KS ENERGY LIMITED
An Integrated Energy Services Hub

KS ENERGY GROUP SELLS RIGHTS AND OBLIGATIONS UNDER JACK-UP RIG CONSTRUCTION CONTRACT FOR US$84.88 MILLION

The Board of Directors of KS Energy Limited (the "Company") wishes to announce that a subsidiary of KS Drilling Pte Ltd ("KS Drilling"), KS Rig Invest Three Ltd., has entered into an irrevocable sale and purchase agreement for the sale of the rights and obligation under the construction contract for the *KS Orient Star 1* (the "Rig") for a cash consideration of US$ 84.88 million (S$106.10 million) (the "Consideration"). The Rig is sold on an "as-is, where-is" basis.

The Consideration to be received by KS Rig Invest Three Ltd. represents an excess of approximately US$45.24 million (S$56.55 million) over the aggregate book value of the Rig which was US$39.64 million (S$49.55 million) as at 31 March 2014.

KS Drilling, an 80%-owned subsidiary of the Company, is an investment holding company. The main activities of its subsidiaries are in the provision of onshore and offshore drilling services, rig management and support services, oilfield equipment ownership and leasing.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction, saved for their shareholding in the Company.

By Order of the Board
KS Energy Limited

Busarakham Kohsikaporn
Company Secretary

Date: 19 June 2014

For more information on KS Energy Limited, please visit our website at www.ksenergy.com.sg

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