

**EPIC GAS LTD.
FINANCIAL STATEMENTS FOR THE INTERIM PERIOD TO
30 September 2016**

SINGAPORE, 10 November 2016 - Epic Gas Ltd. ("Epic Gas" or the "Company") today announced its unaudited financial and operating results for the interim period ended September 30, 2016. All amounts reported in US Dollars unless otherwise stated.

A conference call to discuss these results is scheduled for 10 November 2016 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
International: +61 283 733 610

Conference ID Number: 10533008

Third Quarter 2016 Highlights

- 3,530 calendar days, up 4% year over year
- Revenue of \$31.1 million, down 3% year over year
- Time charter equivalent revenues of \$7,351 per vessel calendar day, down 16% year over year
- General and administrative expenses of \$954 per vessel calendar day, down 12% year over year
- Adjusted EBITDA of \$5.3 million, down 38% year over year
- Net Loss of \$5.0 million (Net Loss of \$0.3 million in Q3 2015)
- Forward cover for balance of 2016 stands at 59%, and 16% for 2017 as of 30 September 2016
- Completed delivery of one 7,500cbm new build from a shipyard in Japan bringing the Company's on the water fleet to 39 vessels as of 30 September 2016
- Remaining newbuilding program of four vessels requiring \$51 million in capital expenditure, which is funded.

The Pressurised Market

Whilst we are seeing an ongoing demand growth trend for global LPG seaborne transportation, estimated to be up 7.9% full year end, the third quarter of 2016 has proved to be a tough quarter commencing with summer seasonality alongside a lack of commodity arbitrage for liquefied petroleum gas (LPG), but ending with a recovery in rate levels, especially for the smaller pressure vessels, as both factors unwound. On the supply side we have seen a steady quarter with four new build deliveries, but a significant reduction in the forward order book equating to only 6.4% fleet capacity growth at the year end.

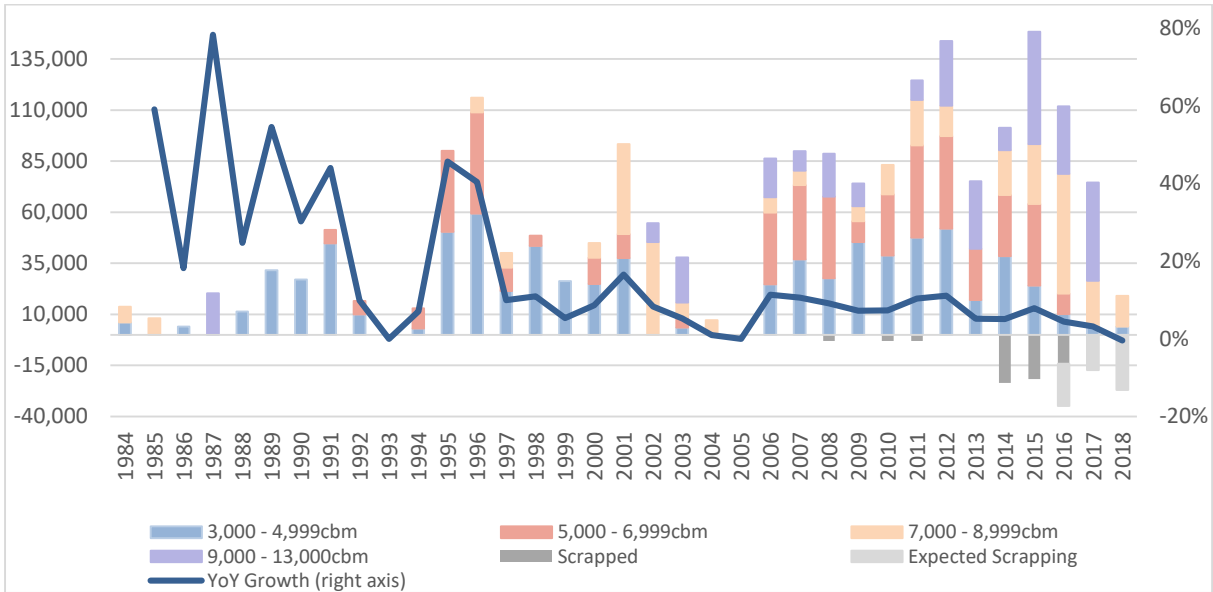
The following chart illustrates pressurised freight rates during the last 12 years. For the third quarter of 2016, 3,500cbm, 5,000cbm and 7,500cbm market rates averaged \$5,479, \$6,959, \$10,247 per day, respectively, broadly stable over the last 12 months for the smaller vessels, but down by about 10% for the 7,500cbm and 11,000cbm vessels year on year.



During the quarter, four pressurised vessels representing 25,657cbm of capacity delivered, and three small semi-refrigerated or ethylene capable vessels totalling 24,808cbm capacity have been scrapped. Of the 321 international (non-Chinese flagged) trading pressurised ships on the water today, 28 vessels equalling 6.2% of the fleet are 25 years or older, and could be considered candidates for scrapping. There are a further 40 small semi-ref vessels of a similar age. After combining pressurised and semi-ref vessels, approximately 13% are likely scrapping candidates.

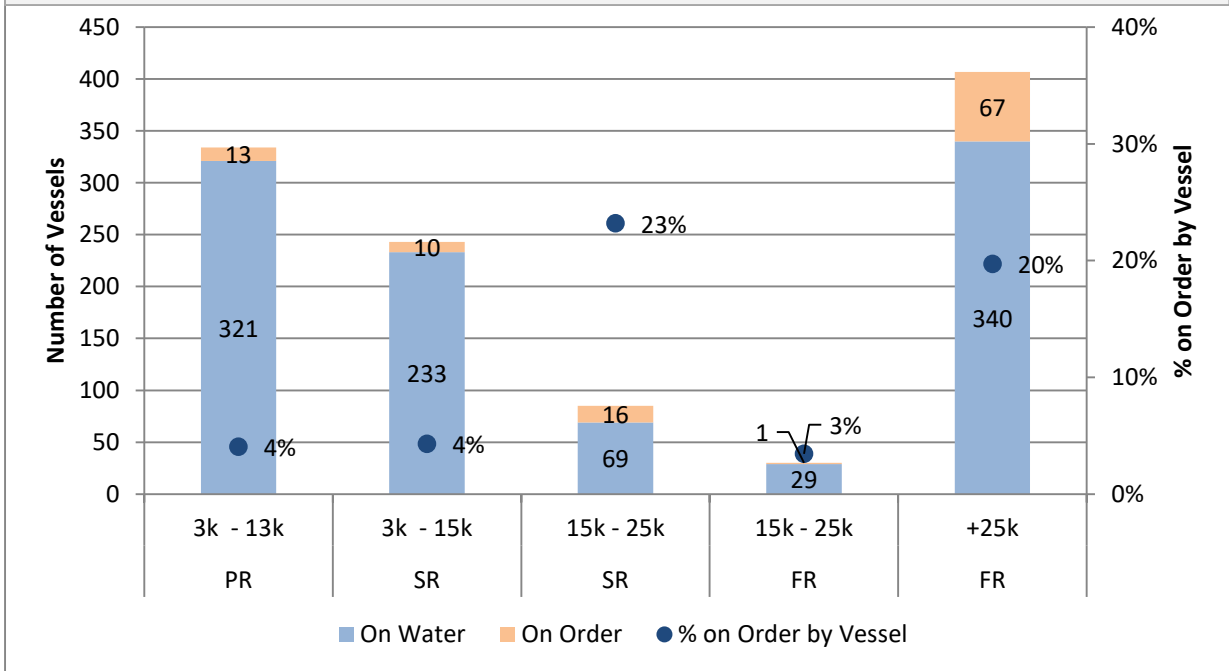
As of 30 September 2016, the order book for pressurised vessels has dropped to thirteen ships and 111,643cbm of capacity, equivalent to only 6.9% of the existing global fleet by capacity.

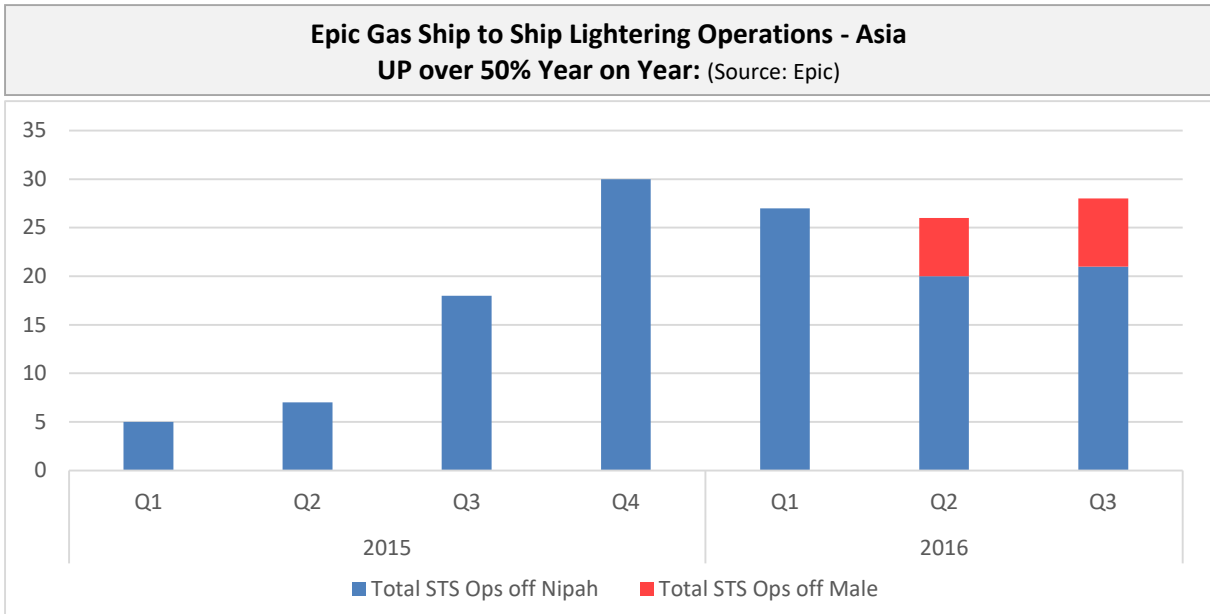
Supply Reducing Considerably (Company Data)



LPG Order Book by Vessel Size & Type

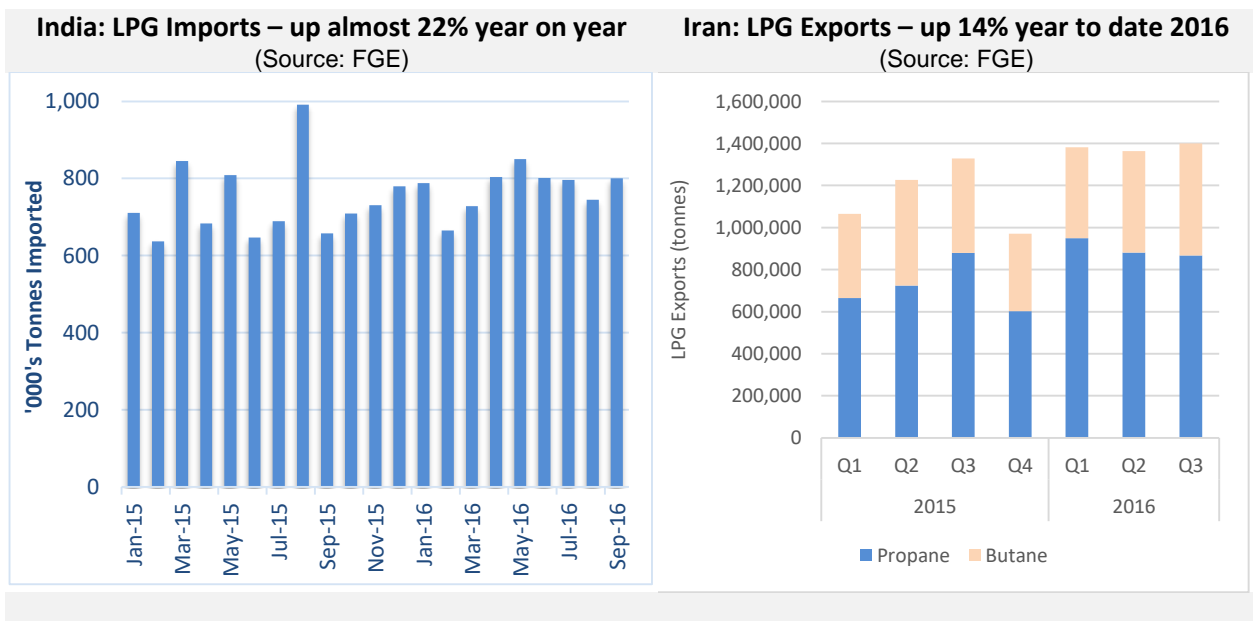
Smaller LPG Vessels have Small & Reducing Order Book (4% basis Vessels) (Source: Clarksons)





East of Suez, our transshipment operations continued to grow as VLGCs lightered their cargoes in the Indian Ocean and off Singapore to feed regional small-sized parcel demand. Epic Gas performed over 50% more transshipment operations in Q3 2016 compared to the same period a year ago.

There has been a noticeable increase in activity in the Arabian Gulf/Middle East region. LPG exports from Iran increased further this quarter and reached a record high of 1.4 million tonnes, a 14.5% YTD increase in exports compared to the same period in 2015. In Iraq, increased LPG production at the Basrah Gas LPG plant has resulted in surplus tonnes available for export. We have recently noticed a growing number of pressure cargoes coming out from Iraq and expect to see this trend continue.

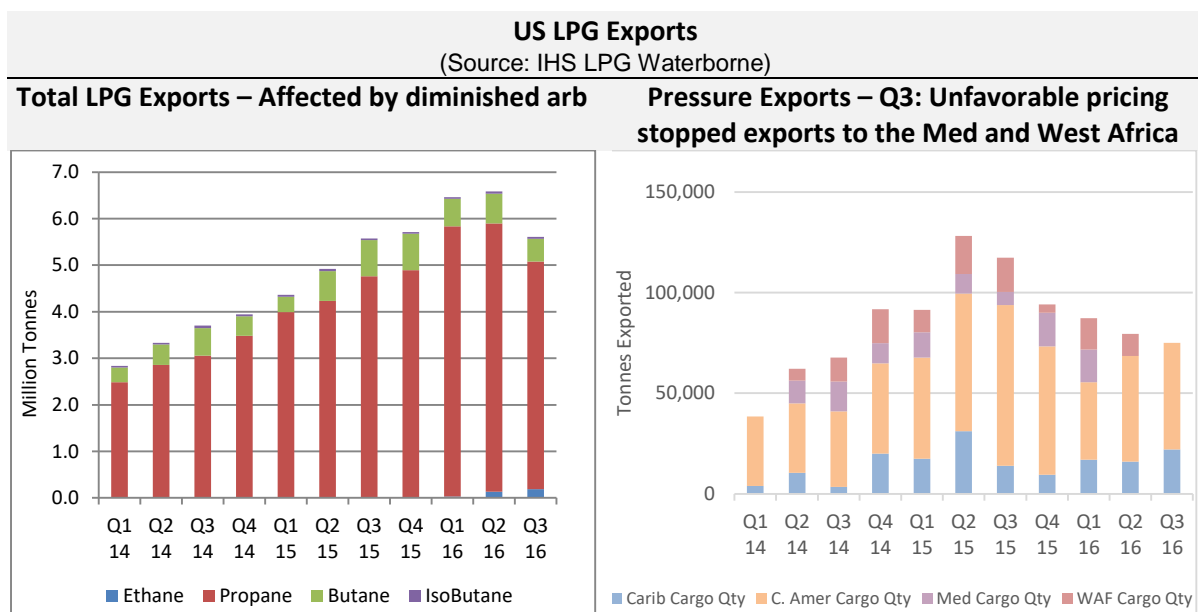


In Asia, Chinese propylene imports remained resilient, highlighting steady downstream demand. Monthly imports averaged 233,000 tonnes this quarter compared to 215,000 tonnes in Q3 2015, equivalent to demand for three incremental pressurised LPG vessels.

In terms of development, Bangladesh has recently put into service additional import tanks, and Sri Lanka is in the process of setting up new infrastructure which is expected to come online in the near future. All this should help the regional LPG distribution trade.

West of Suez, reduced availability of tonnes from the Black Sea stemmed from Russian local demand and constraints imposed by Ukraine authorities on Russian product. However, this gave rise to replacement tonnes from North West Europe to the Black Sea during the latter part of the quarter, taking up some of the slack capacity for vessels in the region.

Epic Gas has access to diversified markets, both geographically where we call at our 300 distinct ports globally, and also in regards to commodity market, where we move both LPG and petrochemicals. In some regions, including the Mediterranean, we have seen increased petrochemical volumes nudge our petrochemical volume up to 34% of our total volume year to date.



US LPG exports reduced during the quarter due to unfavourable commodity pricing which affected the trans-Atlantic arbitrage economics. The pressure export trade was also impacted which resulted in no cargoes bound for ports in Mediterranean and West Africa, however exports to the Caribbean and Central America increased by almost 10% from the previous quarter indicating underlying demand in the region.

Looking ahead, ongoing projects and infrastructure development like the facility in Saldanha Bay (South Africa) and gas-driven power plants in the US Virgin Islands, Honduras and Panama will provide further demand for the pressurised fleet.

Revenue

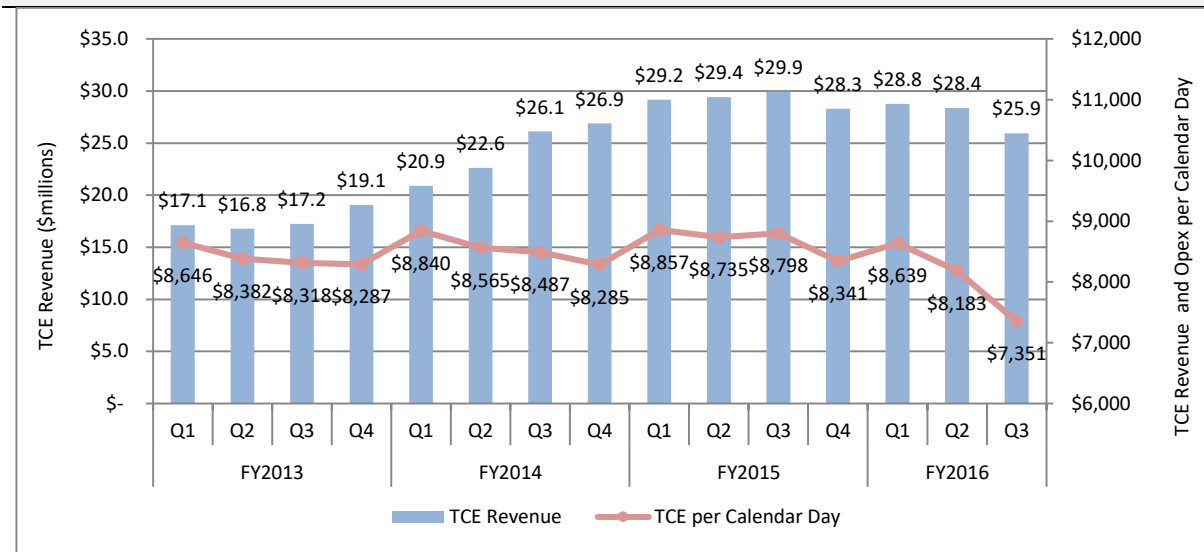
On the back of delivery of three vessels in the first half, Epic Gas Ltd continued to grow its fleet during the third quarter of 2016. Towards the end of the period, the Company took delivery of a Japanese new build, the Epic Bonaire (7,500cbm). The fleet evolution towards the new generation of larger vessels continues, with an 8.3% year over year increase in the average size of our vessels to 6,074cbm. Our revenue day exposure to vessels over 7,000cbm now stands at 45%.

Epic Gas Fleet Deployment						
Vessels by Segment	Americas	EMEA	Asia	On Water	On Order	Total Fleet
3,300 – 4,100cbm	2	2	6	10	-	10
5,000 – 6,300cbm	2	4	6	12	-	12
7,000 – 7,500cbm	2	7	3	12	1	13
9,500cbm	-	2	-	2	-	2
11,000cbm	-	3	-	3	3	6
Total	6	18	15	39	4	43
Fleet Capacity (cbm)				236,900	40,500	277,400
Avg. Vessel Size (cbm)				6,074	10,125	6,451

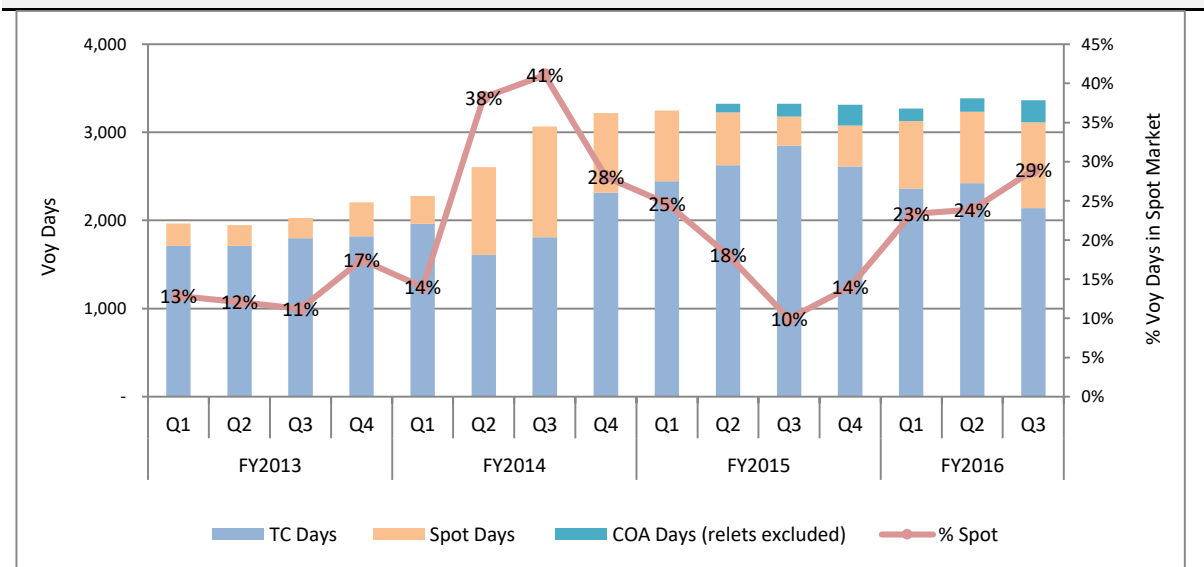
During the third quarter the fleet experienced 167.25 technical off-hire days, of which two incidents account for 108 days, and two routine dry-dockings a further 31.3 days. This resulted in fleet availability of 95.3% (Q3 2015, 97.7%), with Operational utilisation of 90.4% (Q3 2015, 96.3%).

TCE revenue per calendar day of \$7,351 was lower than the \$8,798 in Q3 2015, despite the increased average vessel capacity. Revenue reduced on account of a reduction of fleet availability, lower rates for the larger pressurised vessels, and positioning time. The fleet traded under time charter for 64% of total voyage days during the quarter, with the balance as Contracts of Affreightment (“COA’s), or in the spot market. Whilst the vast majority of our business will remain time charter in nature, we continue to develop COA’s which accounted for 20% of the non-time charter days in Q3.

Historical TCE Revenue and TCE / day



Historical Time Charter v/s Spot Market Activity



As of 30 September 2016, the Company was 59% covered for the balance of the year 2016 with 2,081 voyage days covered at an average daily TCE rate of \$7,568, leaving 1,446 calendar days open on the current fleet for the rest of the year.

Operating Expenses

Vessel operating expenses increased by 9 % to \$14.5 million for the three months ended September 30, 2016, from \$13.3 million for the three months ended September 30, 2015, as the number of vessels in our fleet and also the average vessel size increased. Daily vessel operating expenses increased by 5% to \$4,102 per day, compared to \$3,916 per vessel per day for the three months ended September 30, 2015, partly reflecting the 8% increase in our average vessel size from 5,608 cbm to 6,074 cbm over the period.

Charter-in costs decreased 18% year over year from \$3.9 million to \$3.2 million due to the re-delivery of two bareboat vessels in Q4 2015 and Q2 2016 respectively. As of 30 September 2016, the Company had 7 ships on traditional inward bareboat charter arrangements under which charter payments are expensed.

Depreciation and amortization expense increased by 12% to \$6.4 million year over year for the period. This increase was primarily due to an increase in our fleet size.

General and administrative expenses of \$3.4 million during the period reflected a year over year decrease of 8%. SG&A per vessel calendar day fell 12% to \$954 which, in our integrated model, includes the cost of commercial and technical management of our fleet as well as all corporate-level general and administrative expenses.

Finance and other expenses

Finance expenses increased by \$0.2 million, or 6%, to \$3.5 million for the three months ended September 30, 2016. This was primarily due to additional amounts drawn down on our loan facility associated with delivery of newbuild vessels.

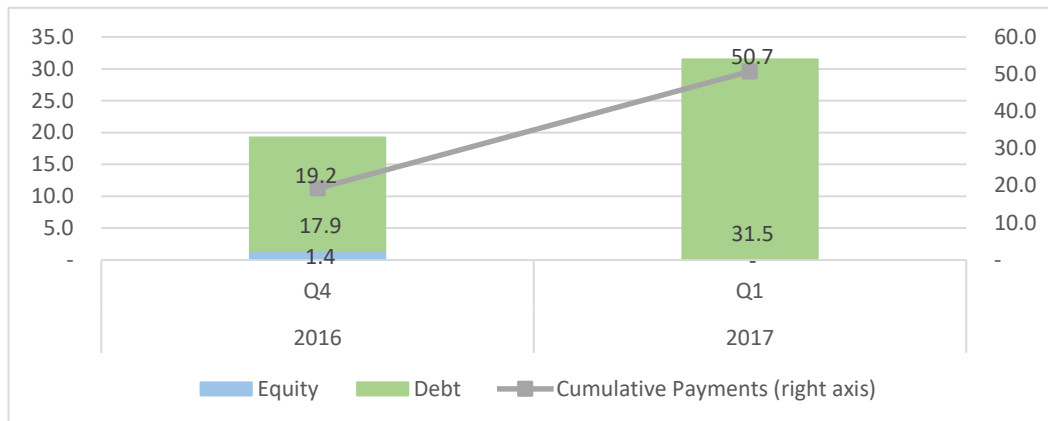
New Building Program

Epic Gas is the only 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.

The 7,500cbm LPG carrier Epic Bonaire, the fourth vessel in our series of new buildings, delivered to the Company on 22nd August 2016 from Sasaki Shipyard, Japan. Of the remaining 4 vessels still to deliver, one will be chartered to Epic Gas under a long term bareboat charter, and 3 are owned by Epic Gas.

During the period, the Company paid \$14.5 million towards the construction of the new buildings of which \$13.6 million were drawn under a Term Loan Facility. As of 30 September 2016, the Company had remaining capital expenditure to cover newbuilding instalments of \$50.7 million, \$49.4 million will come from our existing credit facility with the remaining \$1.4 million to be funded from the Company's cash balance.

Timing of Newbuilding Payments



New Buildings On Order

Vessel	cbm	Type	Delivery	Yard
<u>Bareboat Chartered In</u>				
Epic Sardinia	11,000	Pressurised	1Q 2017	Kyokuyo
<u>Owned New Buildings</u>				
Hull 694 TBN Epic Baluan	7,500	Pressurised	1Q 2017	Sasaki
Hull S-525 TBN Epic Samos	11,000	Pressurised	4Q 2016	Kyokuyo
Hull S-526 TBN Epic Salina	11,000	Pressurised	1Q 2017	Kyokuyo

Subsequent Events

On 20 October 2016, the Company completed the sale of the oldest ship in its fleet, the Epic St. Paul (5000cbm, 1995 built).

On the 21 October 2016, the Company entered into a sale and 7-year bareboat charter back transaction for the Epic Shikoku (11,000cbm, 2016 built) with a Japanese financial services company.

During the quarter, the Epic Comino (3500cbm, 2007 built) suffered water ingress resulting in a net insurance settlement, with the vessel sale anticipated to be completed shortly. In addition, a second vessel suffered a collision under pilotage, and as a consequence is expected to be under repair until the end of Q1 2017.

The events are expected to result in a net cash increase of US\$ 10 million, and a decrease in total debt of US\$ 3 million.

SUMMARY FINANCIALS (UNAUDITED) AND OPERATING METRICS

	Three Month Period Ended September 30,		Nine Month Period Ended September 30,	
	2015	2016	2015	2016
INCOME STATEMENT (\$Millions)				
Revenue	32.2	31.1	98.4	95.8
Net Income	(0.3)	(5.0)	(4.6)	(7.4)
Adjusted EBITDA	8.6	5.3	22.8	19.9
BALANCE SHEET (\$Millions)				
			As of 31/12/15	As of 30/09/16
Cash, cash equivalents and restricted cash			53.6	22.8
PP&E, advances for vessels under construction, and finance lease deposits			454.1	510.7
Other assets, net			2.8	17.3
Less: indebtedness			(247.6)	(286.8)
Book value of equity			262.9	264.0
CASH FLOWS (\$Millions)				
Cash from Operations			14.2	5.5
Cash from Investing			(24.2)	(75.4)
Cash from Financing			29.2	38.0
Change of cash in period			19.2	(31.8)
OPERATING METRICS				
Average number of vessels in period (1)	37.0	38.4	36.9	37.7
Number of vessels as of period end	37	39	37	39
Fleet capacity at period end (cbm)	207,500	236,900	207,500	236,900
Gas fleet average size as of period end	5,608	6,074	5,608	6,074
Fleet calendar days	3,404	3,530	10,063	10,328
Time charter days	2,848	2,140	7,921	6,926
Spot market days	331	972	1,732	2,545
COA days (relets excluded)	146	250	244	549
Voyage days (2)	3,325	3,362	9,897	10,020
Fleet utilisation (3)	97.7%	95.3%	98.4%	97.0%
Fleet operational utilisation (4)	96.3%	90.4%	96.3%	93.5%
Time charter equivalent earnings (5)				
Per Calendar Day	\$8,798	\$7,351	\$8,796	\$8,056
Per Voyage Day	\$9,000	\$7,718	\$8,941	\$8,303
Operating expenses per Calendar Day	\$3,916	\$4,102	\$4,154	\$4,194

- 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.

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 new buildings, 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 LTD.

BALANCE SHEET (UNAUDITED)		
<i>All amounts in \$ millions</i>	As of 31 Dec 2015	As of 30 Sep 2016
ASSETS		
Cash and cash equivalents	42.9	11.1
Trade and other receivables	11.5	21.8
Inventories	2.3	3.4
Derivative financial instruments	0.0	7.4
Current assets	56.7	43.7
Non-current assets	0.5	0.1
Restricted cash deposits	10.7	11.7
Property, plant and equipment	414.0	489.6
Advances for vessels under construction	40.1	21.1
Intangible assets	12.9	12.9
Non-current assets	478.2	535.4
TOTAL ASSETS	534.9	579.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	15.7	20.2
Deferred income	7.5	7.6
Current income tax liabilities	0.1	0.4
Derivative liabilities	0.8	0.0
Finance lease liabilities	6.8	6.8
Bank Loan	22.7	26.9
Current liabilities	53.7	61.9
Trade and other Payables	0.1	0.0
Deferred taxation	0.1	0.0
Finance lease liabilities	61.0	55.9
Bank Loan	157.2	197.2
Non-current liabilities	218.4	253.1
Total Liabilities	272.0	315.0
Share capital (51,948,022 shares issued and outstanding)	308.3	308.3
Share option reserves	1.8	2.5
Accumulated losses	(46.6)	(53.9)
Accumulated other comprehensive income	(0.6)	7.2
Total Equity	262.9	264.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	534.9	579.0

INCOME STATEMENT (UNAUDITED)

<i>All amounts in \$ millions</i>	Three Month Period Ended September 30,		Nine Month Period Ended September 30,	
	2015	2016	2015	2016
Revenue	32.2	31.1	98.5	95.8
Address and brokerage commissions	0.7	0.7	2.1	2.3
Voyage expenses	2.0	4.9	8.9	11.1
Vessel operating expenses	13.3	14.5	41.8	43.3
Charter-in costs	3.9	3.2	11.2	10.1
Depreciation and amortization	5.7	6.4	17.0	17.7
Impairment loss	0.0	0.0	0.2	0.0
General and administrative expenses	3.7	3.4	12.0	10.5
Total expenses	29.3	33.1	93.2	95.1
Operating income	2.9	(2.0)	5.3	0.7
Other (income) / losses, net	(0.2)	(0.6)	(0.3)	(2.3)
Finance expenses	3.3	3.5	9.9	10.1
Profit/(loss) before tax	(0.1)	(4.9)	(4.3)	(7.1)
Income tax expense	0.1	0.1	0.3	0.3
Profit/(loss) after tax	(0.3)	(5.0)	(4.6)	(7.4)
Other Comprehensive income:				
Income directly recognized in equity	0.0	0.0	0.0	0.0
Cash flow hedges gain/(loss)	0.0	(1.4)	1.1	7.8
Total Comprehensive Income/(Loss)	(0.3)	(6.4)	(3.5)	0.4

STATEMENT OF CASH FLOWS (UNAUDITED)

<i>All amounts in \$ millions</i>	Nine Month Period Ended September 30,	
	2015	2016
Cash from operating activities	14.2	5.5
Cash from investing activities	(24.2)	(75.4)
Cash from financing activities	29.2	38.0
Net Increase in cash and cash equivalents	19.2	(31.8)
Cash and cash equivalents at the beginning of the year	31.2	42.9
Cash and cash equivalents at the end of the period	50.3	11.1

SUPPLEMENTAL INFORMATION
*All amounts in \$ millions except
per day amounts*

 Three Month Period
Ended September 30,
2015 2016

 Nine Month Period
Ended September 30,
2015 2016

REVENUE AND TIME CHARTER EQUIVALENT EARNINGS

Charter hire	31.8	30.8	97.4	94.5
Relet revenue	0.2	0.1	0.2	0.2
Technical management revenue	0.2	0.2	0.9	1.1
Revenue	32.2	31.1	98.5	95.8

Charter hire	32.0	30.9	97.6	94.7
Less: Voyage expenses	(2.0)	(4.9)	(8.9)	(11.1)
Less: Derivative losses (bunker hedges)	0.0	(0.0)	0.0	(0.3)
Time charter equivalent earnings	30.0	26.0	88.7	83.2

RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA

Profit/(loss) after tax	(0.3)	(5.0)	(4.6)	(7.4)
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Add:

Depreciation and amortization	5.8	6.4	17.0	17.7
Impairment loss / (gain)	0.0	0.0	0.2	0.0
Net Interest expense	3.3	3.5	9.9	10.1
Income taxes	0.1	0.1	0.3	0.3
Foreign exchange loss / (gain)	(0.5)	(0.0)	(0.6)	(1.7)
EBITDA	8.4	5.0	22.2	19.1

Stock-based compensation expense	0.2	0.3	0.6	0.8
Adjusted EBITDA	8.6	5.3	22.8	19.9

TOTAL INDEBTEDNESS	As of 31/12/15	As of 30/09/16
Finance leases	67.8	62.7
DVB Tranche A – Dec. 2017	88.9	78.5
DVB Tranche B – Dec. 2015	0.0	0.0
CIT – 2019 / 2020	64.6	59.3
NordLB – 2019 / 2020	26.5	25.0
ABN/CA/NIBC – 2023/2024	0.0	61.2
Total Indebtedness	247.6	286.8

REMAINING NEWBUILDING PAYMENTS

FY2016	19.2
FY2017	31.5
Remaining Newbuilding Payments	50.7