



LOYZ ENERGY GAINS SUPPORT, IN BETTER FINANCIAL POSITION FOR GROWTH

- ◆ Former directors and executives opting to receive shares in lieu of cash payment for fees, allowing cash resources to be better utilised in the Group's operations
- ◆ Financial institutions restructured existing loans to ride out the storm with the Group amid the challenging times in the upstream sector
- ◆ Loyz Energy, in better financial position, is on track to commence an efficient drilling campaign to increase its production and reserves in December 2016

SINGAPORE ◆ 30 SEPTEMBER 2016

For immediate release

Loyz Energy Limited (“Loyz Energy” and together with its subsidiaries, the “Group”), an independent exploration and production upstream energy player, today announced that it will be issuing an aggregate of 12,731,000 new ordinary shares in the capital of the Company (“**New Shares**”) at an issue price of S\$0.0212 per New Share for directors' fees due to former independent directors as well as its current Non-Executive and Independent Chairman, Mr. William Teo⁽¹⁾, and consultancy fees for ex-employees of the Group.

The New Shares represent approximately 1.22% and 1.21% of the existing and enlarged issued and paid-up share capital of the Company, respectively.

Mr. Jeffrey Pang (彭润程), Chief Executive Officer and Executive Director of Loyz Energy said, “We are heartened that our former colleagues as well as current and former directors are willing to receive Loyz Energy's shares in lieu of their fees. Their equity participation and support is a vote of confidence in us. It will help put the Group in a better financial position to meet the operational requirements as we continue to develop the proved reserves and realise the potential upside in our Thailand concessions, which have been generating a steady stream of income for the Group.”

Against the challenging backdrop, the Group has also received strong support from the financial institutions in restructuring its existing loans to ride out the storm with the Group. Its principal bankers have revised the repayment schemes to lighten the Group's obligations over a longer period so that the Group has the flexibility to further



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develop its oilfield concessions in Thailand. Initiatives to strengthen operational performance have also been taken, bringing operational costs to US\$12 per barrel, down from US\$14 per barrel a year ago.

“We are thankful to our investors, bankers and stakeholders for their continued support through the challenging times. We are now in a better financial position to move forward with our plans to further strengthen the Group’s fundamentals. We are on track to commence with an efficient drilling campaign in December 2016 aiming to increase production and reserves, in anticipation to ride on higher demand growth and oil prices in the future. Barring unforeseen circumstances, we expect to be able to fully fund the drilling campaign with internal funds and the cash flow generated from our existing production in Thailand.” added Mr. Jeffrey Pang.

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This media release is to be read in conjunction with the Company’s posted on the SGX website on 30 September 2016.

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ABOUT LOYZ ENERGY LIMITED

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

Loyz Energy Limited (“**Loyz Energy**” and together with its subsidiaries, the “**Group**”) is an independent exploration and production upstream energy company with its focus in the Asia-Pacific region.

The Group’s key asset is its 20% stake in the Thailand onshore oilfields located at Phetchabun Basin, which currently generates a steady income stream from its existing oil producing wells. This asset holds significant proven reserves for development as well as significant potential exploration upside that will ensue in value enhancement and sustainable long-term growth.

Based on the qualified person’s report as at 31 December 2015, the Thailand onshore oilfields have an aggregate of 54.74 (Proved + Probable + Possible or 3P) million barrels of oil reserves, of which 10.95 million barrels of 3P reserves are net attributable to the Group. Loyz Energy together with its partners intend to roll out the planned drilling campaign progressively to expand oil production capacity.

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

FOR FURTHER ENQUIRIES



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