

LOYZ ENERGY LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199905693M)

EMPHASIS OF MATTER BY INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

In compliance with Rule 704(4) of the Listing Manual Section B: Rules of Catalist ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), 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's independent auditors, BDO LLP, have issued an "emphasis of matter" relating to uncertainties in relation to the Group and the Company's ability to continue as going concern, and the outcome of the Group's application to the New Zealand Government for the Change of Conditions ("**COC**") of New Zealand Permit PEP 38479 (the "**Permit**"), in the Independent Auditors' Report on the Company's and Group's audited financial statements for the financial year ended 30 June 2015 ("**FY2015**") (the "**Audited Financial Statements**"). BDO LLP's audit opinion is not qualified in respect of these matters.

A copy of the Independent Auditors' Report together with an extract of the relevant notes to the Audited Financial Statements is annexed to this announcement for the Company's shareholders' (the "**Shareholders**") reference.

The Directors noted the concerns of the independent auditors. Notwithstanding the above, barring unforeseen circumstances, the Directors are of the opinion that as at the date of this announcement, the Group and the Company are able to meet their obligations as and when they fall due having regard to the reasons set out in Note 4 to the Audited Financial Statements. The Directors also wish to inform Shareholders that the Group is in ongoing negotiations with the New Zealand Government for the COC in relation to the change in approach in developing the Permit and will update Shareholders on any material developments as and when applicable.

The Company's Annual Report for FY2015, which will contain the Independent Auditors' Report and the Audited Financial Statements, will be despatched to Shareholders and released on the SGXNet in due course.

The Board wishes to advise Shareholders and investors to exercise caution when dealing in the shares of the Company. In the event of any doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By order of the Board

Lee Chye Cheng, Adrian

Managing Director

Date: 14 October 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 Singapore Exchange Securities Trading Limited ("**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 Ms Alice Ng, Director and Head of Continuing Sponsorship, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.