



LOYZ ENERGY: CARNAVON, SELLER OF LOYZ'S 20.0% PRODUCING THAILAND OIL CONCESSIONS TAKES EQUITY STAKE IN LOYZ ENERGY IN LIEU OF CASH FOR FIRST PAYMENT DUE

- ◆ Deal will improve the Group's cash flows for the operational requirements of the producing Thai oil concessions
- ◆ A drilling programme for further exploration of the resources at the Thai oil concessions is being implemented

SINGAPORE ◆ 18 JANUARY 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 announced today that Loyz Oil Thailand Pte Ltd ("**Loyz Oil**"), a wholly-owned subsidiary of the Company, had, on 15 January 2016, entered into a supplemental sale and purchase agreement (the "**Supplemental Agreement**") with Carnarvon Thailand Limited ("**Carnarvon**") for the amendment of certain terms in the sale and purchase agreement dated 28 February 2014 (the "**Agreement**"). The Agreement was in relation to the acquisition by Loyz Oil from Carnarvon of a 20.0% participating interest in SW1 / L33 / L44 oil concessions ("**Concessions**") located at Phetchabun Basin, Thailand (the "**Acquisition**") as announced by the Company on 3 March 2014. The Acquisition, which was completed on 30 April 2014, was for a total consideration of US\$65 million, comprising payment of (a) US\$33 million, which was satisfied in full on the date of completion of the Acquisition, and (b) the remaining US\$32 million to be satisfied as a debt due and payable by way of post completion receivable payments (the "**Post Completion Receivable Payments**"), on 30 November of each year, with the first payment due on 30 November 2015.

The Company announced that pursuant to the Supplemental Agreement, the first payment for the Post Completion Receivable Payment, amounting to US\$702,000, has been amended and shall be satisfied by: (a) a payment of US\$100,000, payable in cash by 30 December 2015, which for the avoidance of doubt, was paid by the Group to Carnarvon on 30 December 2015; and (b) a payment of US\$602,000, payable by the issue and allotment of 21,597,000 new ordinary shares in the capital of the



Company (the “**New Shares**”) at an issue price of S\$0.040 per New Share by 31 January 2016, subject to approval from all applicable authorities.

Commenting on Carnavon taking an equity stake in the Company, Managing Director of Loyz Energy, Mr. Adrian Lee (黎才庆) said, “**This equity participation by Carnavon will improve our cash flows for the operational requirements of the Concessions.**” A drilling programme for further exploration of the resources at the Concessions is being implemented.

The proposed issue of the New Shares in lieu of cash payment will also strengthen the Group’s balance sheet. The Group’s share capital will increase to US\$111.2 million from US\$110.6 million as at 30 June 2015 and NTA per share of the Group will increase to 1.89 US cents from 1.86 US cents as at 30 June 2015. Mr Lee added, “**The management has been very active in looking for ways to ensure that Loyz Energy remains resilient at this stage of the oil and gas cycle.**”

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This media release is to be read in conjunction with the Company’s announcement of the Supplemental Agreement posted on the SGX website on 18 January 2016.

ABOUT LOYZ ENERGY LIMITED

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

Home-grown Loyz Energy Limited (“Loyz Energy” or the “Group”) is fast establishing itself as an independent exploration and production (“E&P”) energy company in the Asia-Pacific.

Loyz Energy is working to build a balanced portfolio of prime, producing oil and gas concessions, which will generate a steady earnings stream to gird up its balance sheet, as well as exploration assets that will drive long-term growth. In addition, Loyz Energy will seek drilling partnerships to reduce risks at the exploration and development stages.

The Group has begun to acquire producing assets. In March 2014, it purchased a 20% stake in three producing concessions in Thailand. It intends to selectively add more such assets, as the ensuing cashflows will enable Loyz Energy to step up the pace of development at its concessions in the Asia-Pacific.

Within its balanced portfolio, Loyz Energy, through wholly owned Loyz Oil Pte Ltd, also owns two petroleum exploration permits (one for New Zealand’s Taranaki Basin and



the other for an area off the coast of Victoria in Australia) and a petroleum service contract for Area 14 in the East Palawan Basin, off the Philippines.

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

FOR FURTHER ENQUIRIES

WATERBROOKS CONSULTANTS PTE LTD

Tel: +65 6100 2228

Wayne Koo
Mobile: +65 9338-8166
Email: wayne.koo@waterbrooks.com.sg

Mr. Ng Tian Khean
Mobile: +65 9640-2808
Email: tk@waterbrooks.com.sg

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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.