



Loyz Energy post PATMI of US\$0.5m for 1QFY15

- ◆ Producing Thai concessions continue to underpin revenue and lift EBITDAX from production of 78,932 barrels of crude oil
- ◆ On track to raise production at Thai concessions from the current average of 4,700 bopd to 5,000 bopd by the next few months, and 7,000 bopd over the medium term
- ◆ Expect higher production from Thai concessions to offset weaker oil prices and continue to boost Group's EBITDAX in FY15
- ◆ Seeking to acquire strategic producing assets in Asia Pacific to accelerate growth in cash flow and earnings

SINGAPORE ◆ 10 November 2014

For immediate release

Loyz Energy Limited (Loyz Energy or the Group), a fast-growing Singapore-based upstream energy group, reported a net attributable profit (PATMI) of US\$0.5 million for the first quarter ended 30 September 2014 (1QFY15), as compared to a net attributable loss of US\$1.6 million in the previous corresponding period.

The positive results were driven by Loyz Energy's producing Thai assets, where the production of 78,932 barrels of crude oil contributed to the Group's reported revenue of US\$6.9 million and EBITDAX (earnings before interest, taxation, depreciation, amortisation and exploratory expenses) of US\$4.5 million. The Group owns 20% of three concessions in Thailand which lie within the Phetchabun Basin located north of Bangkok.

Mr Adrian Lee (黎才庆), the Group's Managing Director, commented: "Now that we have successfully bagged this producing concession, we will be stepping up its daily production quickly in the near term. This will further beef up our cashflow and lift earnings, and allow Loyz Energy to re-invest the proceeds into our development and exploration assets."

The Group's concessions in Thailand was producing at 4,300 barrels of oil per day (bopd) in August 2014, which then rose to 4,700 bopd after the successful drilling of a development well a month ago. Production flow is already underway in the development well, currently the well is flowing at 350 bopd. Two to three more wells will be drilled soon,



which are expected to raise production rate at its Thai concessions to 5,000 bopd by the next few months. The Group targets to step up production to 7,000 bopd over the medium term.

Commenting on the outlook, Mr Lee said: “The Group remains confident about our future, even as crude oil prices have weakened recently. Oil will always remain a major and critical hydrocarbon source to meet the increasing energy demand of growing populations worldwide and rising affluence in emerging economies. As such, we expect the market to come into balance with oil price finding support over the medium term. For the Group, we expect the higher production at our Thai concessions to offset the softer oil prices and boost our EBITDAX in FY15.

“With our ready network and growing reputation, we believe Loyz Energy is in a strong position to seize opportunities in Asia Pacific and add more producing assets to our portfolio. As with the Thai concessions, the acquisition of such new assets are expected to contribute to our cashflow and earnings.”

ABOUT THE COMPANY

SGX SESDAQ (Catalist) listing: December 1999

Home-grown Loyz Energy Limited (Loyz Energy or the Group) is fast establishing itself as an independent exploration and production (E&P) energy company in the Asia-Pacific.

Loyz Energy is working to build a balanced portfolio of prime, producing oil and gas concessions, which will generate a steady earnings stream to gird up its balance sheet, as well as exploration assets that will drive long-term growth. In addition, Loyz Energy will seek drilling partnerships to reduce risks at the exploration and development stages.

The Group has begun to acquire producing assets. In March, it purchased a 20% stake in three producing concessions in Thailand. It intends to selectively add more such assets, as the ensuing cashflows will enable Loyz Energy to step up the pace of development at its concessions in the US and the Asia-Pacific.

Within its balanced portfolio, Loyz Energy, through wholly owned Loyz Oil Pte Ltd, also owns 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 – and a petroleum service contract for Area 14 in the East Palawan Basin, off the Philippines.



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