



LOYZ ENERGY WELCOMES MAJOR SHAREHOLDER AND RESTRATEGISES

- ◆ Wave Link L.P. will become Loyz's second largest shareholder
- ◆ Group restrategises with Board and Management changes

SINGAPORE ◆ 11 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 is welcoming a new controlling shareholder and has implemented strategic changes to its board of directors (the "**Board**") and its management team to enable it to better weather the current challenging environment in its upstream oil and gas business.

Wave Link L.P. ("**Wave Link**"), an existing shareholder of the Company, has entered into a sale and purchase agreement with **Jit Sun Investments Pte Ltd** ("**Jit Sun**"), the largest shareholder of Loyz Energy, pursuant to which Wave Link will acquire an additional 9.85% stake in Loyz Energy from Jit Sun. The acquired shares will be transferred in two tranches, with the first tranche in May 2016 and the second tranche before August 2016. Following completion of the acquisition, Wave Link will become the Company's second largest shareholder with an aggregate 16.70% shareholding interest. Jit Sun will remain the largest controlling shareholder of the Company, holding a 17.18% shareholding interest and will continue to provide financial support to the Company where necessary. Wave Link is an investment fund which focuses on investments in certain core sectors, including the oil and gas sector.

A representative from Wave Link said, "***The fundamentals of Loyz Energy's upstream oil and gas business are very sound, taking into account their proven oil reserves, low cost of production and potential to scale-up quickly. All they need is strong support to enable them to ride through this temporary storm in the oil and gas sector.***"

As well as the acquisition of shares by Wave Link, the Company has made several changes to the constitution of the Board. Former CFO Mr **Jeffrey Pang** has been



appointed as CEO to replace Mr **Adrian Lee**, Managing Director, who has been appointed as Non-Executive Director on the Board. Mr Pang has also been appointed Executive Director on the Board. Mr Pang has headed the finance function of the Group since 2011 and has spent a considerable part of his career in the oil and gas sector. Over the last few years, Mr Pang has also been actively involved in the planning and execution of operational strategies for the Group and has worked extensively with its partners.

Mr **Simon Charles Lockett**, Chairman of the Group, has also stepped down from the Board but will continue to contribute as an Advisor to the Board. Lead Independent Director, Mr **William Teo**, who currently chairs the Audit Committee, has been appointed Chairman of the Board. Mr Teo brings with him an extensive network and more than two decades of valuable experience in the areas of corporate finance and mergers and acquisitions.

Mr **Chan Eng Yew** and Mr **Chia Yong Whatt** will relinquish their respective roles as Non-Executive Director and Independent Director.

Newly-appointed CEO Mr Jeffrey Pang said, ***“Our immediate focus is to improve our cash flows and ensure we can operate smoothly even when oil prices are at the current low levels. With our substantially reduced operating costs, we are in a good position to benefit when oil prices rise.***

There is significant untapped potential in our Thailand fields. Low drilling and operating costs imply significant potential to increase production and potentially reserves, thereby boosting the value of our fields and Company for the benefit of shareholders.

Our non-core assets will be divested as we continue to look for strategic options to create more value for our shareholders. Taking a conservative view, we have also fully impaired the value of the investments made on non-core assets, even though we believe there will be some value generated when the assets are divested.

I would like to take this opportunity to express the Company’s heartfelt appreciation to Mr Chan Eng Yew and Mr Chia Yong Whatt for their valuable contribution over the years.”



Operations at the Company's Thailand oil fields are running smoothly, with production output of 4,200 barrels per day. With an average production cost of around US\$11 per barrel achieved by targeted cost controls, Loyz Energy's business is fundamentally strong and cash flow positive.

The new Board will continue to implement effective cost management to keep the Company lean and resilient, while concurrently seeking meaningful collaboration and strategic opportunities that create value for shareholders.

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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

For more information, please visit the Group's website at www.loyzenergy.com

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