KS ENERGY LIMITED
An Integrated Energy Services Hub

PROPOSED ISSUE OF FIXED RATE SECURED BONDS DUE 2020 AND THE PROPOSED ISSUE OF NON-LISTED BONUS WARRANTS

RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1. INTRODUCTION

The board of directors (the "**Directors**") of KS Energy Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcements dated 26 May 2017 and 1 August 2017 in relation to the Proposed Bonds Issue and the Proposed Warrants Issue (the "**Previous Announcements**"). Capitalised terms used herein shall, unless otherwise defined, have the meanings ascribed to them in the Previous Announcements.

2. RECEIPT OF APPROVAL IN-PRINCIPLE

The Board is pleased to announce that the Company has today received the approval in-principle for the listing and quotation of the Warrant Shares on the Mainboard of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), subject to the following conditions:

(a) compliance with the SGX-ST's listing requirements;

(b) specific shareholders' approval for the issue of the Warrant Shares to be obtained at the EGM to be convened;

(c) a written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Warrants Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcement on use of proceeds and in the annual report;

(d) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual;

(e) a written undertaking from the Company that the terms and conditions of the Warrants do not permit the adjustments to the exercise price and/or the number of Warrants, other than in compliance with Rule 829(1) of the Listing Manual;

(f) a written undertaking from the Company to announce any adjustment made pursuant to Rule 829(1) of the Listing Manual;

(g) a written undertaking from the Company that it will comply with Rules 830 and 831 of the Listing Manual; and

(h) announcement of the conditions under which the exercise price and/or the number of Warrants may be adjusted.

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The approval in-principle granted by the SGX-ST to the Company for the listing and quotation of the new Warrant Shares on the Mainboard of the SGX-ST is not to be taken as an indication of the merits of the Proposed Warrants Issue, the Warrants, the Warrant Shares, the Company and/or its subsidiaries.

A circular to Shareholders containing, *inter alia*, details of the Proposed Transactions, together with the notice of the extraordinary general meeting to be convened, will be despatched to Shareholders in due course.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have been delegated detailed supervision of the Proposed Transactions) 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.

4. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement 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
29 September 2017

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