ALPHA ENERGY

(Company Registration No. 200310813H) www.alphaenergy.com.sg

DISCLOSURE PURSUANT TO RULES 705(6) AND 705(7) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") LISTING MANUAL SECTION B: RULES OF CATALIST (THE "CATALIST RULES")

Pursuant to Rules 705(6) and 705(7) of the Catalist Rules, the Board of Directors ("**Board**") of Alpha Energy Holdings Limited (the "**Company**") wishes to announce the following for the third quarter ended 31 December 2015 ("**3Q 2016**").

Rule 705(6)(a) of the Catalist Rules

(i) Use of funds/cash for the quarter:-

For 3Q 2016, funds/cash were mainly used for the following activities:

	Budget * - S$	**Actual - S$**
Land & Rentals	70,000	45,742
Seismic Costs	150,000	92,954
Drilling / Base Camp Costs	300,000	476,931
Project Management Fees	25,000	(527,163)
Finance Fees and Expenses	25,000	0
Bonding	0	293,012
Corporate administrative expenses	275,000	151,187
Total	**845,000**	**532,663**

* As disclosed in the Company's unaudited half year result announcement dated 13 November 2015 ("**HY2016 announcement**").

(ii) Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter ending 31 March 2016 ("**4Q 2016**"), the funds/cash are expected to be used for the following activities:

	4Q 2016 – S$
Land & Rentals	70,000
Seismic Costs	90,000
Base Camp Costs	150,000
Project Management Fees	50,000
Corporate administrative expenses	230,000
Total	**590,000**

The above budget is premised on no drilling activities being undertaken in 4Q 2016 due to current price of crude oil. The Company has minimised all non-essential expenditure both at its Singapore corporate head office and at Brooks Range Petroleum Corporation, its Anchorage-based operating company in which it acquired a 50% interest in August 2015.

All budgeted USD expenditures were converted to SGD using an exchange rate of USD$1.00 = SGD$1.414

Rule 705(7) of the Catalist Rules

(a) Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

There were no drilling activities undertaken in the 3Q 2016 due to the current price of crude oil. Expenses relating to drilling costs of S$476,931 relate to the maintenance of base camp facilities.

The Company also negotiated a rebate of Project Management Fees.

In October 2014, the Company's subsidiary, Caracol Petroleum, LLC, executed a Dismantlement, Removal, and Restoration (DR&R) Agreement with the Alaskan Department of Natural Resources (DNR). The DR&R Agreement requires Caracol Petroleum, LLC to deposit bonds of approximately USD$552,000 annually until the earlier of the commencement of sustained production or 2020. The purpose of these bonds is to establish a sinking fund from which the rehabilitation of the Mustang Project will be paid when reserves are depleted and production ceases. After 2020 or when sustained production commences, further deposits are required to be made so that the total value of the bonds on deposit equals the estimate of the DNR to dismantle, remove and restore the area.

In October 2015, the DNR agreed to reduce the bonding amount required to be deposited in October 2015 to USD$276,000, to be paid in two equal instalments. The first instalment of USD$138,000 (equivalent to S$195,000) was paid in October 2015 and the second instalment of $138,000 will be paid in April 2016.

Approximately S$195,000 of the total Bonding cost of S$293,012 in 3Q 2016 relates to aforementioned bonds being deposited to satisfy DR&R Agreement. The remaining bond amount of approximately S$98,000 relates to activities on the North Slope, Alaska to satisfy the Alaskan Department Mining, Land & Water requirements. Caracol Petroleum, LLC has a total of USD$2.65 million in cash bonds on deposit to satisfy various Alaskan government requirements.

Due to an inadvertent omission, the bond amounts were not included in its budgeted expenditure for 3Q 2016 in the HY2016 announcement.

The variance between budgeted and actual corporate administrative expenses in 3Q 2016 is a result of lower than expected traveling expenses and the absence of legal expenses which were budgeted in HY2016 Announcement.

All USD were converted to SGD using an average exchange rate of USD$1.00 = SGD$1.414.

(b) Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

There has been no change to the reserves and resources as to those disclosed in the Independent Qualified Person's Report dated 4 August 2015 and released on 14 August 2015 on the SGXNET.

Confirmation by the Board pursuant to Rule 705(6)(b) of the Catalist Rules

The Board confirms that, to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Lee Tiong Hock
Company Secretary
12 February 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's 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 Catalist. The Sponsor has not verified the contents of this announcement.*

The Sponsor has also not drawn on any specific technical expertise in its review 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.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.