

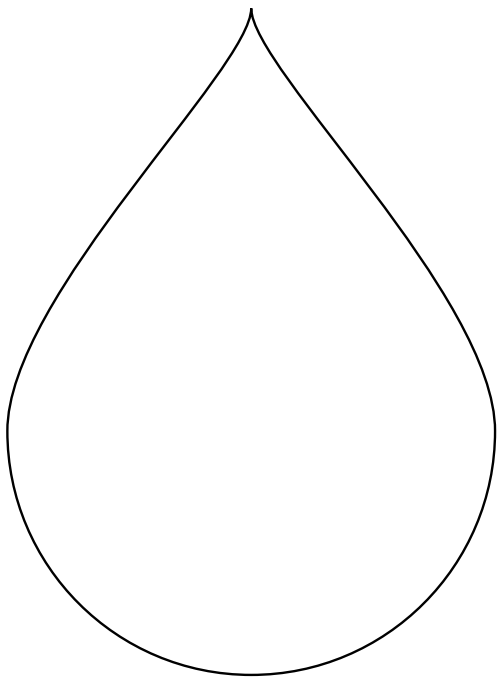
The background of the entire page is a photograph of an oil field at sunset. Several pumpjacks are visible as dark silhouettes against a sky filled with orange, yellow, and blue clouds. The sun is low on the horizon, creating a strong backlight effect.

# **ONWARD BOUND**

Annual Report 2012



**LOYZ ENERGY LIMITED**



## Onward Bound

The new year promises to be a truly exciting one as we move ahead in our quest to transform our Group into a force to be reckoned with in the upstream energy sector. On this **Onward Bound** journey, we have already assembled the foundation we need – a seasoned and accomplished management team dedicated to driving the business forward, as well as strong technology partners who will give us an unprecedented competitive edge in the industry.

We are already well on our way to building a balanced portfolio of prime concessions, both producing and exploration, that will generate a sturdy and sustained revenue stream for our Group. In the coming year, we hope to fuel our next phase of growth by consolidating the business and extending our reach as we seek out promising new concessions. These moves will significantly expedite our plans to become one of the leading independent players in the exploration and production sector in the Asia-Pacific.

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This annual report has been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is:-

Name : Mr. Ng Joo Khin, Registered Professional, Stamford Corporate Services Pte Ltd  
Address : 10 Collyer Quay #27-00 Ocean Financial Centre Singapore 049315  
Tel : 6389 3000  
Email : jookhin.ng@stamfordlaw.com.sg

The background of the entire page is a photograph of an oil rig and several cranes silhouetted against a dramatic sunset sky. The sky is filled with soft, orange and yellow clouds, and the sun is low on the horizon, creating a warm, golden glow. The rig and cranes are dark, creating a strong contrast with the bright sky.

# ONWARD BOUND

## CORPORATE PROFILE

Home-grown Loyz Energy is **Onward Bound** to achieving its vision of becoming a reputable independent exploration and production (E&P) energy company in the Asia-Pacific region.

Our first push into the sector came when we acquired a controlling stake in Bombay-listed Interlink Petroleum Limited (IPL), which owns two production-sharing contracts (PSCs) for the onshore Baola and Modhera fields in Gujarat in India.

In addition to the above-mentioned acquisition, we also secured two outstanding technology partners – Rex Oil & Gas Limited and GEO EAST CO., LTD. – which have given our Group access to capabilities to analyse, process and acquire seismic data for existing and prospective concessions.

We have made even greater strides in acquiring new concessions over the past 12 months. Today, in addition to our India PSCs, Loyz Energy has two petroleum exploration permits – one for New Zealand's Taranaki Basin and the other for an area off the coast of Victoria in Australia. We also recently clinched our first major onshore E&P deal in the US to work on 80 wells in Colorado and North Dakota.

Backed by a team of experienced oil and gas sector professionals and first-rate technology partners, Loyz Energy is well on its way to growing a balanced portfolio of producing and exploration concessions. We are bound for a bright future ahead.



## BUILDING **CAPABILITIES**

We set forth on our onward bound journey, armed with strategic capabilities and resources that will transform Loyz Energy into a prominent independent player in the industry.





## ADDING **ASSETS**

With the groundwork laid, we stride onward – unlocking value from existing assets and building a robust and diverse array of concessions that will propel our earnings forward.

## BUILDING OUR CONCESSION PORTFOLIO



### U.S. Onshore

- Whitewater Field, Colorado & Williston Basin, North Dakota
- Inked agreement to participate in drilling of 80 onshore wells in resource-rich plains of Colorado & North Dakota
- This is in return for 20% net revenue interest which is convertible into 13% working interest of production

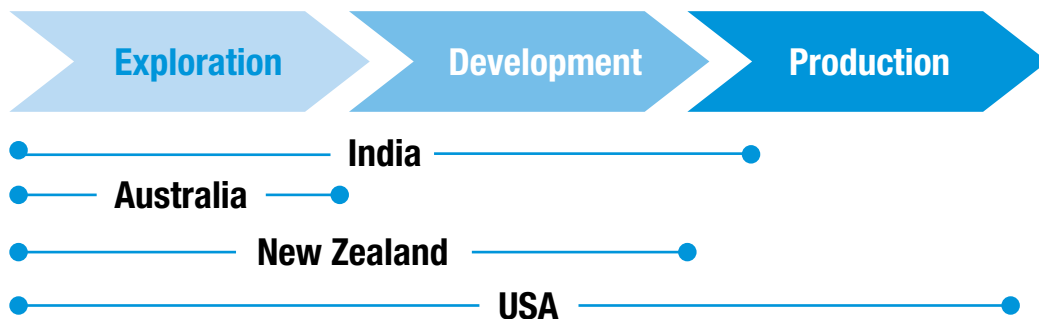
#### Area: ~ 242.8 km<sup>2</sup>

**Potential Reserves and Resources:** 6.19 million barrels of 2P oil reserves, 6.84 million barrels of 2C oil resources, 45.18 billion cubic feet of 2C gas resources<sup>1</sup>

**Current Status:** Putting in place drilling contract and Joint Operating Agreement; work on the first 40 wells is expected to commence soon

<sup>1</sup> Net entitlement to reserves and resources in leases; based on Competent Person's Report in 2011

## Overview of Loyz Energy's Concession Portfolio (As at 18 September 2012)





## India

### Onshore

- Secured through 51.8% interest in Bombay-listed Interlink Petroleum Limited

### Baola

#### Area: 4 km<sup>2</sup>

**Current Status:** Ongoing reserve assessment and additional work is being planned

### Modhera

#### Area: 12.7 km<sup>2</sup>

**Current Status:** Additional work is being planned

## Australia

### Offshore

- Off Torquay sub-basin of Southeastern Australia (close to Melbourne, Australia's second largest city)
- Inked agreement to secure initial 20% stake in Vic/P62 owned by Trident Energy Limited for A\$650,000

### Area: 4,630 km<sup>2</sup>

**Current Status:** Plan to carry out seismic acquisition, process and interpretation within permit area; intends to raise interest in Vic/P62 to 70% in FY2013 upon completion of seismic work and approval of Australian authorities

## New Zealand

### Offshore

- Awakino area, located within prolific oil-producing Taranaki Basin, off New Zealand's North Island
- Signed agreement to acquire PEP 38479 through subsidiary, Loyz NZ Ventures Limited, for US\$6.5 million

### Area: 411 km<sup>2</sup>

**Resources:** Contingent resources of about 25.9 billion cubic feet of gas and 1.7 million stock tank barrels of condensate, within a block in Awakino sector<sup>2</sup>

**Current Status:** Work has commenced; plans to drill one exploration well before end of 2013, in an area where Group will have 90% working interest

<sup>2</sup> Based on report by Gaffney, Cline & Associates (a global consultancy offering technical, commercial and strategic advice to the petroleum sector)



**LOYZ ENERGY LIMITED**

(Company registration number: 199905693M)

21 Changi South Ave 2

Sim Siang Choon Bldg

Singapore 486630

Tel : 65 6266 6632

Fax : 65 6542 2877

Website: [www.loyzenergy.com](http://www.loyzenergy.com)

Investors and Media: [enquiries@loyzenergy.com](mailto:enquiries@loyzenergy.com)

**cre8**  
Tel: 63278398