

LOYZ ENERGY LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199905693M)

INTERLINK PETROLEUM LIMITED – OPERATIONS UPDATES

1. OPERATIONS UPDATE

The Board of Directors (the “**Directors**”) of Loyz Energy Limited (the “**Company**”) wishes to inform its shareholders that Interlink Petroleum Limited (“**IPL**”) has been conducting testing operations in well number 8 in Baola Field since 20 October 2012. Testing is continuing on an on-going basis. By 7 December 2012, the well had produced test oil (together with dissolved gas and emulsified water) at an estimated average of 9.3 barrels per day on a self-flow mode.

IPL expects that production can be further increased by using advanced technological applications. These applications are currently being assessed and considered by IPL. IPL has commenced discussions to enter into Crude Oil Sales Agreements and is currently actively negotiating a Gas Supply Agreement with some gas consumers in the Baola area.

The announcement released by IPL on the Bombay Stock Exchange is attached as an appendix hereto.

The Company will make the necessary announcements when there are further developments.

2. 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 operations update, 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 the 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 the announcement in its proper form and context.

By order of the Board

Kwan Weng Kwong

Director

Date : 13 December 2012

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Exchange. The Company’s Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange 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. Ng Joo Khin
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**INTERLINK
PETROLEUM**

13th December 2012

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Dear sir,

Sub: Operational Updates – Baola field

The Company has been conducting testing operation in well # 8 at the Baola Field since 20th October 2012. During the testing phase that concluded on 7th December 2012, the well has produced test Oil (together with dissolved Gas and emulsified water) at an estimated average of 9.3 barrels per day, on a self-flow mode. The Company has been using different methodologies viz. intermittent Steam application and chemical dosing, in the well bore to optimize production. The Company expects that the production from the well can be increased further by using other technologically advanced applications that are presently under the consideration of the Company. The Company has initiated further evaluation including commerciality. Simultaneously, the Company has also initiated discussions for entering into Crude Oil Sales agreement.

About the Field and PSC


The Baola Field is located in the petroliferous Cambay Basin of Gujarat. The Company entered into the Production Sharing Contract for the field with the Government of India on 5th April 1995. At the time of signing of the PSC, the field was primarily a discovered Natural Gas field. The Company also produced and sold Natural Gas from this field during the years 2001 to 2004. However, due to water ingress, the production of Natural Gas from the field had to be stopped. As reported earlier, after conducting flow tests in the year 2011, in wells # 1 and #5, the Company expects that both the wells can together produce about 8300 cubic metres of Natural Gas per day. The Company is actively negotiating a Gas Supply Agreement with some of the gas consumers in that area.

Further, in the year 2010, the Company had drilled a new well (Baola well #8) and had discovered oil in the field. The discovery was informed to the exchange on 21st October 2010.

You are kindly requested to take the above information on records.

Yours' sincerely

For **Interlink Petroleum Limited**


Parvinder Singh Arora
Company Secretary



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