



Loyz Energy first oil production in the US

- ◆ Schlak #3 well in North Dakota has reached a stable early production rate of 50-60 bpd
- ◆ Twofold strategy to bring its concessions to production whilst adding producing assets expected to bolster its bottom line

SINGAPORE ◆ 16 December 2013

For immediate release

Loyz Energy Limited (Loyz Energy or the Group), a fast-growing Singapore-based upstream energy group, has progressed to first oil production in the United States of America (US). This marks the commencement of revenue contribution from the Group's US asset.

The Schlak #3 well, located in North Dakota, has reached a stable early production of 50-60 barrels of oil per day. This well is part of the onshore drilling programme under a participation-and-exploration agreement, covering about 60,000 acres of exploration and production leases owned by Fram Exploration ASA in the resource-rich plains of North Dakota and Colorado, US.

Mr Adrian Lee, the Group's Managing Director, said: "This latest development marks the start of recurrent earnings from the Group's investments in various concessions and participation agreements. We will continue to be driven by our twofold strategy to bring our concessions to production and at the same time, add other producing assets to bolster our bottom line."

The Group remains busy in the US where drilling and testing work is ongoing in the Mansur 33-1-N and Mansur 33-1-L wells in Colorado's Whitewater area. Outside of the US, Loyz's concession portfolio includes Area 14 in the East Palawan Basin, located offshore the Philippines, and two petroleum exploration permits; one for New Zealand's Taranaki Basin and the other for an area offshore Victoria in Australia.



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ABOUT THE COMPANY

SGX SESDAQ (Catalist) listing: December 1999

Home-grown Loyz Energy Limited (Loyz Energy or the Group) is well on its way to becoming a reputable independent exploration and production (E&P) energy company in the Asia-Pacific.

Through its E&P subsidiary, Loyz Oil Pte Ltd (Loyz), the Group plans to build a portfolio of prime, producing oil and gas concessions, which will generate a steady earnings stream from the hydrocarbons identified using cutting-edge technologies.

The Group has achieved first oil production in the US through the major onshore E&P deal it agreed in 2012, pursuant to which Loyz and its partners are carrying out a drilling campaign in North Dakota and Colorado. As part of the agreement, Loyz will receive a 20% share of the net revenue interest in every producing well.

Loyz owns two production-sharing contracts (PSCs) in Gujarat, for the onshore Baola and Modhera fields, held under a Bombay-listed subsidiary, Interlink Petroleum Limited.

The Group has also acquired two petroleum exploration permits (PEPs) – one for New Zealand's Taranaki Basin and the other for an area off the coast of Victoria in Australia. Loyz's latest win – Area 14 in the East Palawan Basin, off the Philippines – will bring it closer to its target of building a balanced portfolio of exploration and producing concessions.

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M E D I A R E L E A S E

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