

**LOYZ ENERGY LIMITED**  
(Incorporated in Singapore)  
Registration No. 199905693M

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**REPORT ON FUNDS UTILIZATION AND RESOURCES AND RESERVES UNDER RULES  
705(6) AND 705(7) OF THE LISTING MANUAL SECTION B: RULES OF CATALIST**

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The Board of Directors (the “**Board**”) of Loyz Energy Ltd (the “**Company**”) refers to the announcements on 21 August 2013 and 30 August 2013 relating to the requirements under Rules 705(6) and 705(7) of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).

The Company is pleased to provide a report (attached as Appendix A) which discloses the funds utilization and resources and reserves required under Rules 705(6) and 705(7) of the Catalist Rules.

Appendix A does not include Loyz Energy’s share from its concessions in North America. The Company has commissioned an Independent Qualified Person’s Report to assess its share of resources and reserves (the “**US IQPR**”). As and when the US IQPR is finalised, the Company will make the necessary announcement to notify shareholders and circulate the US IQPR.

The Board confirms that, to the best of its knowledge, nothing has come to its attention which may render such information provided false or misleading in any material aspect.

By Order of the Board

Lee Chye Cheng, Adrian  
Director

Kwan Weng Kwong  
Director

29 October 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.*



15 Hoe Chiang Road  
#19-01, Tower Fifteen  
Singapore 089316

**A SUMMARY OF THE MATERIAL EXPENDITURE INCURRED ON THE EVALUATION, DEVELOPMENT AND/OR PRODUCTION ACTIVITIES FOR 4th QUARTER OF FY2013 & 1st QUARTER OF FY2014**

**A RULE 705(6)**

The summary of the expenditure for 4th quarter of FY2013, period from 1 April 2013 to 30 June 2013 is as follows:

	S\$
Evaluation, Exploration & Development Expenditure	5,549,438
Fixed Assets	2,330
Administrative Expenses	441,609
	<u>5,993,377</u>

Actual expenditure for 1st Quarter of FY2014, period from 1 July 2013 to 30 September 2013:-

	S\$
Evaluation, Exploration & Development Expenditure	3,292,420
Fixed Assets	17,871
Administrative Expenses	367,782
	<u>3,678,073</u>

Principal assumptions used:

Actual expenditures have been used for the periods as disclosed above.

**B RULE 705 (7)a**

Details of Exploration and/or production activities undertaken by the Group in Q4 FY2013:-

Country	Work Done	Expenditure for Q4 FY2013	Previous Projections for the last period	Variance	Note
		<a>	<b>	<c>=<a>-<b>	
1 Australia	3D seismic acquisition has been completed. Data collected is being processed and the Group expects that processing and interpretation work will be completed over the coming months. The Group will be able to identify drilling locations with the interpretation results and will then work towards drilling in these permits.	764,476	NA	NA	No previous projections for the last period
2 New Zealand	3D seismic acquisition has been completed and the data collected is being processed. The Group expects that processing and interpretation work will be completed over the coming months. The Group will be able to identify drilling locations with the interpretation results and will then work towards drilling in these permits.	3,350,118	NA	NA	No previous projections for the last period
3 United States	The first well, Schlak # 2, located in North Dakota, USA was spudded on 7 May 2013 targeting the Bluell and Sherwood members of the Mission Canyon Formation. This well indicated a hydrocarbon section that needed to be tested for possibility of hydrocarbon flow.	1,239,900	NA	NA	No previous projections for the last period
4 India	Workover activity carried out in Baola field. Initial attempts to revive gas flow were successful but flow rate was not sustainable after 5 weeks of production. The Baola Field Resource Assessment was submitted to Government of India in April. Geological modelling of both fields are ongoing.	194,944	NA	NA	No previous projections for the last period
		<u>5,549,438</u>			

Details of Exploration and/or production activities undertaken by the Group in Q1 FY2014:-

Country	Work Done	Expenditure for Q1 FY2014	Previous Projections for the last period	Variance	Note
		<a>	<b>	<c>=<a>-<b>	
1 Australia	Processing of the seismic data has been completed. Interpretation work is ongoing and it will be completed over the coming months. The Group will be able to identify drilling locations with the interpretation results and work towards drilling in these permits. No expenditure was incurred during the quarter.	-	NA	NA	No previous projections for the last period
2 New Zealand	The Group is still processing interpretation work and it will be completed over the coming months. The Group will be able to identify drilling locations with the interpretation results and work towards drilling in these permits.	132,425	NA	NA	No previous projections for the last period
3 United States	The Schlak # 2 well in North Dakota ("ND") was flow tested for the hydrocarbon section identified in the previous quarter. After various tests the well was suspended with the intent to use it as a potential injector. The Schlak # 3 well in ND commenced drilling in August and hydrocarbon pay zones were identified. Perforation was done and jetting was applied to increase the perforation reach. Flow testing is ongoing in the Schlak # 3 well. The Alexander # 10-1 well in ND was spudded in August and reached target depth in early September. Logging and coring was done. The well was deemed non-commercial and hence plugged and abandoned. In Colorado, operations began on two deviated wells in the Whitewater area on the Mansur location. The Mansur 33-1N well was cased at target depth and logged. Drilling of the second well in Colorado, the Mansur 33-1-L commenced.	3,032,435	NA	NA	No previous projections for the last period
4 India	Well stimulation was carried out in Baola-8 yielding a low heavy oil production rate. The Modhera field resource assessment was carried out by an independent international third party approved by the Directorate General of Hydrocarbons. Geological modelling of both fields is ongoing.	127,560	NA	NA	No previous projections for the last period
		<u>3,292,420</u>			

**SUMMARY OF OIL AND GAS RESERVES AND RESOURCES**

Name of Country: Australia

Category	Gross Attributable to licence	Net Attributable to the Company		Remarks
	(MMbbl / Bcf)	(MMbbl / Bcf)	Change from previous update %	
<b>Reserves</b>				
<b>Oil Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Natural Gas Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Natural Gas Liquids Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Contingent Resources</b>				
<b>Oil</b>				
1C	-	-	-	-
2C	-	-	-	-
3C	-	-	-	-
<b>Natural Gas</b>				
1C	-	-	-	-
2C	-	-	-	-
3C	-	-	-	-
<b>Natural Gas Liquids</b>				
1C	-	-	-	-
2C	-	-	-	-
3C	-	-	-	-
<b>Prospective Resources</b>				
<b>Oil</b>				
Low Estimate	-	-	-	-
Best Estimate	-	-	-	-
High Estimate	-	-	-	-
<b>Natural Gas</b>				
Low Estimate	34	17	-	-
Best Estimate	416	212	-	-
High Estimate	945	482	-	-

**Legend:**

1P: Proved

2P: Proved + Probable

3P: Proved + Probable + Possible

MMbbl: Millions of barrels

Bcf: Billions of cubic feet

Name of Qualified person:

Brett Rogers of Rogers Adams Petroleum Consultants

Date:

30 September 2013

Professional Society Affiliation / Membership:

Society of Petroleum Engineers

**SUMMARY OF OIL AND GAS RESERVES AND RESOURCES**

Name of Country: New Zealand

Category	Gross Attributable to licence	Net Attributable to the Company		Remarks
	(MMbbl / Bcf)	(MMbbl / Bcf)	Change from previous update %	
<b>Reserves</b>				
<b>Oil Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Natural Gas Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Natural Gas Liquids Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Contingent Resources</b>				
<b>Oil</b>				
1C	0.4	0	-	-
2C	1.7	0.17	-	-
3C	4.2	0.4	-	-
<b>Natural Gas</b>				
1C	9	0.9	-	-
2C	26	2.6	-	-
3C	57	5.7	-	-
<b>Natural Gas Liquids</b>				
1C	-	-	-	-
2C	-	-	-	-
3C	-	-	-	-
<b>Prospective Resources</b>				
<b>Oil</b>				
Low Estimate	6	4.6	-	-
Best Estimate	36	26	-	-
High Estimate	78	57	-	-
<b>Natural Gas</b>				
Low Estimate	102	74	-	-
Best Estimate	603	440	-	-
High Estimate	1309	953	-	-

**Legend:**

1P: Proved

2P: Proved + Probable

3P: Proved + Probable + Possible

MMbbl: Millions of barrels

Bcf: Billions of cubic feet

Name of Qualified person:

Brett Rogers of Rogers Adams Petroleum Consultants

Date:

30 September 2013

Professional Society Affiliation / Membership:

Society of Petroleum Engineers

**SUMMARY OF OIL AND GAS RESERVES AND RESOURCES**

Name of Country: India

Category	Gross Attributable to licence	Net Attributable to the Company		Remarks
	(MMbbl / Bcf)	(MMbbl / Bcf)	Change from previous update %	
<b>Reserves</b>				
<b>Oil Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Natural Gas Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Natural Gas Liquids Reserves</b>				
1P	-	-	-	-
2P	-	-	-	-
3P	-	-	-	-
<b>Contingent Resources*</b>				
<b>Oil</b>				
1C	0.2	0.1	-	-
2C	0.4	0.17	-	-
3C	0.8	0.3	-	-
<b>Natural Gas</b>				
1C	-	-	-	-
2C	-	-	-	-
3C	-	-	-	-
<b>Natural Gas Liquids</b>				
1C	-	-	-	-
2C	-	-	-	-
3C	-	-	-	-
<b>Prospective Resources</b>				
<b>Oil</b>				
Low Estimate	1	0.4	-	-
Best Estimate	4	1.8	-	-
High Estimate	17	7.0	-	-
<b>Natural Gas</b>				
Low Estimate	0	0.1	-	-
Best Estimate	0	0.2	-	-
High Estimate	1	0.3	-	-

**Legend:**

1P: Proved

2P: Proved + Probable

3P: Proved + Probable + Possible

MMbbl: Millions of barrels

Bcf: Billions of cubic feet

\*contingent resources for Baola are awaiting Indian government approval and are not included in this table

Name of Qualified person:

Brett Rogers of Rogers Adams Petroleum Consultants

Date:

30 September 2013

Professional Society Affiliation / Membership:

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