EPIC GAS LTD
PRELIMINARY FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED
31 December 2016

SINGAPORE, 9 February 2017 - Epic Gas Ltd. ("Epic Gas" or the "Company") today announced its unaudited financial and operating results for the fiscal year ended December 31, 2016. All amounts reported in US Dollars unless otherwise stated.

A conference call to discuss these results is scheduled for 9 February 2017 at 10:00 AM (New York) / 3:00PM (London) and can be accessed via the following dial-in information.

Conference call details:

United States:	+1 845 507 1610
United Kingdom:	+44 203 651 4876
Norway:	80010866
Singapore:	+65 31580667
Hong Kong:	+852 3051 2792
International:	+61 283 733 610

Conference ID Number: 6616 2113

Fiscal Year 2016 Highlights

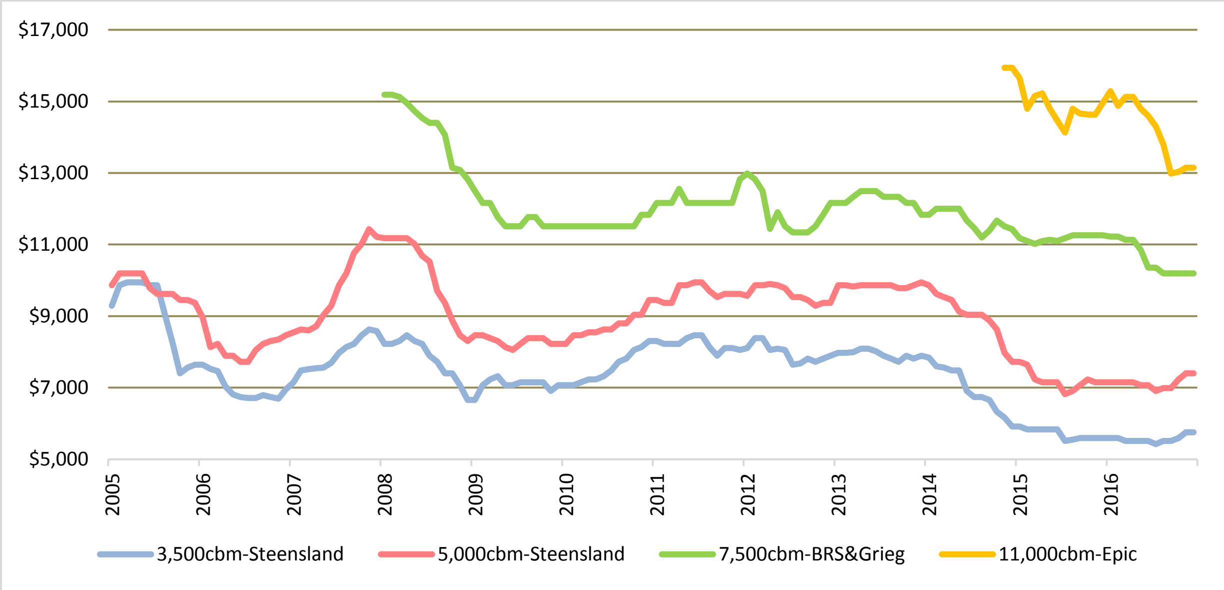
- Vessel Calendar days up 2% year over year to 13,748 days
- Revenue of $128.8 million, down 2% year over year
- Time charter equivalent revenues of $8,102 per vessel calendar day, down 7% year over year
- General & administrative expenses of $1,029 per vessel calendar day, down 8% year over year
- Adjusted EBITDA of $25.6 million, down 15% year over year
- Net Loss of $13.4 million before an impairment charge/loss on sale of vessels of $9.9 million
- Delivery of 5 newbuildings from shipyards in Japan, capital expenditure of $99 million of which $95 million drawn under existing loan facility.
- As of 31 December 2016, 38 vessels on the water with remaining 3 newbuildings (2 owned, one bareboat chartered in) to be delivered in Q1 2017.

The Pressurised Market

In 2016, the pressurised LPG sector continued to experience a low freight rate environment. For the full year, rates for the 5,000cbm and smaller vessels averaged similar levels to 2015, but dropped off by 5% for the larger sized vessels. However, the year-end has seen a general upturn in rates boosted not only by LPG, but also increasing trade in petrochemicals.

Pressurised Market - Historical One Year Time Charter Day Rate by Vessel Size

(Sources include Steensland, BRS, Grieg)

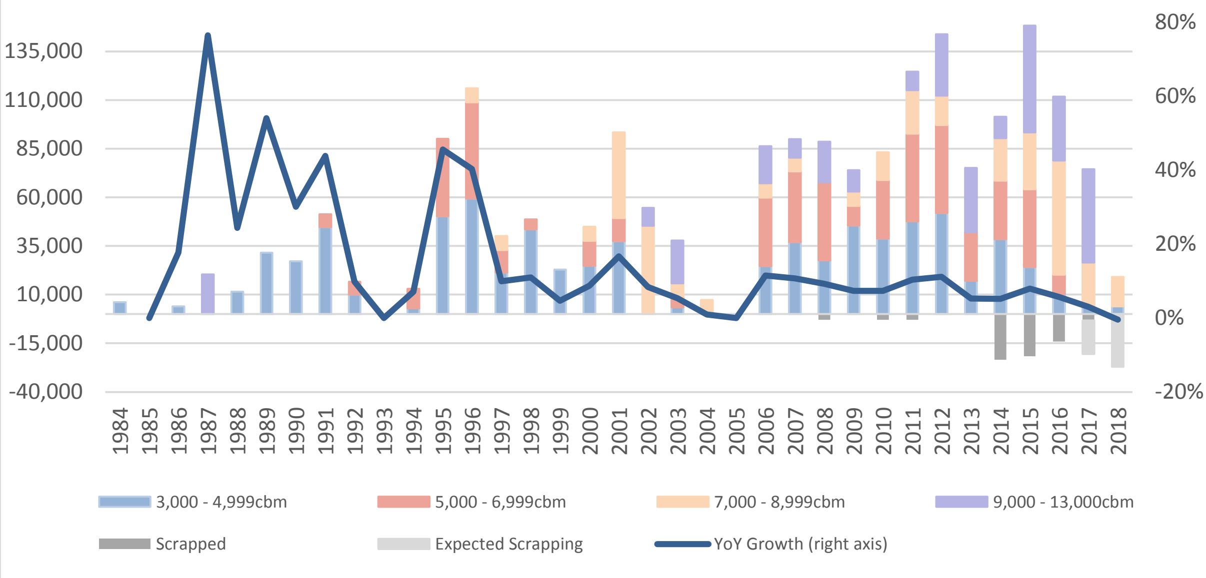


Year ending 2016 ended with a total of 323 pressure vessels (non-Chinese flagged over 3,000cbm) on the water, including 16 newbuilds totalling 111,825cbm that delivered during the year. There were 2 pressure vessels involved in international trade that were scrapped. They totalled 14,178cbm and were an average age of 27 years. This resulted in a net fleet year on year growth in capacity of 6.4% compared to 8.9% in the previous year.

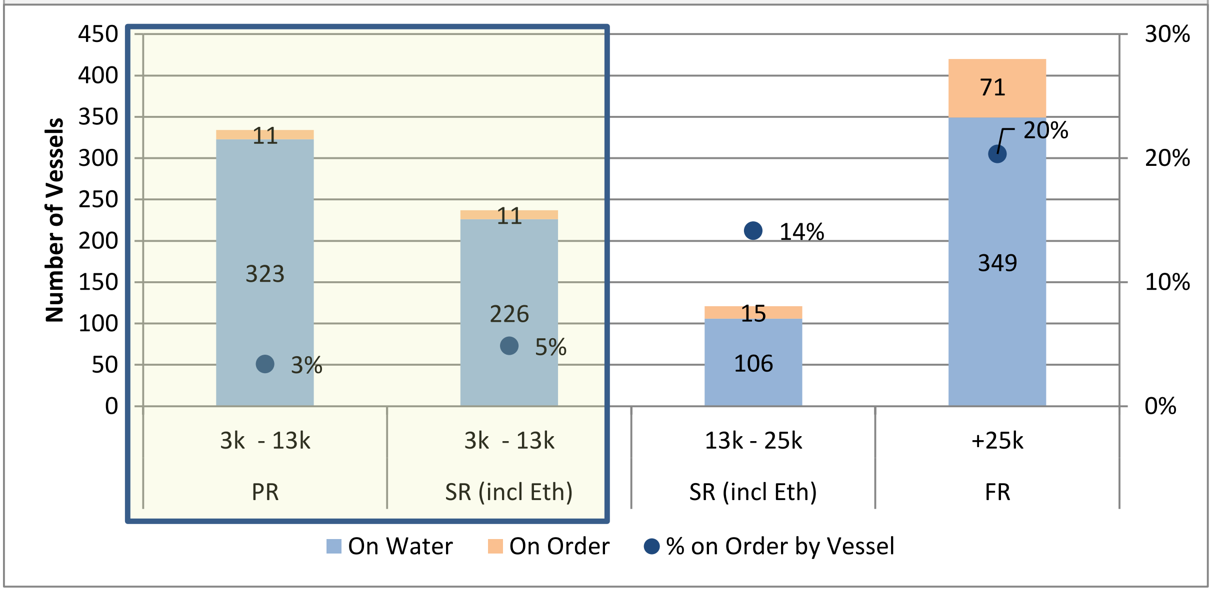
A total of 11 newbuild vessels are to be delivered in 2017 and 2018 representing a 3% increase in existing fleet capacity, the lowest supply growth in any commodity shipping sector. 8 vessels / 74,500cbm will be delivered in 2017 and 3 vessels / 19,000cbm in 2018. The smaller-sized semi-ref fleet that competes with the pressure vessels has an order book of only 11 vessels, 8 of which are dedicated to the more capital intensive ethylene trades.

There are 27 vessels representing approximately 6% of global pressurised fleet capacity of 25 years or older. Additionally, there are 42 small semi-ref vessels of a similar age. We expect that higher operating costs for the older units and probable capital investments required by new legislation will compel owners to strongly consider scrapping these older ships.

Pressure Vessel Global Fleet Development (Source: Clarksons)



Order Book by Vessel Size & Type
Smaller LPG Vessels have **Smallest Order Book** (3%/5%) (Source: Clarksons)

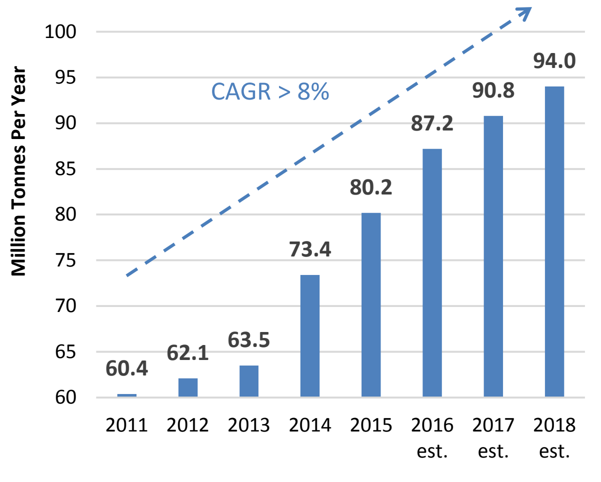


Global seaborne LPG volumes saw continued growth in 2016 reaching an estimated 87.2 million tonnes, almost 9% higher than the 80.2 million tonnes shipped in 2015[1].

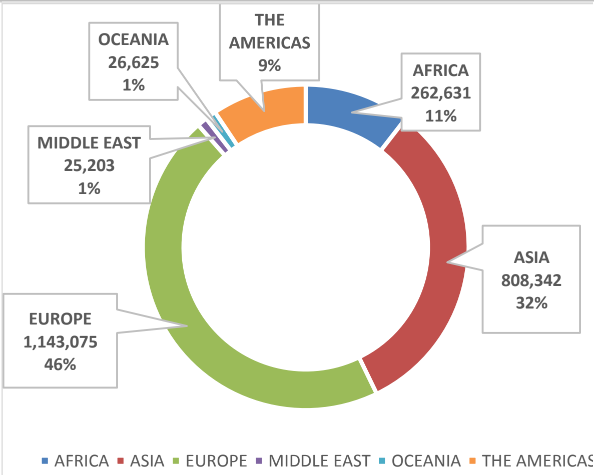
[1] FGE

Epic Gas loaded 2.5 million tonnes in 2016. LPG cargoes made up 73% of the cargoes lifted with the balance being petrochemical, which increased from 23% of our cargoes in 2015 to 27% during 2016, demonstrating the flexibility in our business model and the diversified commodity and customer base.

Global Seaborne LPG Volumes continued to rise
(Source: FGE)

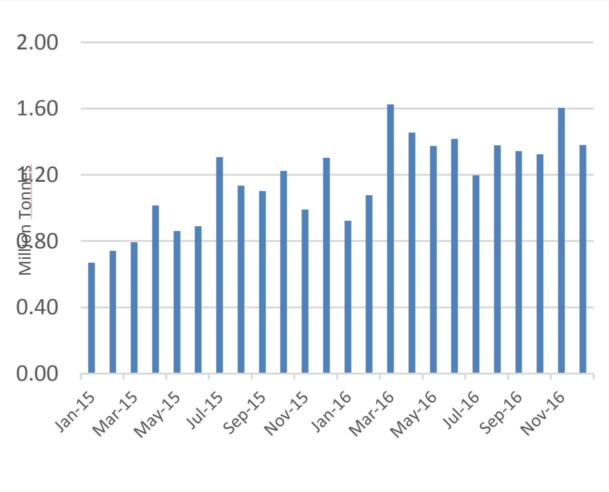


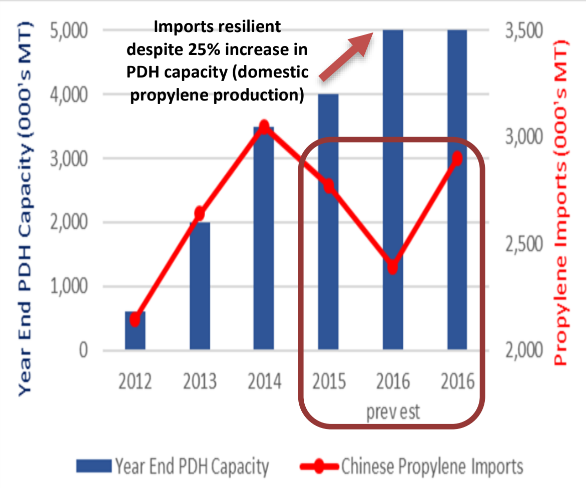
Epic Gas – Total Cargo tonnes for 2016 by Region
(Source: Epic Gas)



During the year, an active petchem market in Asia and increased shipping activity in the Middle East following the easing of political tensions reduced shipping length in the markets East of Suez. Propylene imports into China increased throughout the year, recovering from a weaker 2015, showing particular strength in the final quarter. As a result, December imports exceed 300,000 tonnes for only the second time, and the year-end total surpassed 2015 by almost 5%. As Propane Dehydrogenation ("PDH") capacity increased by 25% during the year, these import volumes suggest strong downstream demand for plastics. The smaller 3,500cbm and 5,000cbm vessels are the preferred sizes in these trades. As such, the year ended with a tightening market and an upward movement in rates for these vessel sizes.

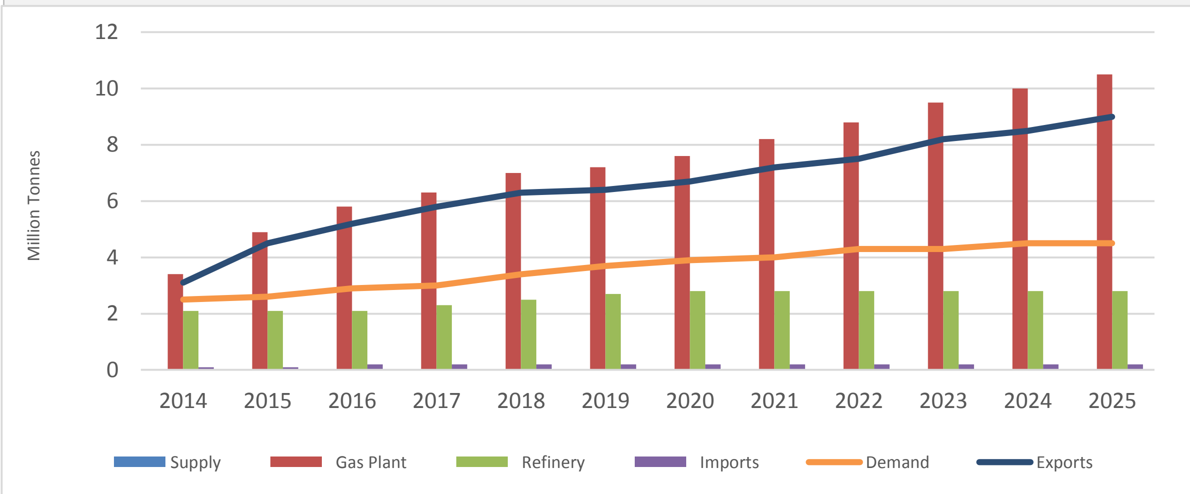
China's Propylene Imports Rise Despite New PDH Capacity – Strong Demand
(Sources: FGE, China Customs Data)





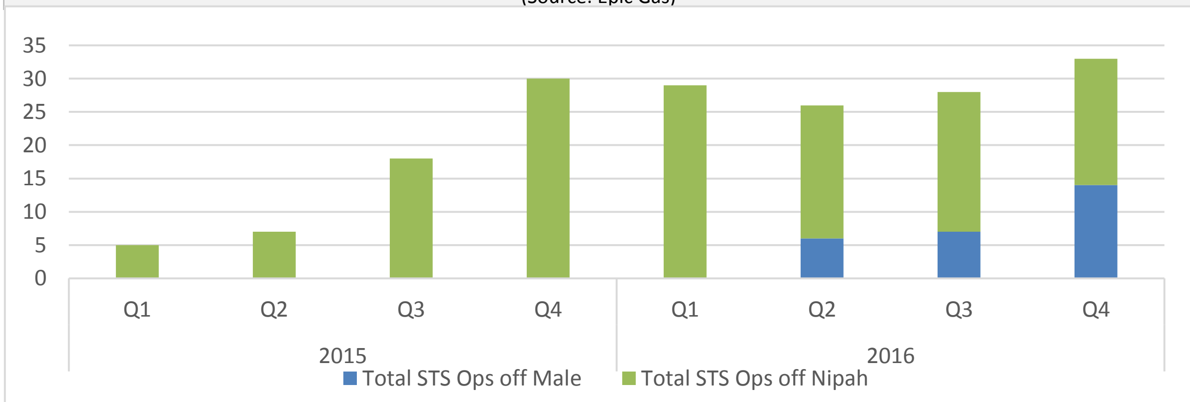
Iran and Iraq are gaining market share in the LPG & petrochemical trades east of Suez. Iran's LPG and petchem production and exports should grow steadily as they regain a foothold in the International market and form new trade relationships. Our vessels have recently started calling at Iranian ports and subject to a benign sanction environment we expect the trade to develop steadily. Recovering production in Iraq is driving growth in LPG volumes moving from oil fields in the south to a recently restored marine terminal at the port of Basrah, which has commenced exports in pressurised vessels to nearby markets such as Pakistan.

Iran – a Growing Presence in the Region
(Source: FGE)



The Indian subcontinent and Indian Ocean region has seen rapid development in infrastructure. For example, the commissioning of new import tanks and facilities in Bangladesh and Sri Lanka has expedited the distribution of LPG to those and neighbouring countries. Epic Gas vessels have safely and efficiently carried out an increasing number of transhipment operations, facilitating the emerging trades in the region. Further south, new facilities are being developed in South Africa and a new LPG import facility in Saldanha Bay is expected to start-up in 2017.

Epic's Trans-shipment Operations Grow and Diversify in South Asia
(Source: Epic Gas)

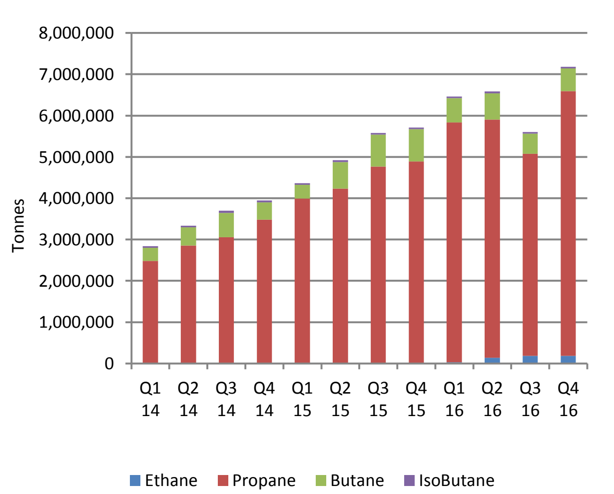


We have seen fundamentals improving West of Suez with a decrease in the number of vessels trading in the area as several vessels were either sold or fixed away to other regions, alongside increasing demand from petrochemical trades for semi-ref vessels, which occasionally choose to compete in the pressurised trades. In the Mediterranean, there was an incremental 600,000 metric tonnes of LPG imported into the main ports in 2016, and whilst Black Sea export volumes were down, the alternative was often to ship these volumes from North West Europe, often on pressure vessels.

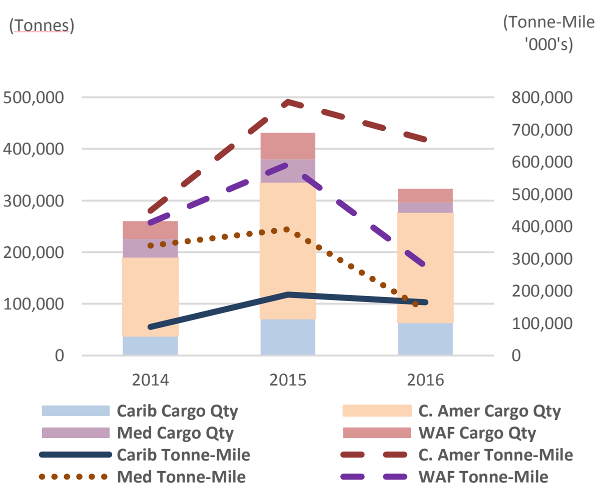
Import Volumes (million metric tonnes)	**2015**	**2016**	**% Increase**
Turkey	3.5	3.6	2.9%
Egypt	3.0	3.2	6.7%
Morocco	1.9	2.0	5.3%
Spain	1.0	1.2	20.0%

The diminished trans-Atlantic commodity arbitrage during the year enabled producers in North West Europe to reclaim volumes destined for the markets in Morocco and West African ports. Total LPG exports out of the USA picked up in the last quarter of 2016 and attained a new high, ending the year on a positive note. Whilst pressure exports destined from the USA for ports in the Mediterranean and West Africa declined, the regional trade remained robust. During the year we saw a ramp up in new Caribbean and West African power plants, with further growth anticipated in the future.

US Total LPG Exports on The Rise
(Source: IHS)



US Pressure Exports Affected by Trans-Atlantic Arb but Regional Last Mile Trade Sustained
(Source: IHS)

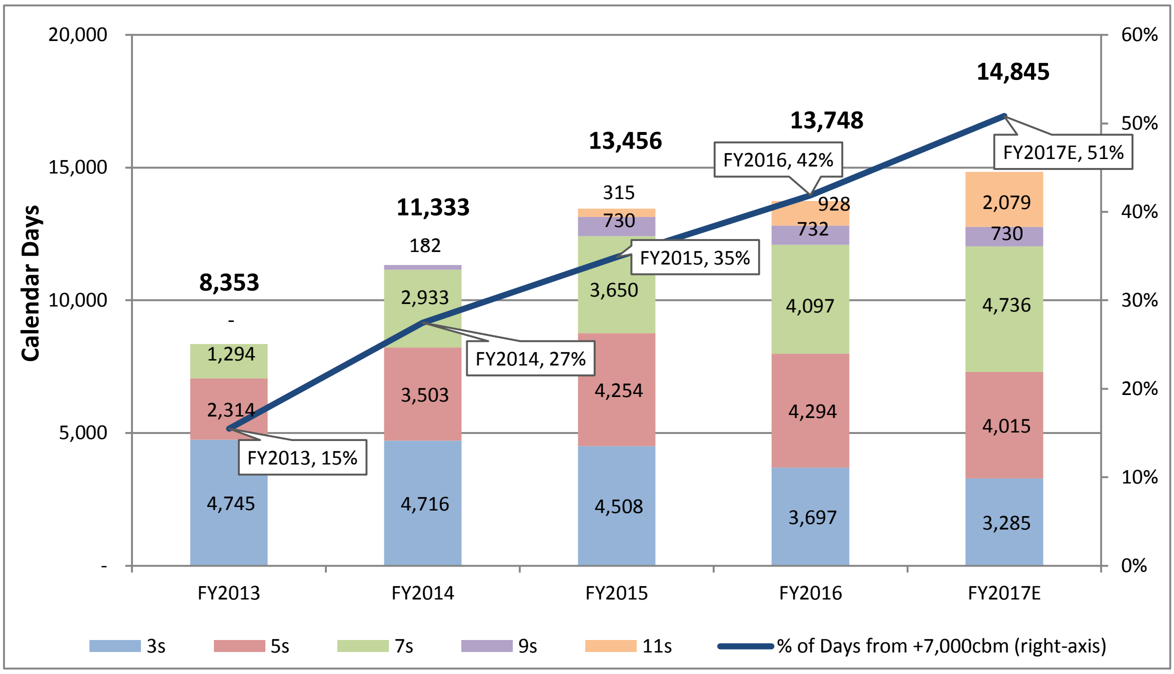


Revenue

Our revenue for full year 2016 of $8,102 per vessel calendar day represented a decline in realised rates of 6.7% year over year, Q3 demonstrated particular weakness before a recovery in Q4, during which Epic Gas realised rates of $8,206 per calendar day down a more modest 1.6% year over year.

Whilst the 7000/11000cbm earnings during Q4 2014 were marginally lower than last year due to the heavy newbuild deliveries during the year, the 3500/5000cbm vessels are now marginally ahead as compared to the same period a year ago.

Increasing Exposure to Larger Vessels



Epic Gas has proactively sought to manage down its exposure to the smallest, oldest vessels in our fleet. While a pressurised gas carrier can operate past 30 years, a vessel's utility on the international market declines after 20 years of age due to oil major vetting standards required to trade in our markets. Accordingly, we redelivered a smaller 3,500cbm bareboat charter in May, and in October we sold a 21-year-old 5,000cbm vessel.

The net impact to our fleet is that it is larger and younger. Year on year, we have delivered a 11.5% increase in average vessel size, and a 6.6% reduction in the average age of our fleet.

We continue to monitor the market for additional opportunities to sell assets where the sale would help improve the profitability of our business and further accelerate the transformation of our fleet.

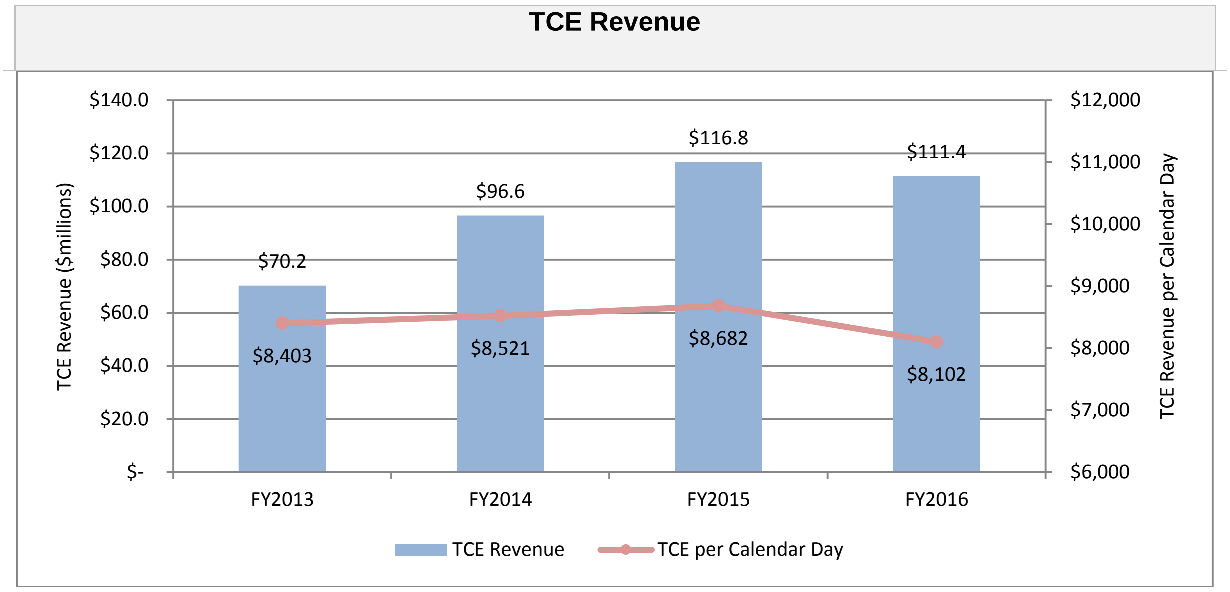
A Geographically Diversified Fleet

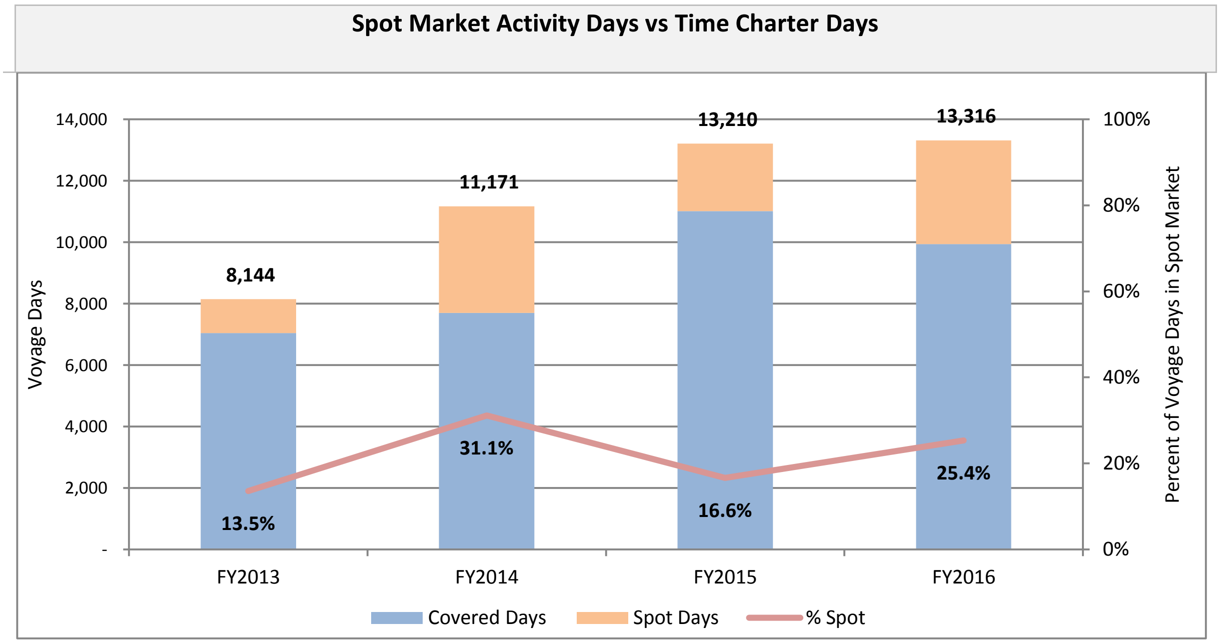
Vessels by Segment	Americas	EMEA	Asia	On Water	On Order	Total Fleet
3,300 – 4,100cbm	2	2	5	9	-	9
5,000 – 6,300cbm	2	4	5	11	-	11
7,000 – 7,500cbm	1	7	4	12	1	13
9,500cbm	-	2	-	2	-	2
11,000cbm	-	3	1	4	2	6
Total	5	18	15	38	3	41
Fleet Capacity (cbm)				239,400	29,500	268,900
Avg. Vessel Size (cbm)				6,300	9,833	6,559

We are focused on maximising vessel utilisation. This can be achieved through a combination of better commercial management and less mechanical downtime. In 2016, our vessel utilisation decreased by 2.4% (240 basis points) to 93.4% due to a weaker market, particularly for the larger vessels during the third quarter.

Our commercial team offers both time charters and contracts of affreightment ("COA"), where we can use our scale to both deliver lower freight to customers and increase net earnings to Epic Gas through reduced ballast legs and efficient scheduling. While the majority of our business will remain time charter in nature, we expect to continue developing certain markets where our expertise, assets, and network density enable us to outperform the time charter market through the combination of COA and spot business.

We ended 2016 with 15 vessels trading in Asia, which for the first time includes 5 of the larger 7,500cbm and 11,000cbm vessels. We expect the larger vessel classes to gain further market share East of Suez as they gradually open up new trades or satisfy the increasing demands of existing trades on the back of ongoing 'up-sizing' in commodity stems. Our primary spot exposure remains within our larger vessels trading in the West.

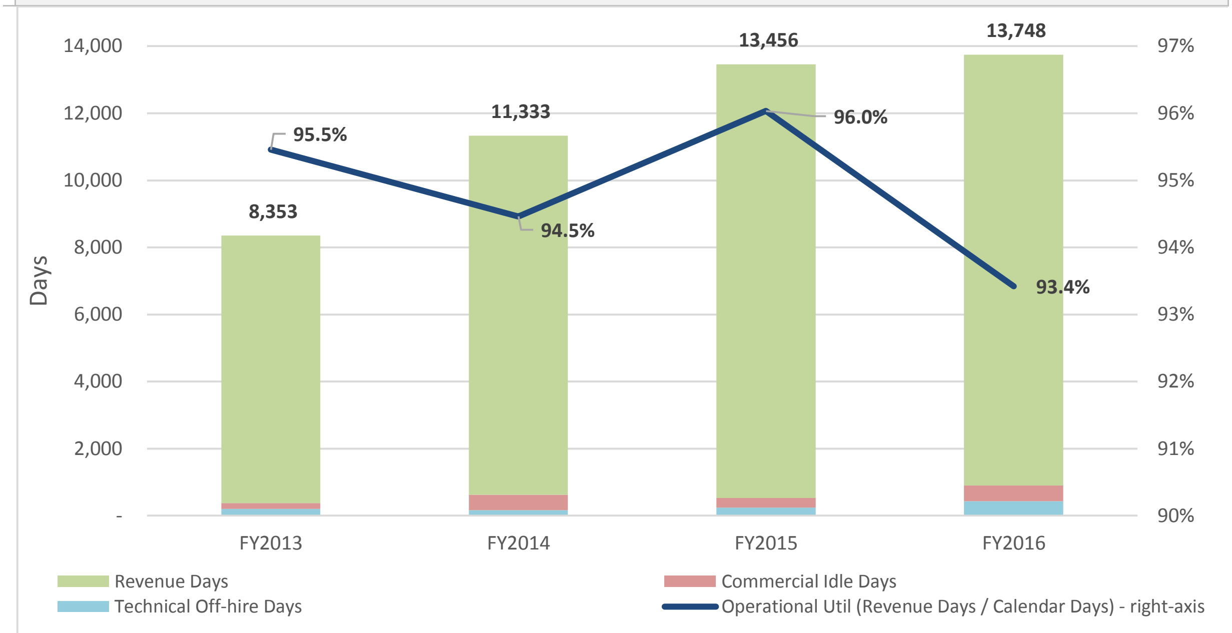




We performed five scheduled dry docks in 2016, accounting for 128 off-hire days including deviation time to and from the dock, compared to eight dockings in 2015 accouting for 157 off-hire days. During the year, the Epic Comino (3500cbm, 2007 built) suffered water ingress resulting in a net insurance settlement, with the vessel sale subsequently completed in December. A second vessel suffered a collision under pilotage, and as a consequence is expected to be under repair until the end of Q1 2017. Total technical off-hire days for the year accounted for 3.1% of calendar days, compared to 1.8% in 2015, and remains an area of strategic focus for the future.

Our seafarer pool passed 1,200 for the first time, an increase of 20% from 2015 as we prepare for the further 3 deliveries in the first quarter of 2017. Within our SHEQ (Safety, Health, Environment and Quality) team in Technical, we completed 99 shipboard SIRE (Ship Inspection Reports) up from 76 in 2015, and six audits of our Singapore offices by oil majors, ensuring our vessels remain of the highest quality and widely accepted within the global market.

Historical Fleet Operational Utilisation and Composition of Calendar Days



As of 31st December 2016, the Company was 34% covered for 2017, equivalent to 5,064 voyage days at an average daily TCE rate of $7,757, with 9,781 calendar days open. We have since covered further days, to just over 40% for 2017, with an ongoing trend of higher levels across the fleet.

Operating Expenses

Vessel operating expenses increased from $55.9 million in 2015 to $58.2 million in 2016 primarily as a result of the Company's fleet expansion by 2% as measured by the number of fleet calendar days as well as the increased ship average size by 12% as measured in cbm. Vessel operating expenses per calendar day increased by 2% from $4,157 in 2015 to $4,233 in 2016. Our focus remains on improving the quality and performance of our vessels to further increase utilisation.

Voyage costs were up 33% year over year as the Company's voyage charter activity increased 57% from 2,679 spot market days in 2015 to 4,200 spot market days in 2016. The spot market days include 824 days of COA activity, an increase from the 482 days in 2015.

During 2016, charter-in costs decreased $2.2 million to $13.4 million from $15.6 million in 2015 due to the re-delivery of two bareboat vessels of 4,100 cbm and 3,500 cbm in Q4 2015 and Q2 2016 respectively. As of 31 December 2016, the Company had 7 ships on traditional inward bareboat charter arrangements under which charter payments are expensed.

The Company assessed the value of its owned ships and the respective carrying amounts. Whilst modern ships have not experienced a significant decline in market values and require lower costs of operations, impairment indicators were identified for the older and smaller ships, i.e. vessels that are aged more than 15 years that have a capacity of 5,000cbm and below. The challenging environment for the smallest pressure vessels resulted in an impairment charge of $9.5 million.

General and administrative expenses decreased by 5% year over year from $15 million in 2015 to $14.2 million in 2016. Coupled with the growth in the Company's fleet, general and administrative expenses per vessel calendar day fell 8% to $1,029 which, in our integrated model, includes the cost of commercial and technical management of our fleet as well as all ownership and corporate-level general and administrative expenses.

Finance and other expenses

Finance expenses during the year increased from $13.0 million to $13.8 million primarily as a result of an increase of the Company's total finance leases and bank borrowings. In November 2016, the Company entered into a 5-year interest rate swap for $30 million. During the period, the Company realised a cost of debt financing of 4.9% per annum.

Newbuilding Program

Epic Gas is the only independent owner offering customers the full spectrum of pressurised vessels, from 3,300cbm to 11,000cbm. The Company's contracted growth and investment program, focused on vessels larger than 7,000cbm, continues through Q1 2017 when the last of the 8 newbuildings delivers.

In 2016, the Company took delivery of five newbuilds. Yard payments of $87 million were made during the period with another $12 million for a newbuild with delivery in January 2017. The Company has drawn $95 million under a term loan facility with ABN Amro Bank N.V., Crédit Agricole Corporate and Investment Bank and NIBC Bank N.V. In October, the Company refinanced one of the newbuildings, the Epic Shikoku (11,000cbm, 2016 built), by entering into a sale-and 7-year bareboat charter back transaction with a Japanese financial services company. As of 31 December 2016, the Company had remaining capital expenditure of $19 million for the last newbuilding. $18 million will come from the existing credit facility with the remaining $1 million to be funded from the Company's cash balance.

As of 31 December 2016, the Company had $22 million in cash, cash equivalents and restricted cash.

Newbuilding on order				
Vessel	cbm	Type	Delivery	Yard
Hull S-526 TBN Epic Salina	11,000	Pressurised	1Q 2017	Kyokuyo

Subsequent Events

The 7,500cbm LPG carrier Epic Baluan delivered to the Company in January 2017 from Sasaki Shipbuilding Co. Ltd., Japan.

The 11,000cbm LPG carrier Epic Sardinia delivered to the Company in January 2017 under a long-term bareboat charter with Kumiai Senpaku Co. Ltd. of Japan. The vessel was built at Kyokuyo Shipyard, Japan. Both newbuildings have been employed in the spot market in the East without any waiting time after delivery.

In January 2017, the Company has granted under the Company's existing share option plan up to 346,450 stock options to its executive management team at a strike price of $2.25. The options will vest over the course of five years.

About Epic Gas Ltd.

Epic Gas owns and operates a fleet of fully pressurised gas carriers providing seaborne services for the transportation of liquefied petroleum gas and petrochemicals. Including newbuildings, the Company controls a fleet of 41 vessels which serve as a link in the global gas and petrochemical supply chains of leading oil majors and commodity trading houses.

For further information visit our website www.epic-gas.com

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Forward Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intends," "estimate," "forecast," "feel," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

EPIC GAS
DELIVERY UNDER PRESSURE

EPIC GAS LTD.

BALANCE SHEET (UNAUDITED)		
All amounts in $ millions	As of 31 Dec 2015	As of 31 Dec 2016
ASSETS		
Cash and cash equivalents	43.5	9.8
Trade and other receivables	10.9	22.5
Inventories	2.3	3.3
Vessels classified as held for sale	0.0	0.0
Deferred finance costs	0.0	0.4
Current assets	56.7	36.0
Non-current assets	0.5	0.1
Restricted cash deposits	10.7	12.2
Property, plant and equipment	414.0	487.4
Advances for vessels under construction	40.1	26.5
Intangible assets	12.9	12.9
Non-current assets	478.2	539.1
TOTAL ASSETS	**534.9**	**575.1**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	15.7	19.9
Deferred income	7.5	6.4
Current income tax liabilities	0.1	0.5
Derivative liabilities	0.8	0.0
Finance lease liabilities	6.8	7.2
Bank Loan	22.7	27.8
Current liabilities	53.7	61.8
Trade and Other Payables	0.1	0.0
Deferred taxation	0.1	0.0
Finance lease liabilities	61.0	53.8
Bank Loan	157.2	218.1
Non-current liabilities	218.4	272.0
Total Liabilities	272.0	333.7
Share capital (51,948,022 shares issued and outstanding)	308.3	308.3
Share option reserves	1.8	2.8
Accumulated losses	(46.6)	(69.9)
Other Reserves	(0.6)	0.2
Total Equity	262.9	241.4
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**534.9**	**575.1**

INCOME STATEMENT (UNAUDITED)

	Three Month Period Ended December 31,		Twelve Month Period Ended December 31,	
All amounts in $ millions	2015	2016	2015	2016
Revenue	**32.3**	**33.0**	**130.8**	**128.8**
Address and brokerage commissions	0.2	0.8	2.3	3.1
Voyage expenses	2.8	4.5	11.7	15.6
Vessel operating expenses	14.1	14.9	55.9	58.2
Charter-in costs	4.4	3.2	15.6	13.4
Depreciation and amortization	5.1	6.9	22.0	24.6
Impairment loss/loss on sale of vessels	10.3	9.9	10.6	9.9
General and administrative expenses	3.0	3.6	15.0	14.2
Total expenses	39.9	43.9	133.1	139.0
Operating income	**(7.6)**	**(10.9)**	**(2.3)**	**(10.2)**
Other (income) / losses, net	0.8	1.2	0.5	(1.1)
Finance expenses	3.1	3.7	13.0	13.8
Profit/(loss) before tax	(11.5)	(15.8)	(15.8)	(22.9)
Income tax expense	(0.1)	0.1	0.2	0.4
Profit/(loss) after tax	**(11.4)**	**(15.9)**	**(16.0)**	**(23.3)**
Other Comprehensive income:				
Income directly recognized in equity	-		-	-
Cash flow hedges gain/(loss)	(0.5)	(7.0)	0.6	0.8
Total Comprehensive Income/(Loss)	(11.9)	(22.9)	(15.4)	(22.5)

STATEMENT OF CASH FLOWS (UNAUDITED)

All amounts in $ millions	FY2015	FY2016
Cash from operating activities	23.6	(6.5)
Cash from investing activities	(32.0)	(85.9)
Cash from financing activities	20.7	58.7
Net Increase in cash and cash equivalents	12.3	(33.7)
Cash and cash equivalents at the beginning of the year	31.2	43.5
Cash and cash equivalents at the end of the period	**43.5**	**9.8**

EPIC GAS
DELIVERY UNDER PRESSURE

SUPPLEMENTAL INFORMATION				
All amounts in $ millions except per day amounts	Three Month Period Ended December 31,		Twelve Month Period December 31,	
	2015	2016	2015	2016
REVENUE AND TIME CHARTER EQUIVALENT EARNINGS				
Charter hire	31.8	32.6	129.3	127.2
Technical management revenue	0.5	0.4	1.5	1.6
Revenue	32.4	33.0	130.8	128.8
Charter hire	31.8	32.6	129.3	127.2
Less: Voyage expenses	(2.8)	(4.5)	(11.7)	(15.6)
Less: Bunker hedge losses	(0.7)	0.1	(0.8)	(0.2)
Time charter equivalent earnings	28.3	28.2	116.8	111.4
RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA				
Profit/(loss) after tax	(11.4)	(15.9)	(16.0)	(23.3)
Add:				
Depreciation and amortization	5.1	6.9	22.0	24.6
Impairment loss / loss on sale of vessels	10.4	9.9	10.6	9.9
Net Interest expense	3.1	3.7	13.0	13.8
Income taxes	(0.1)	0.1	0.2	0.4
Provision for bad debt	0.2	0.2	0.2	0.2
Foreign exchange loss / (gain)	0.1	0.5	(0.5)	(1.2)
EBITDA	7.4	5.4	29.5	24.5
Stock-based compensation expense	0.0	0.3	0.6	1.0
Adjusted EBITDA	7.4	5.7	30.2	25.6

TOTAL INDEBTEDNESS	As of 31/12/15	As of 31/12/16
Finance leases	67.8	61.0
DVB – Dec 2017	88.9	69.0
CIT – 2019 / 2020	64.6	57.6
NordLB – 2019 / 2020	26.5	24.5
ABN - 2023	0.0	74.4
TCL - 2023	0.0	20.4
Total Indebtedness	247.6	306.9

REMAINING NEWBUILDING PAYMENTS	
FY2017	19.4

SUMMARY FINANCIALS (UNAUDITED) AND OPERATING METRICS

	Three Month Period Ended December 31,		Twelve Month Period Ended December 31,	
	2015	2016	2015	2016
INCOME STATEMENT ($Millions)				
Revenue	32.3	33.0	130.8	128.8
Profit/(loss) after tax	(11.4)	(15.9)	(16.0)	(23.3)
Adjusted EBITDA	7.4	5.7	30.2	25.6

BALANCE SHEET ($Millions)	As of 31/12/15	As of 31/12/16
Cash, cash equivalents and restricted cash	54.2	22.0
PP&E, advances for vessels under construction, and finance lease deposits	454.1	513.9
Other assets, net	2.2	12.4
Less: indebtedness	(247.6)	(306.9)
Book value of equity	262.9	241.4

CASH FLOWS ($Millions)		
Cash from Operations	23.6	(6.5)
Cash from Investing	(32.0)	(85.9)
Cash from Financing	20.7	58.7
Change of cash in period	12.3	(33.7)

OPERATING METRICS				
Average number of vessels in period (1)	36.9	37.3	36.9	37.6
Number of vessels as of period end	36	38	36	38
Fleet capacity at period end (cbm)	203,400	239,400	203,400	239,400
Gas fleet average size as of period end	5,650	6,300	5,650	6,300
Fleet calendar days	3,393	3,436	13,456	13,748
Time charter days	2,611	2,188	10,532	9,116
Spot market days	465	838	2,197	3,376
COA days (relets excluded)	238	270	482	824
Voyage days (2)	3,314	3,295	13,211	13,316
Fleet utilisation (3)	97.7%	95.9%	98.2%	96.9%
Fleet operational utilisation (4)	95.2%	93.0%	96.0%	93.4%
Time charter equivalent earnings (5)				
Per Calendar Day	$8,341	$8,206	$8,682	$8,102
Per Voyage Day	$8,540	$8,556	$8,843	$8,365
Operating expenses per Calendar Day	$3,950	$4,336	$4,157	$4,233

1) The number of days each vessel was a part of our fleet during the period divided by the number of calendar days.
2) Calendar days net of off-hire days associated with major repairs, dry dockings or special or intermediate surveys.
3) Calculated by dividing voyage days by fleet calendar days.
4) Calculated by dividing voyage days, excluding commercially idle days, by fleet calendar days.
5) Calculation of time charter equivalent earnings provided in Supplemental Information below