

LOYZ ENERGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199905693M)

PROPOSED PLACEMENT OF AN AGGREGATE OF 146,951,000 NEW ORDINARY SHARES IN THE CAPITAL OF LOYZ ENERGY LIMITED AT AN ISSUE PRICE OF S\$0.095 PER NEW ORDINARY SHARE

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of Loyz Energy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had, on 21 March 2015, entered into a placement agreement (the “**Placement Agreement**”) with placees set out in paragraph 2 below (collectively, the “**Placees**”) in relation to the placement of an aggregate of 146,951,000 new ordinary shares in the capital of the Company (the “**New Shares**”) at an issue price of S\$0.095 per New Share (the “**Issue Price**”) to the Placees, in the proportion as set out in paragraph 2 below.

Pursuant to the Placement Agreement, the Company has agreed to allot and issue to each of the Placees, and each of the Placees has agreed to subscribe and pay for, an aggregate of 146,951,000 New Shares, in the proportion as set out in paragraph 2 below, for which listing and quotation on Catalist shall be sought, on the terms and subject to the conditions of the Placement Agreement, at the Issue Price, raising gross proceeds of approximately S\$14.0 million (the “**Placement**”).

The New Shares are to be issued to the Placees pursuant to Section 272B of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). Hence, no prospectus or offer information statement in connection with the Placement will be lodged with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) acting as agent on behalf of the Monetary Authority of Singapore.

Pursuant to Rule 803 of Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Rules of Catalist**”), the Company has confirmed that it will not, pursuant to the Placement, issue the New Shares to transfer a controlling interest of the Company without the prior approval of shareholders of the Company (“**Shareholders**”) in a general meeting. The New Shares will not be issued to any person who is a Director or a substantial Shareholder, or any other person falling within the categories set out in Rule 812(1) of the Rules of Catalist.

2. THE PLACEMENT

The Issue Price of S\$0.095 represents a discount of approximately 6.5% to the volume weighted average price (“**VWAP**”) of S\$0.1016 per share of the Company (“**Share**”), based on trades done on Catalist on 19 March 2015, being the full market day on which Shares are traded up to the date the Placement Agreement is signed. The Issue Price was arrived at pursuant to discussions with the Placees, taking into account, among others, the VWAP of the Shares quoted on Catalist on 19 March 2015. The New Shares will be allotted and issued to, and subscribed and paid for, by each of the Placees in the following proportion:

Name of Placee	Number of New Shares
Kwan Weng Kwong	1,000,000
Mak Shi Min Jasmin	1,000,000
Adrian Tay Kuan Yang	1,850,000
Liew Woon Fui	2,100,000
Lee Cheow Ming Doris Damaris	2,106,000
Lai Voon Nee	3,150,000
Wee Chew Teck	4,211,000
Saw Meng Tee	6,316,000
Chen Xiong Zhao	10,800,000
Staur Holdings AS	18,200,000
Golden Maine Investments Limited	37,900,000
Silver Ally Enterprises Limited	58,318,000
	146,951,000

There is no placement agent appointed for the Placement. The Company was introduced to the Placees through Eagle Rock Capital Limited, who will be paid an introducer fee of 3.0% of the gross proceeds from the Placement. The Placees are subscribing for the New Shares for investment purposes.

The Company will make an application to the Sponsor (as defined herein) and the SGX-ST for the dealing in, listing of and quotation for the New Shares to be issued pursuant to the Placement on Catalist.

3. NEW SHARES

As of the date of this announcement (“**Announcement**”), the Company has an issued and paid-up share capital of 424,352,127 Shares and has no treasury Shares.

The 146,951,000 New Shares represent approximately 34.6% and 25.7% of the existing and enlarged issued and paid-up share capital of the Company, respectively.

The New Shares are to be issued pursuant to the existing share issue mandate approved by Shareholders at the annual general meeting of the Company held on 30 October 2014.

The New Shares, when issued and fully-paid, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the Shares as at the date of issue of the New Shares save that they will not rank for any dividend, rights, allotments or other distributions, the record of which falls on or before the date of completion of the allotment and issuance of the New Shares.

4. RATIONALE AND USE OF PROCEEDS

The Placement is proposed to raise funds to improve the Company's financial position as well as bolster its general corporate requirements. The Placement is beneficial to the Company as it enlarges the shareholder base of the Company and is also expected to improve the level of trading liquidity of the Shares. The estimated net proceeds from the Placement are approximately S\$13.6 million (after deducting expenses of approximately S\$0.4 million). The Company intends to allocate the entire net proceeds from the Placement for its general corporate requirements.

Pending the deployment of the net proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company shall announce the use of the net proceeds as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in this Announcement, and where there is any material deviation from the stated use of proceeds, the Company shall announce the reasons for such deviation. The Company shall also provide a status report on the use of net proceeds in its annual report.

5. DIRECTORS' OPINION

The Directors are of the opinion that, barring any unforeseen circumstances, after taking into consideration the Group's support from its controlling Shareholder, Jit Sun Investments Pte. Ltd., present bank facilities, internal resources and operating cashflow, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Placement will enable the Company to improve its financial position as well as bolster its general corporate requirements.

6. FINANCIAL EFFECTS OF THE PLACEMENT

The proforma financial effects of the Placement are presented for illustration purposes only and are not intended to be indicative or reflect the actual future financial situation of the Company and the Group after the completion of the Placement.

The proforma financial effects of the Placement have been computed based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2014 ("FY2014") as well as the following assumptions:

- (i) the financial effect on the consolidated net asset value ("NAV") per Share is computed based on the assumption that the Placement was completed on 30 June 2014;
- (ii) the financial effect on the loss per Share is computed based on the assumption that the Placement was completed on 1 July 2013;
- (iii) Placement of 146,951,000 New Shares at the Issue Price of S\$0.095;
- (iv) expenses relating to the Placement of approximately S\$0.4 million; and
- (v) for the avoidance of doubt, the financial effects on the NAV per Share and loss per Share had not taken into account issuance of new Shares by the Company subsequent to 30 June 2014 up to the date of this announcement.

Share capital and NAV per Share

	Before the Placement	After the Placement
Number of Shares as at 30 June 2014	411,281,127	558,232,127
Share capital (S\$'000)	95,882	109,424
NAV attributable to Shareholders (S\$'000)	86,083	99,625
NAV per Share (cents)	20.93	17.85

Loss per Share

	Before the Placement	After the Placement
Net loss attributable to Shareholders in FY2014 (S\$'000)	3,670	3,670
Weighted average number of Shares	386,868,009	533,819,009
Loss per Share (cents)	0.95	0.69

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Other than interests held through the Company as Shareholders, none of the Directors or controlling Shareholders and their respective associates has any interest, direct or indirect, in the Placement.

8. CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in the Shares in relation to this Announcement as there is no certainty that the Placement will be completed as it is subject to the fulfillment of the terms and conditions set out in the Placement Agreement. When in doubt as to the action they should take, Shareholders and potential investors should consult their financial, tax or other advisers.

9. ANNOUNCEMENTS

Further announcements on the Placement, including the receipt of the listing and quotation notice from the SGX-ST, will be made in due course as and when appropriate.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

11. DOCUMENT FOR INSPECTION

A copy of the Placement Agreement is available for inspection by Shareholders during normal business hours at the registered address of the Company at 15 Hoe Chiang Road, #19-01 Tower 15, Singapore 089316 for three months from the date of this Announcement.

By order of the Board

Lee Chye Cheng, Adrian
Managing Director
23 March 2015

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

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

The contact person for the Sponsor is Mr Alex Tan, CEO, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.