

## PROPOSED TERMINATION OF THE WARRANTS

*All capitalised terms used herein shall have the definitions ascribed to them in the announcements dated 26 May 2017, 1 August 2017, 29 September 2017, 4 October 2017, 8 December 2017, 7 June 2018, 9 July 2018 and 19 October 2018 (the “**Previous Announcements**”), unless otherwise stated or context otherwise requires.*

### 1. **INTRODUCTION**

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of KS Energy Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Previous Announcements and wishes to announce that the Company has on 7 December 2018 entered into a termination deed pursuant to which an aggregate of 65,500,000 non-listed bonus warrants carrying the right to subscribe for one (1) share each in the capital of the Company (“**Warrants**”) with the holders of the Warrants, being Pacific One Energy Limited (“**POEL**”), Ms Hedy Wiluan (“**HW**”), TAE One Partners Ltd. (“**TAE**”) and Oversea-Chinese Banking Corporation Limited (“**OCBC**”) (collectively, the “**Warranholders**” and each, a “**Warranholder**”) shall be terminated (“**Termination Deed**”).

### 2. **PROPOSED TERMINATION OF WARRANTS**

- 2.1. The Warrants issued in connection with the Original Bond Purchase Agreement and constituted by the deed poll dated 8 December 2017 as announced on 26 May 2017 shall be terminated and cancelled pursuant to the Termination Deed. As at the date of this Announcement, there are 65,500,000 outstanding unexercised Warrants, all of which shall be terminated and cancelled in the following proportion:

No.	Warranholder	Number of Warrants terminated
1.	OCBC	30,000,000
2.	TAE	7,500,000
3.	POEL	18,500,000
4.	HW	9,500,000
<b>Total</b>		65,500,000

- 2.2. Pursuant to the Termination Deed, each of the Warranholders irrevocably surrenders all his/her/its rights, interests and title to the Warrants.
- 2.3. Following execution of the Termination Deed, all the 65,500,000 Warrants shall be terminated, cancelled and of no further force or effect. Further, each of the Warranholders shall have no claims of any nature whatsoever against the Company as a result of the termination and cancellation of the Warrants and they shall have no surviving right, title or interest in or to the Warrants nor any shares purchaseable thereunder.
- 2.4. The Warrants issued and allotted to each of the Warranholders shall be terminated with mutual consent. The Board is of the view that termination of the Warrants is to streamline and rationalise the Company’s existing capital structure in view of the Proposed Transactions.
- 2.5. Accordingly, as at the date of this announcement, save for the 65,500,000 Warrants which shall be terminated and cancelled, the Company does not have any outstanding Warrants.

**3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed herein, none of the Directors or controlling Shareholders have any interests, direct or indirect, in the Proposed Termination of Warrants, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

**4. DOCUMENT AVAILABLE FOR INSPECTION**

A copy of the Termination Deed is available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 19 Jurong Port Road Singapore 619093 for a period of three (3) months from the date of this announcement.

**5. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors (including those who may have delegated detailed supervision of the announcement) have individually and collectively reviewed and approved the issue of this announcement, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate in all material aspects and that no material facts have been omitted from this announcement which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly. Where any information contained in this announcement has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

**6. TRADING CAUTION**

Shareholders and potential investors of the Company are advised to read this announcement, the Previous Announcements, and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

**BY ORDER OF THE BOARD  
KS ENERGY LIMITED**

Lai Kuan Loong Victor  
Company Secretary  
7 December 2018