



HIBISCUS PETROLEUM BERHAD - PRESS RELEASE

HIBISCUS' JOINTLY-CONTROLLED ENTITY RELINQUISHES 3 NORWEGIAN LICENSES FOLLOWING DETAILED ANALYSIS

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- Lime Norway drops 20% stakes each in PL509S, PL509BS and PL509CS; no material adverse effect expected in view of attractive Norwegian Petroleum Tax Act fiscal terms
 - Total portfolio of licenses held by Lime Norway is 13
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Kuala Lumpur, 24 July 2014: Hibiscus Petroleum Berhad (Hibiscus Petroleum) wishes to announce that its jointly-controlled entity, Lime Petroleum Norway AS (Lime Norway) has decided to surrender PL509S, PL509BS and PL509CS, all of which are located in the North Sea, following the deadline for a drill or drop decision by 23 July 2014.

Following the assessment of results obtained from reprocessed seismic data, the application of Rex Virtual Drilling¹ (RVD) and electromagnetic surveys (EM), Lime Norway has supported its partners' evaluation of all available data and declined from continued participation in these licenses. Lime Norway's partners in these licenses are North Energy ASA (North Energy), Fortis Petroleum Norway AS and Rocksource Exploration Norway AS.

The decision to relinquish PL509S, PL509BS and PL509CS was taken after the sands for which prospectivity is associated with sandstones of Paleocene age located in the Central Viking Graben, were found to be marine channel deposits and thin, resulting in confident mapping being challenging. RVD analysis showed presence of anomalies, but these were deemed not of sufficient size to be attractive. The EM survey obtained also did not reveal significant positive indicative EM to proceed further. Hence, as conventional mapping, RVD and EM have not been able to define prospects with acceptable risk-reward benefits, North Energy as the operator of the three licenses, had proposed to its partners to bow out from holding on to their interests in these licenses.

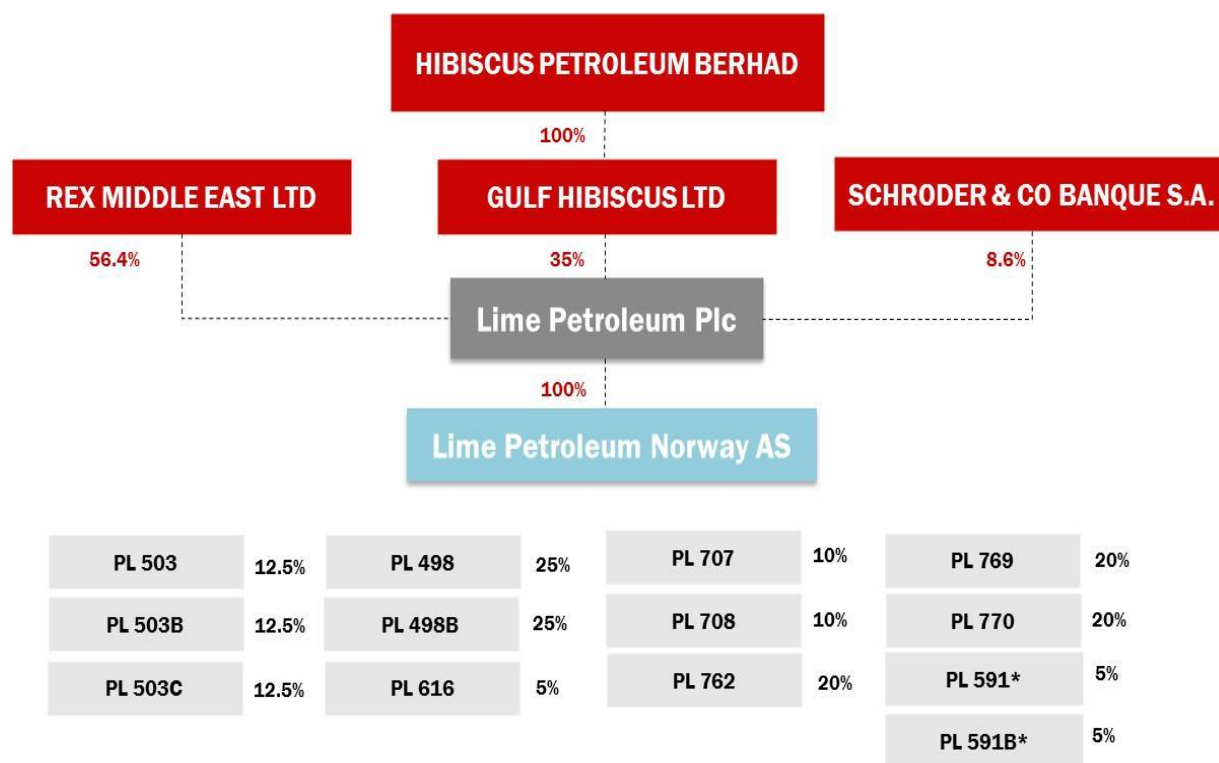
Subsequent to the relinquishment of PL509S, PL509BS and PL509CS, Hibiscus Petroleum continues to hold various levels of equity in 13 licences in Norway.

In view of the attractive fiscal terms offered by the Norwegian Petroleum Tax Act whereby 78% of eligible exploration expenditure is reimbursed annually, irrespective of whether production is achieved, Lime Norway is not expected to bear a material adverse effect from dropping the 3 licenses. The fiscal terms in Norway are unlike the petroleum fiscal systems of most countries whereby a certain portion of exploration expenditure may only be recovered upon production.

¹ A software-based tool which relies on the phenomenon of resonance in seismic data to detect liquid hydrocarbon deposits.

Following the capital injections totalling USD23 million made by Lime Petroleum Plc's (Lime) shareholders in November 2013 and January 2014, together with the NOK300 million financing facility secured from Skandinaviska Enskilda Banken AB, Lime Norway has secured adequate financing to fulfil their work commitments, including the drilling of 2 wells, into 2015.

Lime Norway is a wholly-owned subsidiary of Lime. Lime is a jointly-controlled entity in which Hibiscus Petroleum owns a 35% stake.



* Subject to regulatory approval

The acquisition of the interests in the Norwegian Continental Shelf concessions is in line with Hibiscus Petroleum's portfolio balancing strategy to acquire assets in geo-politically stable regions.

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About Hibiscus Petroleum Berhad

Hibiscus Petroleum Berhad (HIBISCS: 5199) is Malaysia's first listed independent exploration and production company. It was listed on the Main Market of Bursa Malaysia Securities Berhad in July 2011. Hibiscus Petroleum is focused on the exploration and development of oil and gas fields in the Middle East, Norway, South Asia, East Asia, and Oceania regions. For more information, please visit our website at <http://www.hibiscuspetroleum.com>.