



## LOYZ ENERGY ISSUES S\$5.1M OF NEW SHARES AND WILL RECORD PROFIT ON REDEMPTION OF BONDS

- ◆ S\$2.7M raised through a placement exercise to augment working capital and strengthen Company's balance sheet
- ◆ US\$4M worth of bonds purchased for US\$1.65M via share transaction
- ◆ US\$3.35M worth of the bonds to be redeemed at par value in August 2016 resulting in a profit

SINGAPORE ◆ 31 MAY 2016

For immediate release

**Loyz Energy Limited** ("**Loyz Energy**" or the "**Company**", and together with its subsidiaries, the "**Group**"), a fast-growing Singapore-based upstream energy group, today announced that it has successfully raised S\$2.7M through a private placement (the "**Placement**"). The funds raised will strengthen the Company's balance sheet and augment working capital.

The Company has also entered into a binding sale and purchase agreement with Kuppelvik AS and Amalie International Holdings Ltd (collectively, the "**Sellers**") in relation to the acquisition by the Company from the Sellers of an aggregate par value US\$4.0 million, senior secured, convertible bonds issued by Fram Exploration ASA ("**Fram**") due on 30 December 2018 (the "**Fram Bonds**") for a purchase price of US\$1.65 million (the "**Bond Transaction**"). The consideration will be satisfied by both the issue of new shares in the Company and the transfer of Loyz Energy shares from Fram to the Sellers. The Fram Bonds are secured against Fram's Whitewater assets which are valued at around US\$30 million based on a third party valuation report.

US\$3.35M Fram Bonds will be redeemed by Fram at face value on 1 August 2016 in settlement of i) an outstanding sum of US\$2.15 million owed by the Company to Fram; and ii) the transfer of Loyz Energy shares from Fram to the Sellers, as stated above. The redemption is expecting to deliver a profit for the Company. The remaining US\$0.65M worth of Fram Bonds will pay a 10% annual coupon and are redeemable at



face value by 31 December 2018 or when Fram monetizes its Whitewater assets, whichever is earlier.

CEO Mr Jeffrey Pang said, ***“On behalf of the Company, I would like to thank the investors for their confidence and support. The fundamentals of the oil & gas upstream business are improving and we are cautiously optimistic that we can look forward to better results in the coming years.*”**

***The Placement together with the Bond Transaction will significantly improve Loyz Energy’s financial position. The Bond Transaction is a win-win for Loyz Energy and our partner, Fram Exploration ASA, in which we have a 13.75% equity stake. They have formalised a plan to monetise their American assets over the next 12-24 months and, with this Bond Transaction, they will be in a better position to realise their plan.”***

The Company has recently written off its non-core assets and is strengthening its balance sheet with the Placement and Bond Transaction. The Company will continue to develop its proven reserves and realise the potential upside in its Thailand asset while concurrently seeking meaningful collaboration and strategic opportunities that can add further value.

~~ End ~~

#### **ABOUT LOYZ ENERGY LIMITED**

**STOCK CODES – SGX: 594 | BLOOMBERG: LOYZ SP | REUTERS: LOYZ.SI**

Home-grown Loyz Energy Limited is an independent exploration and production energy company with its focus in the Asia-Pacific region.

Loyz Energy’s key asset is its stake in the Thailand oil fields in the Phetchabun Basin, which currently generates a steady earnings stream from stable existing production. The asset also holds significant proven reserves for development and provides significant potential exploration upside that will enhance value and long-term growth.



LOYZ ENERGY LIMITED

15 Hoe Chiang Road  
Tower Fifteen, #19-01  
Singapore 089316

Tel: +65 6521 9048  
Fax: +65 6225 4945

---

#### FOR FURTHER ENQUIRIES

##### LOYZ ENERGY LIMITED

Tel: +65 6521 9048

Contact Person: Audrey Soh

---

#### IMPORTANT DISCLAIMER

This press release has been prepared by the Company and its contents have been reviewed by Canaccord Genuity Singapore Pte Ltd ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this press release.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

The contact person for the Sponsor is Mr Sebastian Jones, Associate Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65)6854 6160.