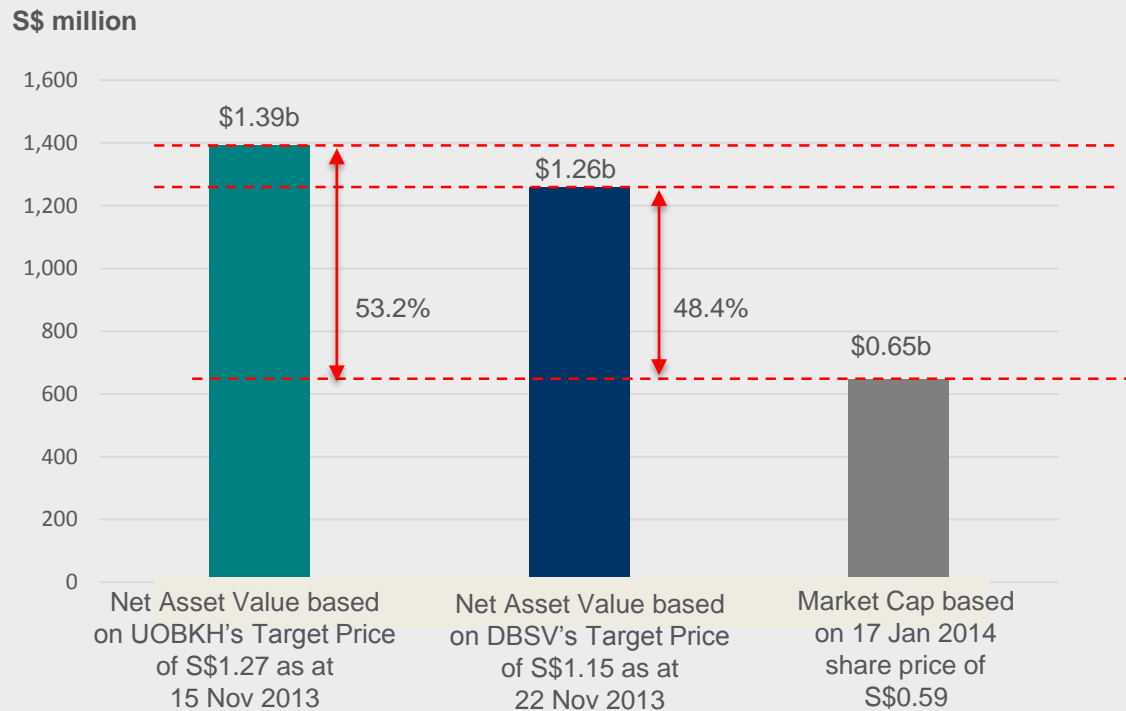


Exploration well



Work over programme for existing wells

## NET ASSET VALUE AND MARKET CAPITALISATION



Based on 1,094,957,263 ordinary shares as at 17 Jan 2014

### Amount of funds raised

|  |                   |   |
|--|-------------------|---|
| Pre-listing/ At asset & subsidiary level | SGD 114.3 million | <i>USD 90 million</i>                     |
| Pre-IPO (excluding share swap)           | SGD 35.6 million  | <i>USD 28 million</i>                     |
| IPO 31.7.2013                            | SGD 85.3 million  |   |
| Private Placement (Net) 6.11.2013        | SGD 50.5 million  | <i>Conversion Rate: SGD1.00 = USD0.79</i> |

|  |                         |
|--|-------------------------|
| <b>Intended Use of IPO Proceeds</b>    | <b>SGD 85.3 million</b> |
| Investment in new opportunities        | SGD 15.7 million        |
| Drilling in Middle East Concessions    | SGD 12.4 million        |
| Drilling in Norwegian Licences         | SGD 23.6 million        |
| Repayment of loan to Rex Partners      | SGD 2.4 million         |
| General working capital <sup>(1)</sup> | SGD 25.9 million        |
| Listing expenses <sup>(1)</sup>        | SGD 5.3 million         |

|   |                          |
|---|--------------------------|
| <b>Intended Use of Private Placement<br/>Net Proceeds</b> | <b>SGD 50.5 million</b>  |
| New opportunities in Asia-Pacific                         | SGD 17.7 million (35.1%) |
| New opportunities in existing markets                     | SGD 16.7 million (33.0%) |
| Rexonic   | SGD 16.1 million (31.9%) |

<sup>(1)</sup> Amount of SGD 1.7 million has been redeployed to listing expenses

## STRONG STRATEGIC PARTNERS

### TECHNOLOGY COMPANIES / INVESTORS

#### REX TECHNOLOGY MANAGEMENT

*Technology Provider*

Rex Technology Management is the licence provider of Rex Gravity, Rex Seepage and Rex Virtual Drilling.



#### BGP

*Seismic Data Provider*

A leading geophysical service company; have cooperated on complex marine surveys in Oman, Sharjah and Ras Al-Khaimah.



#### SCHRODERS

*Investor*

A global asset management company with USD359 billion AUM.



#### PARETO

*Investor*

A leading independent energy and energy service investment bank in Europe, managing USD 3 billion in equity markets in 2012.



#### STAUR

*Investor*

A Norwegian family-owned conglomerate, doing hands-on and dynamic work with businesses in the oil-service, energy and food industries.



#### OGSONIC

*Technology Developer*

A Swiss company whose founders have more than 45 years' experience in ultrasound technology.



### E&P COMPANIES

#### FRAM EXPLORATION ASA

*Partner in US Leases*

A Norwegian oil company with mature assets onshore in the US and in the Republic of Trinidad and Tobago.



#### HIBISCUS

*Strategic Investor*

Malaysia's first listed independent oil and gas E&P company, developing small and medium-sized oil and gas fields in the Middle East, South Asia, East Asia and Oceania regions.



#### PETROCI

*Partner in Oman*

The national oil company of the Ivory Coast active in the whole value chain from exploration to production.



#### NORTH ENERGY

*Partner in Norway*

A Norwegian oil company listed in Oslo, focusing on assets located on the Norwegian Continental Shelf. It is partner in more than 20 offshore licenses in Norway.



## BOARD OF DIRECTORS

|                       |                               |
|-----------------------|-------------------------------|
| Mr. Dan Broström      | <i>Executive Chairman</i>     |
| Dr. Karl Lidgren      | <i>Non Executive Director</i> |
| Mr. Sameer Khan       | <i>Independent Director</i>   |
| Mr. Abderahmane Fodil | <i>Independent Director</i>   |
| Mr. Boon-Ann Sin      | <i>Independent Director</i>   |

## KEY EXECUTIVES

|                       |                                 |
|-----------------------|---------------------------------|
| Mr. Måns Lidgren      | <i>Chief Executive Officer</i>  |
| Mr. Åke Knutsson      | <i>Chief Financial Officer</i>  |
| Mr. Kristofer Skantze | <i>Chief Operating Officer</i>  |
| Mrs. Lina Berntsen    | <i>Chief Technology Officer</i> |
| Ms. Mok Lai Siong     | <i>Group General Manager</i>    |

## IPO facts

|                                |              |
|--------------------------------|--------------|
| Listing date                   | 31 July 2013 |
| Stock code                     | 5WH          |
| Subscription of public tranche | 153x         |
| Share price at IPO             | SGD 0.50     |

## Share facts as at Fri, 17 Jan 2014 (closing)

|                             |               |
|-----------------------------|---------------|
| Share price                 | SGD 0.59      |
| Number of shares            | 1,094,957,263 |
| Market capitalisation       | SGD 646.02 m  |
| Share price devt. since IPO | +18%          |

## Major shareholders\*

|                   |        |
|-------------------|--------|
| Rex Commercial    | 50.86% |
| Schroders         | 8.86%  |
| Pre-IPO investors | 17.15% |
| PPCF and Cathay   | 0.50%  |
| Public float      | 22.63% |

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|              |                |
|--------------|----------------|
| <b>Total</b> | <b>100.00%</b> |
|--------------|----------------|

\*As at 17 Jan 2014

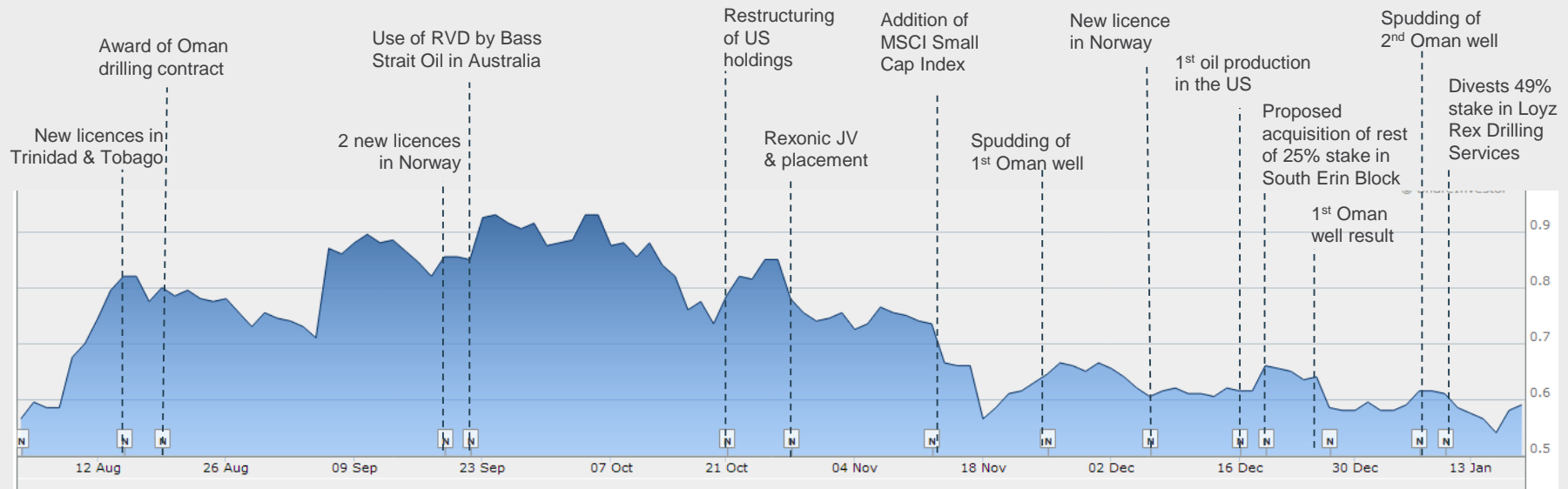


Average daily trading volume since listing up to 17 Jan 2014:

13.9 million shares

Average daily trading volume for last 10 days up to 17 Jan 2014:

8.4 million shares



Source: Shareinvestor as at 17 Jan 2014

## CONTACT

### INVESTORS AND MEDIA

Ms. Mok Lai Siong  
Group General Manager, IR & Communications  
T: +65 6908 4858  
M: +65 8518 8945  
Email: [ir@rexih.com](mailto:ir@rexih.com)

### COMPANY ADDRESS

Rex International Holding Ltd  
1 George Street #14-01  
Singapore 049145



| Key Terms   | RIH IP Licence   | Lime Petroleum IP Licence  | HiRex IP Licence   | Lime Norway IP Licence  |
|---|--|--|--|---|
| Territories   | Any territory in the world save for Morocco, Mauritania, Senegal, Cape Verde, Guinea Bissau, Gambian, Sierra Leone, Liberia, Guinea, Ivory Coast, Ghana, Togo, Benin, Nigeria, Cameroun, Equatorial Guinea, Gabon, Congo-Brazzaville, the Kingdom of Saudi Arabia and the offshore areas associated with these countries | Middle East which includes Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine (Gaza strip and West Bank), Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates, Yemen and offshore areas associated with these countries | Brunei, Myanmar, Malaysia, Indonesia, Thailand, Vietnam, Cambodia, the Philippines, Australia, New Zealand and Papua New Guinea and offshore areas associated with these countries | Norwegian Continental Shelf   |
| Licence Fees for Rex Virtual Drilling (subject to annual inflation adjustments) | US\$312,500 for FY2013, and an aggregate of US\$625,000 for the next 12-month period.  | Hourly rate of US\$150 for project engineers and US\$300 for the project manager   | US\$1.25m for the first 12 months from the date of the Licence Agreement, and US\$2.5m for the second 12-month period  | US\$625,000 for FY2013, and subsequently for every half year period until 31 December 2014                              |
| Licence Fees for Rex Seepage  | US\$75 per sq km and such charges shall be subject to the same annual increment as the cost for the use of Rex Virtual Drilling  | Hourly rate of US\$150 for project engineers and US\$300 for the project manager   | Charged separately on a case by case basis, where such charges will be pre-approved by HiRex in writing  | Charged separately on a case by case basis, where such charges will be pre-approved by Lime Petroleum Norway in writing |
| Licence Fees for Rex Gravity  | US\$75 per sq km and such charges shall be subject to the same annual increment as the cost for the use of Rex Virtual Drilling  | Hourly rate of US\$150 for project engineers and US\$300 for the project manager   | Charged separately on a case by case basis, where such charges will be pre-approved by HiRex in writing  | Charged separately on a case by case basis, where such charges will be pre-approved by Lime Petroleum Norway in writing |