

REX INTERNATIONAL HOLDING LIMITED
(the "Company")
(Company Number: 201301242M)
(Incorporated in the Republic of Singapore)

**ISLE OF MAN COURT DISMISSES GULF HIBISCUS' APPLICATION;
DEEMSTER MINDED TO ORDER GULF HIBISCUS TO PAY COSTS FOR ITS FAILED APPLICATION
(SUBJECT TO FURTHER SUBMISSIONS)**

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning ascribed to them in the Company's announcements dated 31 December 2015, 25 January 2016, 6 February 2016, 16 February 2016, 3 March 2016 and 15 April 2016, in relation to Gulf Hibiscus Limited's ("**GHL**" or "**Gulf**") filing of an application in the Isle of Man Court for leave to bring a derivative action on behalf of Lime Petroleum Plc ("**Lime**"), being the Company and GHL's jointly-controlled entity, against three (3) directors of Lime, namely Mr Karl Helge Tore Lidgren, Mr Simon Comina and Mr Laurence Keenan (the "**Lime Directors**") ("**Announcements**").*

The Board of Directors (the "**Board**") of Rex wishes to announce that His Honour the Deemster Doyle, First Deemster and Clerk of the Rolls in the Isle of Man, had on 31 May 2016, delivered a judgment, refusing GHL's application to bring a derivative claim on behalf of Lime, against the Lime Directors. His Honour, the Deemster Doyle concluded the judgment by stating that he was minded to make an order for Gulf to pay for the costs of its failed application and that he would make his final determination after receiving additional submissions, if any.

In his overall assessment, His Honour the Deemster Doyle dismissed the application for leave for all the reasons contained in the judgment, including his concerns as to whether Gulf has acted in good faith; his doubt whether the derivative claim is in the interests of Lime; if the proceedings are likely to succeed; and if such proceedings would be cost effective. Moreover, an alternative remedy - by way of a confidential arbitration in Geneva as stated in the Lime Shareholders' Agreement - to the derivative claim is available.

In paragraph 141 of the judgment, His Honour the Deemster Doyle said, "I have to say that I have concerns as to whether Gulf is acting in good faith. I also have serious concerns in respect of the way in which Gulf has conducted itself in the presentation and progression of its application."

In paragraph 142, he expressed his concerns over "the failure of Gulf to mention in their initial evidence in support of the application the State of Norway Guarantee¹" and "how Gulf dealt with this in its responsive evidence". In paragraph 144, he said that he found it very difficult to accept Dr Pereira's evidence and that "Dr Pereira, on behalf of Gulf, appears to seek, no doubt with the intention of influencing the decision of this court on the application, to seriously undermine the significance of the State of Norway Guarantee¹ in the minds of the target directors". In paragraph 145, he noted that there were in fact, five express references to the State of Norway Guarantee¹ when the Lime Norway Proposals² were being considered.

He added, in paragraph 150, that "the fact that Gulf have seen fit to include the conspiracy allegation in the evidence presented on its behalf reflects badly upon Gulf and further taints the approach Gulf

have chosen to adopt on these proceedings”, describing the allegation as “sweeping and un-particularised” in paragraph 149.

Further in paragraph 166, His Honour the Deemster Doyle stated, “The way in which Gulf have presented the application, its initial lack of candour on the State of Norway Guarantee¹ point, the failure to put all relevant evidence before the court, the presentation of an unduly partial picture to the court, the conspiracy claim being raised in evidence and skeleton argument but forming no part of the pleaded case all cast doubt in my mind as to whether Gulf is acting in good faith.”

In paragraph 167, he added, “Moreover, I am not convinced that Gulf is acting in the best interests of Lime in seeking to bring a derivative claim. From the evidence and arguments presented to me it would appear that Gulf is simply endeavouring to advance its own interests. I have considered the conduct of Gulf and I am not satisfied that it is appropriate for Gulf to bring the claim on behalf of Lime. For the reasons I have referred to I am not persuaded that Gulf is acting in good faith. I am concerned, on the evidence and arguments presented that Gulf’s conduct and approach taints its good faith and I am not convinced that Gulf is acting with entirely “clean hands”. Frankly, based on the evidence presented to me, I am of the view that Gulf has no real genuine interest in advancing the interests of Lime. I am of the view that Gulf simply wishes to advance its own interests and to damage those of Rex.”

The full contents of the judgment are publicly available via the link below:
<http://www.judgments.im/content/J1762.htm>

The Company has always been confident that the Lime Directors have at all times acted consistently with their duties to Lime and is pleased that the Lime Directors have been fully vindicated by this Isle of Man Court judgment.

Notes:

Referencing Rex’s 14 December 2015 Announcement entitled “Restructuring of Lime Petroleum Norway AS”:

- 1 **State of Norway Guarantee** refers to the parent company guarantee to the Norwegian Ministry of Petroleum and Energy for Lime Petroleum Norway AS to continue operating as a pre-qualified oil company in Norway.
- 2 **Lime Norway Proposals** refer to the resolutions passed at Lime Petroleum Norway AS’s extraordinary meeting held on 12 October 2015.

BY ORDER OF THE BOARD OF
Rex International Holding Limited

Dan Broström
Executive Director and Chairman

2 June 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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