

LOYZ ENERGY LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199905693M)

GENERAL BUSINESS UPDATES

The board of directors (the “**Board**” or the “**Directors**”) of Loyz Energy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to an announcement made on SGXNET by Ezra Holdings Limited (“**Ezra**”) on 19 March 2017 in relation to its restructuring proceedings commenced in the United States (the “**Ezra Restructuring Proceedings**”).

The Board notes that the Company and Ezra have a common substantial shareholder, Mr Lionel Lee Chye Tek (“**Mr Lionel Lee**”). As at the date of this announcement and to the best of the knowledge of the Company, Mr Lionel Lee is the sole shareholder of Jit Sun Investments Pte. Ltd. (“**Jit Sun**”), a substantial shareholder of the Company with direct interests in 151,409,901 ordinary shares in the capital of the Company, representing approximately 9.9% of the Company.

As set out in the Company’s announcement on 1 February 2017 on its unaudited financial results for the second quarter ended 31 December 2016, the Group’s bank loans amounting to US\$22.6 million as at 31 December 2016 (comprising current portion of US\$2.1 million and non-current portion of US\$20.5 million) (the “**Bank Loans**”) are secured by its Thailand concessions and *inter alia*, a corporate guarantee by Jit Sun. The Bank Loans constituted 59% of the Group’s unaudited net book value as at 31 December 2016, adjusted for the placement exercise undertaken by the Company which was completed on 17 March 2017 (please refer to the Company’s announcements dated 27 February 2017, 16 March 2017 and 17 March 2017 for further details of the placement exercise).

As at the date of this announcement:

- (i) the Company has restructured the Bank Loans with the financial institutions to better match cash inflows with the principal and interest repayments;
- (ii) the Company has met all its payment obligations in relation to the Bank Loans on time and barring unforeseen circumstances, the Company does not foresee any issue in meeting its payment obligations;
- (iii) the Company maintains regular communications with the financial institutions and continues to have a good standing with the financial institutions, in respect of the Bank Loans;
- (iv) nothing has come to the Company’s attention that Jit Sun will not continue to provide the corporate guarantee for the Bank Loans; and
- (v) the Group has received assurances from the financial institutions that in the event that there are any breaches on the terms and conditions of the Banks Loans in relation to Jit Sun, the financial institutions are prepared to consider waiving such breaches on a case by case basis.

The Group does not have any business and financial dealings with Ezra.

The Group is in a different business sector from Ezra. The Group is an independent exploration and production upstream energy company with its focus in the Asia-Pacific region. This is different from Ezra who is an offshore contractor and provider of integrated offshore solutions to the global oil and gas industry (as extracted from Ezra’s annual report for the financial year ended 31 August 2015).

Taking into account the above factors and barring unforeseen circumstances, the Board does not expect the Ezra Restructuring Proceedings to have any material adverse impact on the Group in respect of the Bank Loans and the Group's financial results for the current financial year ending 30 June 2017.

Shareholders of the Company ("Shareholders") and potential investors should exercise caution when trading in the Company's shares in relation to this announcement. When in doubt as to the action they should take, Shareholders and potential investors should consult their financial, tax or other advisers.

BY ORDER OF THE BOARD

Jeffrey Pang
Chief Executive Officer and Executive Director
22 March 2017

*This announcement has been prepared by Loyz Energy Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), ZICO Capital Pte. Ltd., for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. 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 Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.