

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

SINGAPORE, 11 August 2016 - Epic Gas Ltd. ("Epic Gas" or the "Company") today announced its unaudited financial and operating results for the interim period ended June 30, 2016. All amounts reported in US Dollars unless otherwise stated.

A conference call to discuss these results is scheduled for 11 August 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

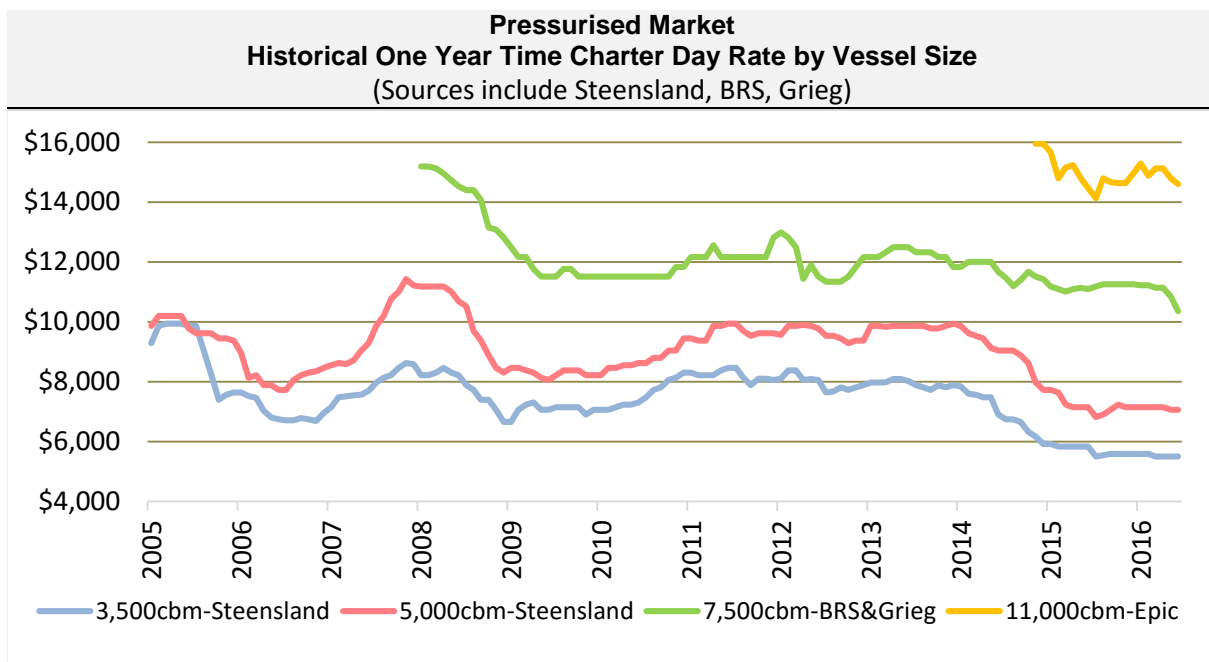
Conference ID Number: 60288389

Second Quarter 2016 Highlights

- 3,468 calendar days, up 3% year over year
- Revenue of \$32.6 million, up 1% on Q1, down 1% year over year
- Time charter equivalent revenues of \$8,183 per vessel calendar day, down 6% year over year
- General and administrative expenses of \$1,099 per vessel calendar day, down 10% year over year
- Adjusted EBITDA of \$7.5 million, up 6% on Q1, down 1% year over year
- Net Loss of \$0.9 million, improvement by 52% year over year
- Forward cover for balance of 2016 stands at 47% at \$7,539 per day as of 30 June 2016
- Completed delivery of one 11,000cbm new build from a shipyard in Japan and re-delivered one 3,500cbm bareboat charter vessel bringing the Company's on the water fleet to 38 vessels
- Remaining newbuilding program of five vessels requiring \$65 million in capital expenditure

The Pressurised Market

A period of mixed sentiment and outcome as the market continues to bounce along the bottom. The very positive 45% reduction in net fleet growth for the quarter when compared to the same period last year, has been offset by the overhang of legacy tonnage, and changes in tonne mile demand caused by the repricing of commodities. The following chart illustrates the fall in pressurised freight rates during the last 10 years. For the second quarter of 2016, 3,500cbm, 5,000cbm and 7,500cbm market rates averaged \$5,551, \$7,089, \$11,116 per day, respectively, broadly stable on Q1 2016, but for the smaller vessels off about 10% from the end of Q2 2015.



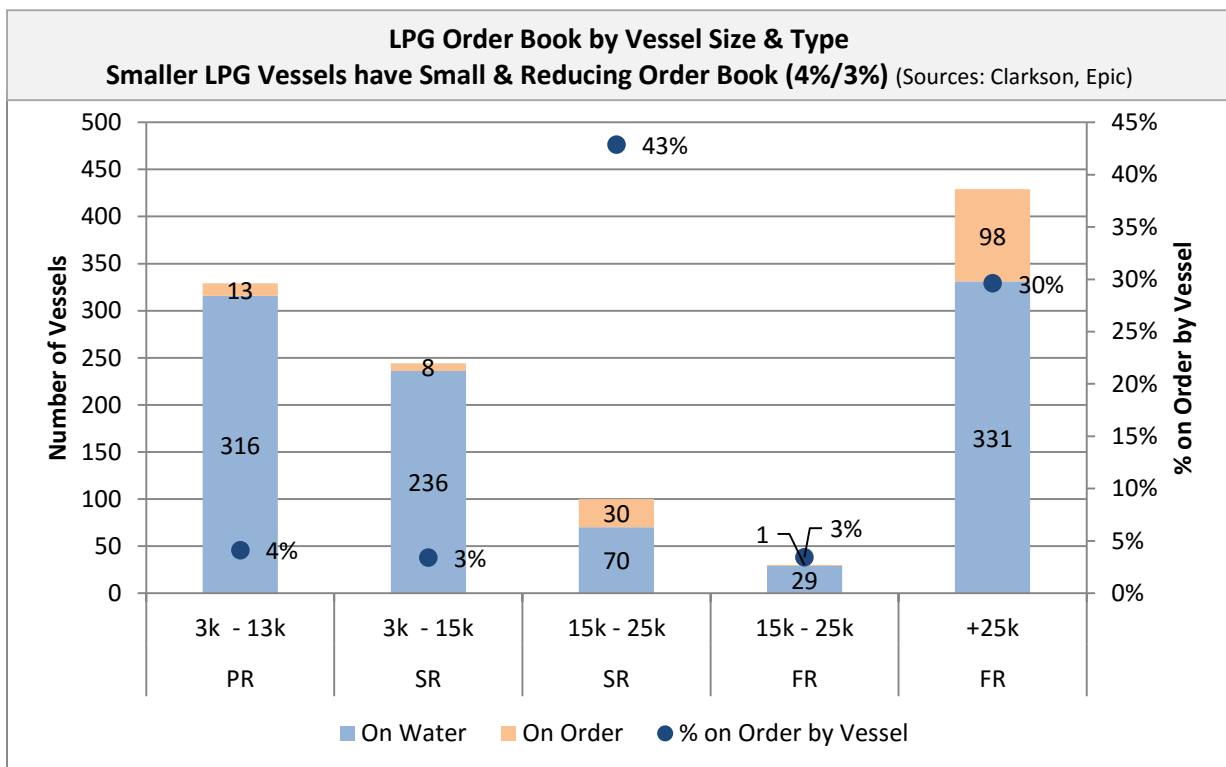
During the quarter, 4 vessels representing 26,200cbm of capacity delivered, while 1 pressure vessel of 10,178cbm capacity was scrapped. Of the 316 international trading pressurised ships on the water today, 21 vessels equalling 6.6% of the fleet are 25 years or older, and could be considered candidates for scrapping. There are a further 22 small semi-ref vessels of a similar age. After combining pressurised and semi-ref vessels, approximately 10% are likely scrapping candidates.

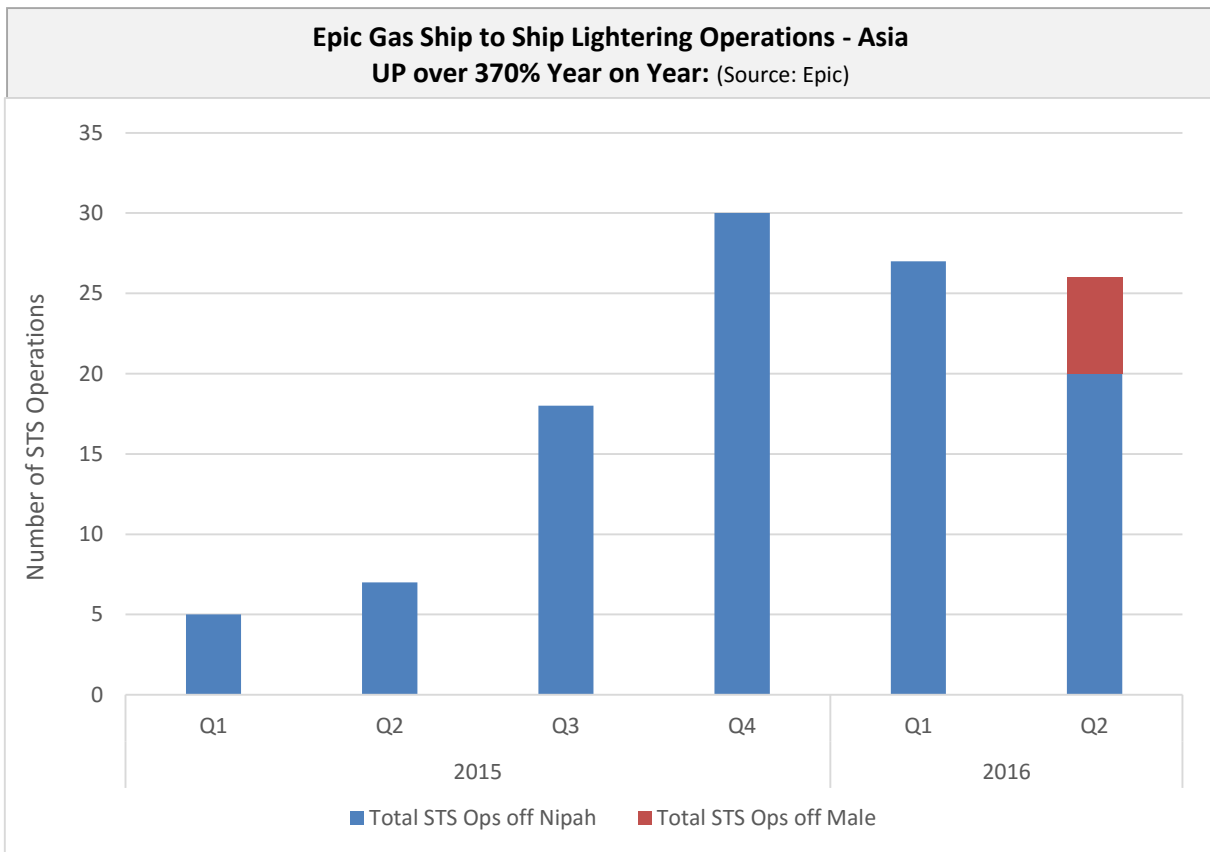
As of 30 June 2016, the order book for pressurised vessels has dropped to 13 ships and 115,000cbm of capacity, equivalent to only 7% of the existing global fleet by cubic.

Supply Length Reducing Considerably (Company Data)								
Segment	Year to Date Fleet Change			As of	Vessels on Order			Ending
	1Jan16	Deliv	Scrap	30Jun16	2H 2016	2017	2018	
3	170	2	(1)	171	1	-	-	172
5	85	2	-	87	-	-	-	87
7	31	3	-	34	3	2	2	41
9	8	-	-	8	-	-	-	8
11	15	2	(1)	16	1	4	-	21
Vessels	309	9	(2)	316	5	6	2	329
Capacity	1,516,294	60,800	(14,178)	1,562,916	37,000	63,000	15,000	1,677,916
Avg. cbm	4,907	6,756	7,089	4,946	7,400	10,500	7,500	5,100
					% of current fleet on order			7%

3,000cbm - 11,000cbm Semi-Ref Fleet								
Segment	Year to Date Fleet Change			As of 30Jun16	Vessels on Order			Ending
	1Jan16	Deliv	Scrap		2H 2016	2017	2018	
Vessels	99	-	-	99	1	1	1	102
Capacity	534,097	-	-	534,097	8,700	7,000	7,000	556,797
Avg. cbm	5,395	-	-	5,395	8,700	7,000	7,000	5,459
% of current fleet on order								4%

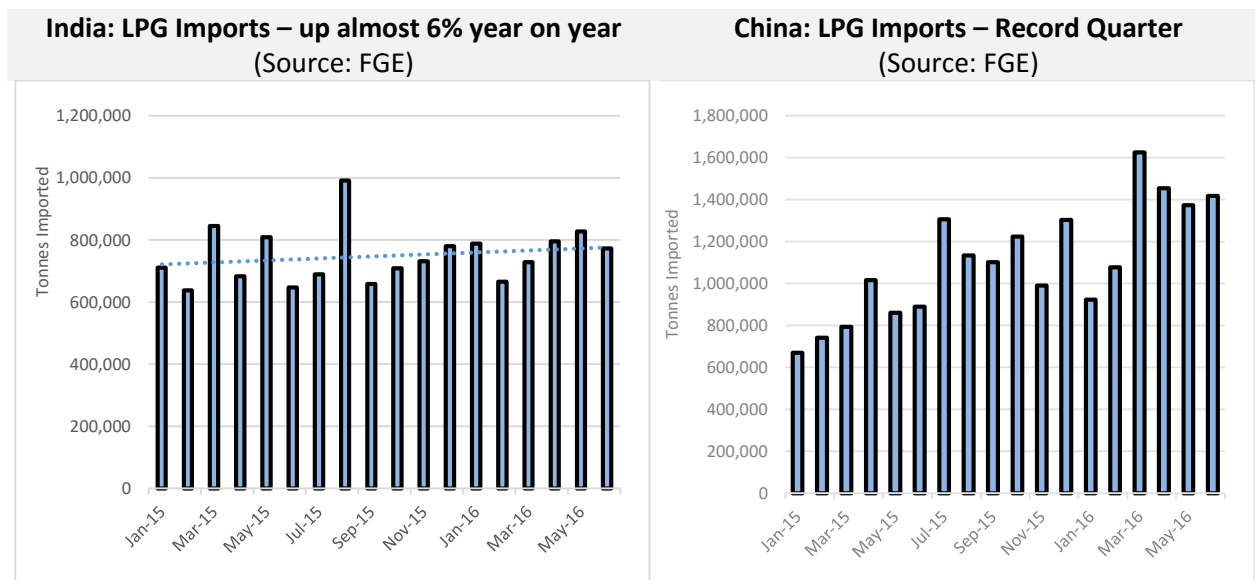
Global Small LPG Carrier Fleet								
Vessels	408	9	(2)	415	6	7	3	431
Capacity	2,050,391	60,800	(14,178)	2,097,013	45,700	70,000	22,000	2,234,713
Avg. cbm	5,025	6,756	7,089	5,053	7,617	10,000	7,333	5,185
% of current fleet on order								6.6%

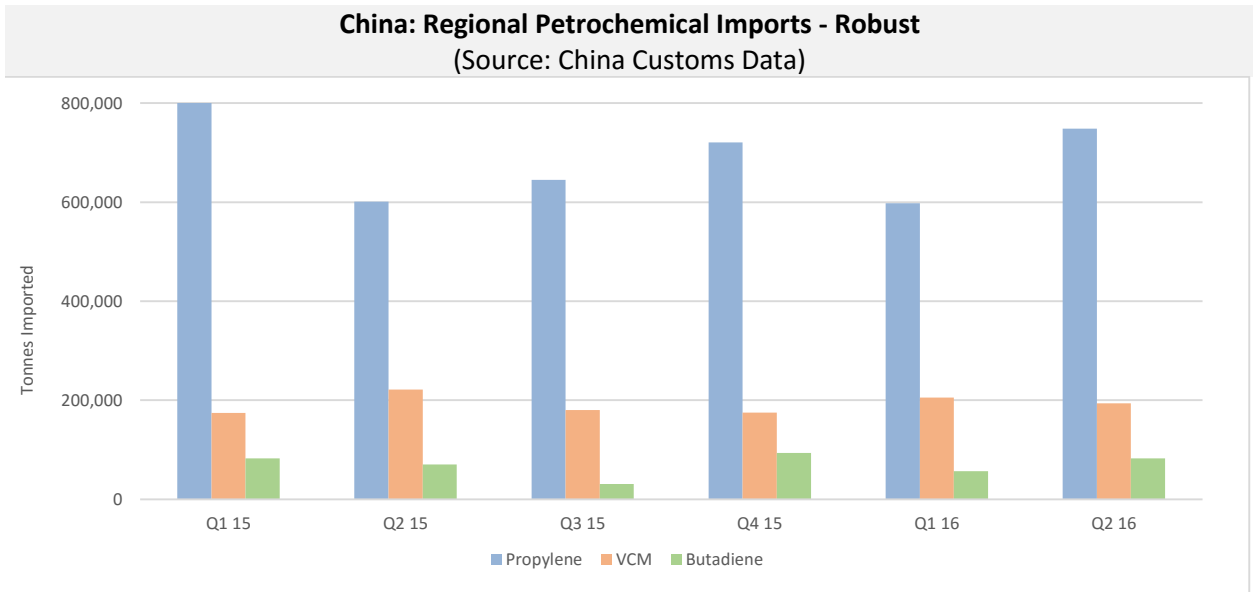




East of Suez, the surge in VLGC shipments of propane into Asia and the Indian Ocean continues to feed ship to ship lightering operations for last mile demand growth for pressurised LPG vessels, with Epic Gas performing its first such operation off the new lightering area at Male (Maldives) during the period.

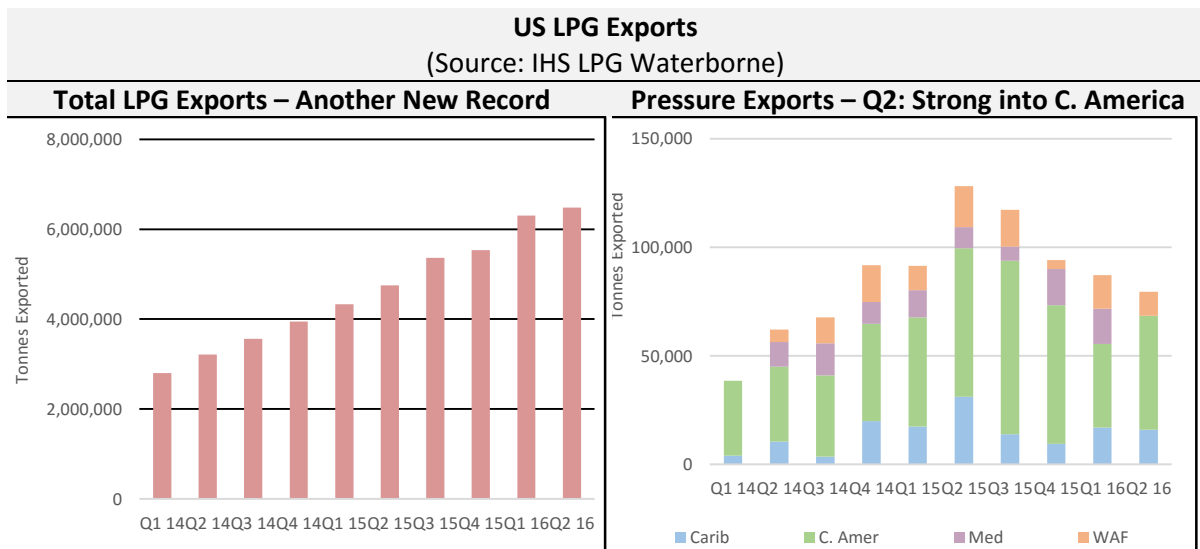
Iran’s LPG exports continue to grow as the country builds a strong position in the region and wider international market. Exports totalled 4.59 million tonnes in 2015, and have reached almost 2.8 million tonnes in the first half of this year, on course to annualised growth of over 20% year on year.





In Asia, Chinese propylene imports picked up 25% in the quarter. Imports averaged a surprising and trend breaking 249,551 tonnes per month, which was 24.6% more than in Q2 2015, reintroducing demand for about eight to nine smaller pressurised vessels during the period.

West of Suez, the Black Sea and Mediterranean markets have delivered usual seasonality with reduced exports at the end of the heating season. North West Europe has also seen reduced activity after the end of the winter blending season leaving excess availability of both pressure and semi-ref vessels.



US exports of LPG in Q2 have continued to set new records. However, pressurised vessels have lost market share on the longer haul routes, especially those into West Africa and the Mediterranean, as traders are taking advantage of more competitively priced large vessels. The pressurised market continues to see quarterly growth in the core regional last mile trades into Central America, with total pressurised exports of 80,000 tonnes in Q2 2016.

Revenue

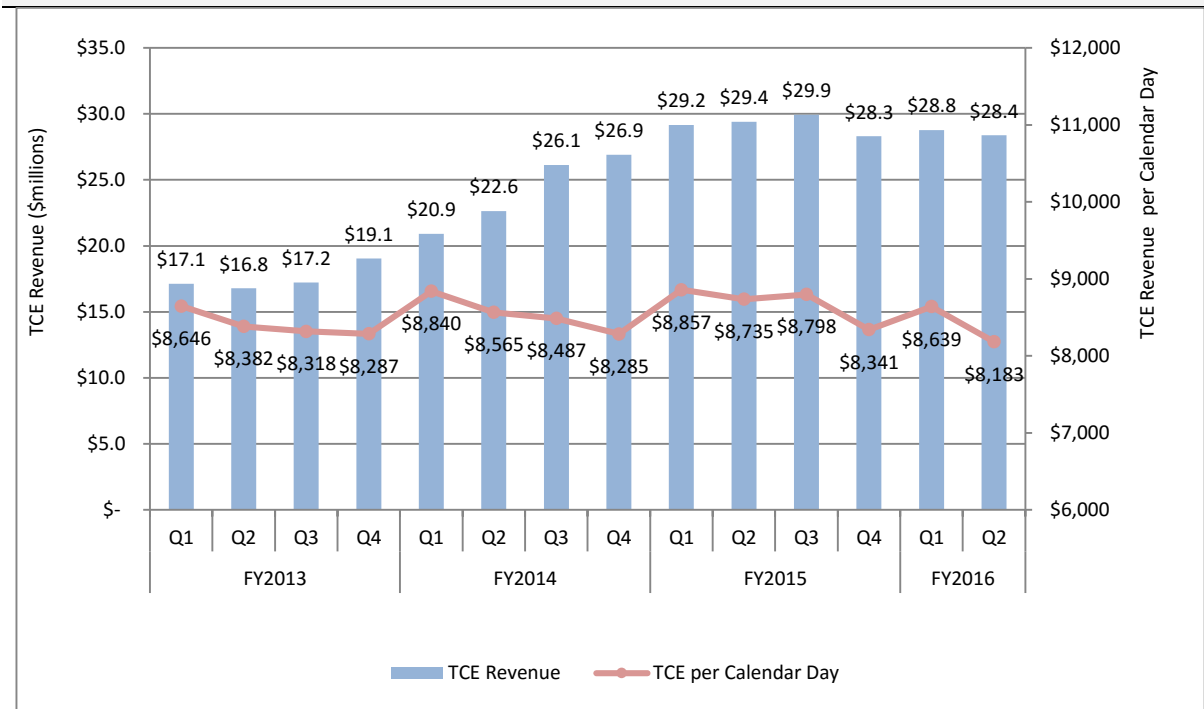
On the back of delivery of two vessels towards the latter half of Q1, Epic Gas Ltd continued to grow its fleet during the second quarter of 2016. During the period, the Company took delivery of one new vessel from a Japanese yard: the Epic Shikoku (11,000cbm), and redelivered one 3,500cbm bareboat chartered vessel. The fleet evolution towards the new generation of larger vessels continues, with a 7.6% year over year increase in the average size of our vessels to 6,037cbm. Our revenue day exposure to vessels over 7,000cbm now stands at 43%.

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	1	5	6	12	-	12
7,000 – 7,500cbm	5	5	1	11	2	13
9,500cbm	-	2	-	2	-	2
11,000cbm	-	2	1	3	3	6
Total	8	16	14	38	5	43
Fleet Capacity (cbm)	49,600	109,700	70,100	229,400	48,000	277,400
Avg. Vessel Size (cbm)	6,200	6,856	5,007	6,037	9,600	6,451

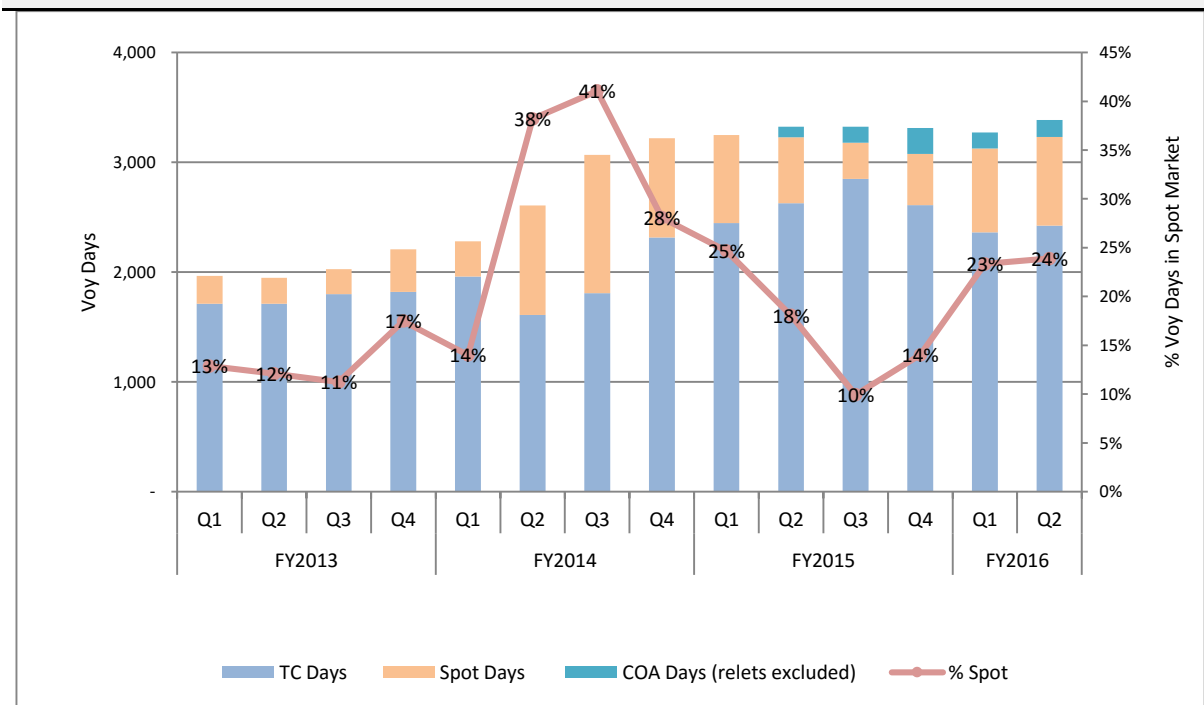
During the second quarter the fleet experienced 82 technical off-hire days, primarily due to three routine and one unscheduled vessel docking during the period (Q1, one vessel). This resulted in fleet availability of 97.6% (Q2 2015, 98.8%), with Operational utilisation of 94.8% (Q2 2015, 96.7%).

TCE revenue per calendar day of \$8,183 was lower than the \$8,735 in Q2 2015, despite the increased average vessel capacity, and down by 5% from the previous quarter. Revenue reduced on account of a reduction of fleet availability, lower rates, and positioning time. The fleet traded in the spot market for 28.4% of total voyage days, with 76% of these spot voyage days occurring in the West and 24% in the East. Whilst the vast majority of our business will remain time charter in nature, we continue to develop Contracts of Affreightment (“COA’s”) which accounted for 19% of spot days in Q2.

Historical TCE Revenue and TCE / day



Historical Time Charter v/s Spot Market Activity



As of 30 June 2016, the Company was 47% covered for the balance of the year 2016 with 3,391 voyage days covered at an average daily TCE rate of \$7,539, leaving 3,764 calendar days open on the current fleet for the rest of the year.

Operating Expenses

Total expenses decreased 7% year over year despite a 3% increase in fleet calendar days.

Vessel operating expenses were \$4,040 per vessel calendar day in the second quarter of 2016, 1% below the \$4,061 per vessel calendar day during the second quarter of 2015, and irrespective of the 7.6% up-scaling in our average vessel size over the period. Our focus remains on improving the quality and performance of our vessels to further increase utilisation.

Charter-in costs decreased 13% year over year from \$3.9 million to \$3.4 million due to the re-delivery of two bareboat vessels in Q4 2015 and Q2 2016 respectively. As of 30 June 2016, the Company had 7 ships on traditional inward bareboat charter arrangements under which charter payments are expensed.

General and administrative expenses of \$3.8 million during the period reflected a year over year decrease of 7%. SG&A per vessel calendar day fell 10% to \$1,099 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 during the period were \$3.4 million compared to \$3.3 million in Q1 2015. The increase reflects the higher underlying 3-months Libor year over year.

During the period Epic Gas recognized \$1.0 million in other income reflecting the foreign exchange gain on JPY deposits which we converted as part of our hedging strategy for payment obligations to Japanese yards.

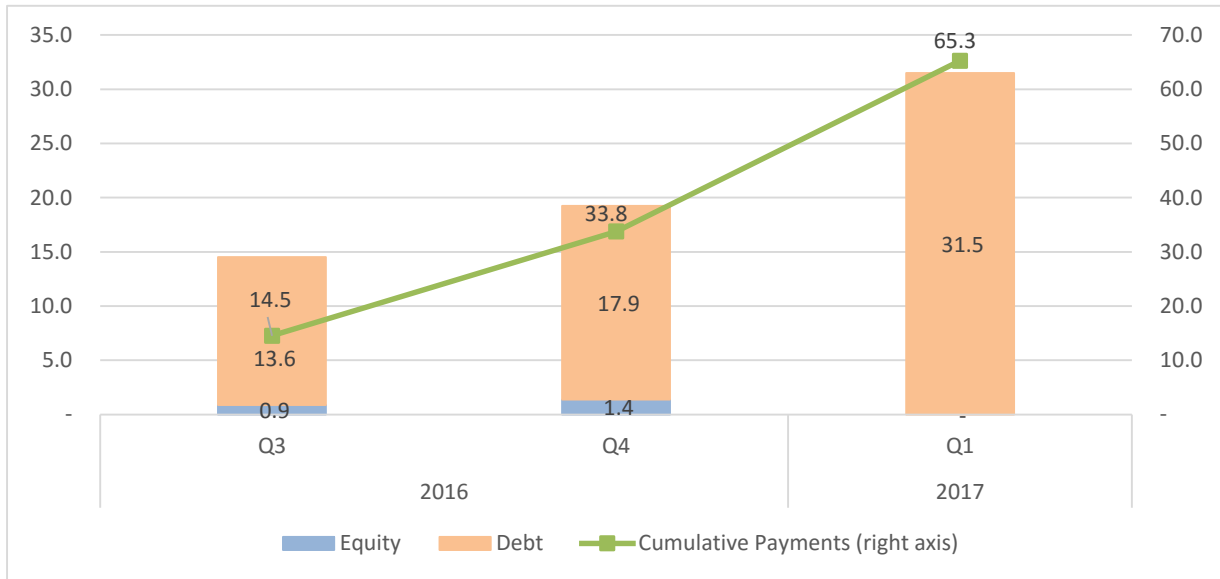
New Building Program

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 11,000cbm LPG carrier Epic Shikoku, the third vessel in our series of new buildings, delivered to the Company on 13th May 2016 from Kyokuyo Shipyard, Japan. She was transferred from the East to the West by performing spot voyages and is now trading spot/under a CoA. Of the remaining 5 vessels still to deliver, one will be chartered to Epic Gas under a long term bareboat charter, and 4 are owned by Epic Gas.

During the period, the Company paid \$22 million towards the construction of the new buildings of which \$16 million were drawn under a Term Loan Facility. As of 30 June 2016, the Company had remaining capital expenditure to cover newbuilding instalments of \$65 million, \$63 million will come from our existing credit facility with the remaining \$2 million to be funded from the Company's cash balance.

Timing of Newbuilding Payments



New Buildings On Order

Vessel	cbm	Type	Delivery	Yard
Bareboat Chartered In				
Epic Sardinia	11,000	Pressurised	1Q 2017	Kyokuyo
Owned New Buildings				
Hull 693 TBN Epic Bonaire	7,500	Pressurised	3Q 2016	Sasaki
Hull 694 TBN Epic Baluan	7,500	Pressurised	4Q 2016	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

The increase of the Term Loan Facility for the seven (7) owned new buildings from \$101.3 million to \$112.4 million, which is equivalent to 60% of current fair market values, has been agreed and signed in June. The top-up amount for the three new buildings on the water of \$4.9 million was drawn down in July, the remaining \$6.2 million will be available on delivery of the new buildings.

SUMMARY FINANCIALS (UNAUDITED) AND OPERATING METRICS

	Three Month Period Ended June 30,		Six Month Period Ended June 30,	
	2015	2016	2015	2016
INCOME STATEMENT (\$Millions)				
Revenue	32.9	32.6	66.3	64.8
Net Income	(2.0)	(0.9)	(4.3)	(2.3)
Adjusted EBITDA	7.6	7.5	14.2	14.6
BALANCE SHEET (\$Millions)				
			As of 31/12/15	As of 30/06/16
Cash, cash equivalents and restricted cash			53.6	30.8
PP&E, advances for vessels under construction, and finance lease deposits			454.1	500.4
Other assets, net			2.8	15.5
Less: indebtedness			(247.6)	(276.6)
Book value of equity			262.9	270.2
CASH FLOWS (\$Millions)				
Cash from Operations			9.8	6.4
Cash from Investing			(23.1)	(58.3)
Cash from Financing			(3.8)	28.7
Change of cash in period			(17.1)	(23.3)
OPERATING METRICS				
Average number of vessels in period (1)	37.0	38.11	36.8	37.4
Number of vessels as of period end	37	38	37	38
Fleet capacity at period end (cbm)	207,500	229,400	207,500	229,400
Gas fleet average size as of period end	5,608	6,037	5,608	6,037
Fleet calendar days	3,367	3,468	6,659	6,798
Time charter days	2,626	2,423	5,073	4,786
Spot market days	601	809	1,402	1,576
COA days (relets excluded)	98	154	98	299
Voyage days (2)	3,325	3,386	6,573	6,657
Fleet utilisation (3)	98.8%	97.6%	98.7%	97.9%
Fleet operational utilisation (4)	96.7%	94.8%	96.2%	95.0%
Time charter equivalent earnings (5)				
Per Calendar Day	\$8,735	\$8,183	\$8,796	\$8,406
Per Voyage Day	\$8,846	\$8,382	\$8,911	\$8,584
Operating expenses per Calendar Day	\$4,061	\$4,040	\$4,276	\$4,241

- 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 43 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

Company Contact

Uta Urbaniak-Sage
Chief Financial Officer
+65 6230 7801

Charles Maltby
Chairman & Chief Executive Officer

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 June 2016
ASSETS		
Cash and cash equivalents	42.9	19.7
Trade and other receivables	11.5	17.0
Inventories	2.3	2.8
Derivative financial instruments	0.0	8.7
Current assets	56.7	48.2
Non-current assets	0.5	0.1
Restricted cash deposits	10.7	11.2
Property, plant and equipment	414.0	475.6
Advances for vessels under construction	40.1	24.8
Intangible assets	12.9	12.9
Non-current assets	478.2	524.6
TOTAL ASSETS	534.9	572.8
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade and Other Payables	15.7	18.4
Deferred income	7.5	7.2
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	25.6
Current liabilities	53.7	58.4
Trade and other Payables	0.1	0.0
Deferred taxation	0.1	0.0
Finance lease liabilities	61.0	57.7
Bank Loan	157.2	186.5
Non-current liabilities	218.4	244.2
Total Liabilities	272.0	302.6
Share capital (51,948,022 shares issued and outstanding)	308.3	308.3
Share option reserves	1.8	2.3
Accumulated losses	(46.6)	(48.9)
Accumulated other comprehensive income	(0.6)	8.6
Total Equity	262.9	270.2
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	534.9	572.8

INCOME STATEMENT (UNAUDITED)

<i>All amounts in \$ millions</i>	Three Month Period Ended June 30,		Six Month Period Ended June 30,	
	2015	2016	2015	2016
Revenue	32.9	32.6	66.3	64.8
Address and brokerage commissions	0.7	0.8	1.4	1.6
Voyage expenses	3.1	3.4	7.0	6.3
Vessel operating expenses	13.7	14.0	28.5	28.8
Charter-in costs	3.9	3.4	7.3	6.9
Depreciation and amortization	5.7	5.7	11.2	11.3
Impairment loss	0.2	0.0	0.2	0.0
General and administrative expenses	4.1	3.8	8.3	7.1
Total expenses	31.4	31.2	63.9	62.1
Operating income	1.5	1.4	2.3	2.7
Other (income) / losses, net	0.0	(1.1)	(0.1)	(1.8)
Finance expenses	3.3	3.4	6.6	6.6
Profit/(loss) before tax	(1.9)	(0.9)	(4.1)	(2.1)
Income tax expense	0.1	0.0	0.2	0.2
Profit/(loss) after tax	(2.0)	(0.9)	(4.3)	(2.3)
Other Comprehensive income:				
Income directly recognized in equity	0.0	0.0	0.0	0.0
Cash flow hedges gain/(loss)	0.0	4.6	1.1	9.1
Total Comprehensive Income/(Loss)	(2.0)	3.7	(3.2)	6.8

STATEMENT OF CASH FLOWS (UNAUDITED)

<i>All amounts in \$ millions</i>	Six Month Period Ended June 30,	
	2015	2016
Cash from operating activities	9.8	6.4
Cash from investing activities	(23.1)	(58.3)
Cash from financing activities	(3.8)	28.7
Net Increase in cash and cash equivalents	(17.1)	(23.3)
Cash and cash equivalents at the beginning of the year	31.2	42.9
Cash and cash equivalents at the end of the period	14.1	19.7

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

 Three Month Period
Ended June 30,

 Six Month Period
Ended June 30,

2015

2016

2015

2016

REVENUE AND TIME CHARTER EQUIVALENT EARNINGS

Charter hire	32.6	31.9	65.5	63.7
Relet revenue	0.0	0.1	0.0	0.1
Technical management revenue	0.3	0.6	0.8	1.0
Revenue	32.9	32.6	66.3	64.8

Charter hire	32.6	31.9	65.5	63.7
Less: Voyage expenses	(3.1)	(3.4)	(7.0)	(6.3)
Less: Derivative losses (bunker hedges)	0.0	(0.1)	0.0	(0.3)
Time charter equivalent earnings	29.4	28.4	58.5	57.1

RECONCILIATION OF NET INCOME TO EBITDA AND ADJUSTED EBITDA

Profit/(loss) after tax	(2.0)	(0.9)	(4.3)	(2.3)
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Add:

Depreciation and amortization	5.7	5.7	11.2	11.3
Impairment loss / (gain)	0.2	0.0	0.2	0.0
Net Interest expense	3.3	3.4	6.6	6.6
Income taxes	0.1	0.0	0.2	0.2
Foreign exchange loss / (gain)	0.0	(1.0)	(0.1)	(1.7)
EBITDA	7.4	7.2	13.8	14.1

Stock-based compensation expense	0.2	0.3	0.4	0.5
Adjusted EBITDA	7.6	7.5	14.2	14.6

TOTAL INDEBTEDNESS

	As of 31/12/15	As of 30/06/16
Finance leases	67.8	64.4
DVB Tranche A – Dec. 2017	88.9	82.0
DVB Tranche B – Dec. 2015	0.0	0.0
CIT – 2019 / 2020	64.6	61.1
NordLB – 2019 / 2020	26.5	25.5
ABN/CA/NIBC – 2023/2024	0.0	43.6
Total Indebtedness	247.6	276.6

REMAINING NEWBUILDING PAYMENTS

FY2016	33.8
FY2017	31.5
Remaining Newbuilding Payments	65.3