

## LOYZ ENERGY LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199905693M)

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### FACILITY AGREEMENT ENTERED INTO WITH HSBC

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#### 1. THE FACILITY AGREEMENT

1.1 The board of directors (the “**Board**”) of Loyz Energy Limited (the “**Company**”) wishes to announce that the Company had on 11 September 2013 entered into a facility agreement (the “**Facility Agreement**”) with The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) as arranger, original lender, agent and security agent for a revolving loan facility of US\$5,000,000 (the “**Facility**”) to be used for the development and working capital purposes of certain oil and gas assets held by a subsidiary of the Company, Loyz America LLC, in the United States of America.

1.2 The Facility bears interest on a floating rate basis and matures on 31 March 2014. The Facility is secured by pledges of the shares and assets of, and assignments of rights under certain contracts and intercompany loans by, the Company and/or certain of its subsidiaries, as well as a corporate guarantee by the controlling shareholder of the Company, Jit Sun Investments Pte. Ltd. (“**Jit Sun Investments**”). For the avoidance of doubt, none of Jit Sun Investments’ shareholding interests in the Company are pledged to HSBC to secure the Facility.

1.3 Pursuant to Rule 704(33) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Facility Agreement contains the following condition which makes reference to the shareholding interests of Jit Sun Investments, and places restrictions on a change of control of the Company:

- (i) if a change of control occurs:
  - (a) the Company shall promptly notify HSBC upon becoming aware of that event;
  - (b) HSBC shall not be obliged to fund any loan; and
  - (c) the Facility shall immediately be cancelled and all outstanding loans, together with accrued interest, and all other amounts accrued in connection with the Facility shall become immediately due and payable,

where “change of control” refers to a situation where Jit Sun Investments ceases to hold, whether directly or indirectly through any person beneficially, at any time:

- (A) at least 15% of the issued share capital of the Company;
- (B) issued share capital having the right to cast at least 15% of the votes capable of being cast in general meetings of the Company; or
- (C) more shares in the issued share capital of the Company than any other person or persons acting in concert (as defined in the Singapore Code on

Take-overs and Mergers issued by the Monetary Authority of Singapore pursuant to the Securities and Futures Act, Chapter 289 of Singapore).

- 1.4 If there is a breach of the condition referred to in Paragraph 1.3 above, the Facility shall immediately be cancelled and all principal amounts outstanding for the time being, together with accrued interest, and all other amounts accrued under the Facility Agreement thereunder, will become immediately due and payable.

## 2. DIRECTORS' 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 Facility and restrictions on change in control of the Company thereunder, 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 any information in this 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 this announcement in its proper form and context.

By order of the Board

Lee Chye Cheng, Adrian  
Director  
Date: 13 September 2013

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "Sponsor"), Canaccord Genuity Singapore Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "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 Mr Alex Tan, CEO, Canaccord Genuity Singapore Pte Ltd at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.*