

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of KS Energy Limited (the "Company") will be held at 19 Jurong Port Road, Singapore 619093 on Wednesday, 29 April 2015, at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Report and the Financial Statements of the Company for the year ended 31 December 2014 together with the Auditors' Report thereon. **(Resolution 1)**
- To re-elect the following Directors retiring pursuant to Articles 91 and 97 of the Company's Articles of Association:
Mr Billy Lee Beng Cheng *(Retiring under Article 91)* **(Resolution 2)**
Mr Wong Meng Yeng *(Retiring under Article 91)* **(Resolution 3)**
Mr Chew Choon Soo *(Retiring under Article 97)* **(Resolution 4)**
Mr Richard James Wiluan *(Retiring under Article 97)* **(Resolution 5)**
[See Explanatory Note (i)]
- To pass the following Ordinary Resolution pursuant to Section 153(6) of the Companies Act, Cap. 50:
"That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Lim Ho Seng be re-appointed as Director of the Company to hold office until the next Annual General Meeting."
[See Explanatory Note (ii)] **(Resolution 6)**
- To approve the payment of Directors' fees of S\$326,000 for the year ended 31 December 2014 (FY2013: S\$294,500). **(Resolution 7)**
- To re-appoint KPMG LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 8)**

- To transact any other ordinary business which may be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

7. Share Issue Mandate

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be given to the Directors of the Company to issue shares ("Shares") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:

- The aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to all shareholders of the Company shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company;
- For the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) of the Company as at the date of the passing of this Resolution, after adjusting for:
 - new shares arising from the conversion or exercise of convertible securities;
 - new shares arising from exercising share options or vesting of Share awards outstanding or subsisting at the time this Resolution is passed; and
 - any subsequent bonus issue, consolidation or subdivision of shares;
- And that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of such convertible securities. [See Explanatory Note (iii)] **(Resolution 9)**

8. Authority to Allot and Issue Shares under the KS Energy Employee Share Option Scheme and KS Energy Performance Share Plan

That pursuant to Section 161 of the Companies Act, Cap. 50, authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of options under the KS Energy Employee Share Option Scheme ("KSE ESOS") and/or such number of fully paid shares in the Company as may be required to be issued pursuant to the vesting of awards under the KS Energy Performance Share Plan ("KSE PSP") provided that the aggregate number of shares to be issued pursuant to the options granted under the KSE ESOS and the vesting of awards granted or to be granted under the KSE PSP shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time. [See Explanatory Note (iv)] **(Resolution 10)**

9. Proposed Renewal of the Shareholders' Mandate for Interested Person Transactions with PT Dwi Sumber Arca Waja Group

That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST:

- approval be given for the renewal of the mandate for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of interested person transactions ("IPT") set out in the appendix to the Notice of Annual General Meeting dated 7 April 2015 (the "Appendix") with any party who is of the class or classes of interested persons described in the Appendix, provided that such transactions are carried out in accordance with the review procedures of the Company for IPT set out in the Appendix (the "DSAW IPT Mandate");
- the DSAW IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier;
- the Audit & Risk Management Committee ("ARMC") of the Company and/or any member of the ARMC be and is hereby authorised to take such action as it and/or he deems proper in respect of such procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and
- authority be given to the Directors and/or any of them to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider necessary, desirable, expedient or in the interest of the Company to give effect to the DSAW IPT Mandate as they and/or he may think fit. [See Explanatory Note (v)] **(Resolution 11)**

10. Proposed Renewal of the Shareholders' Mandate for Interested Person Transactions with PT KS Drilling Indonesia and/or its Subsidiaries

That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST:

- approval be given for the renewal of the mandate for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of IPT set out in the Appendix with any party who is of the class or classes of interested persons described in the Appendix, provided that such transactions are carried out in accordance with the review procedures of the Company for IPT set out in the Appendix (the "JVC IPT Mandate");
- the JVC IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier;
- the ARMC of the Company and/or any member of the ARMC be and is hereby authorised to take such action as it and/or he deems proper in respect of such procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and
- authority be given to the Directors and/or any of them to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider necessary, desirable, expedient or in the interest of the Company to give effect to the JVC IPT Mandate as they and/or he may think fit. [See Explanatory Note (vi)] **(Resolution 12)**

11. Share Buy Back Mandate

That for the purposes of the Companies Act, Cap. 50 and the Listing Manual of the SGX-ST:

- the Directors of the Company be hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued shares each fully paid up not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - on-market purchases ("Market Purchase"), transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - off-market purchases ("Off-Market Purchase") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, Cap. 50 and Listing Manual of the SGX-ST.
- unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buy Back Mandate may be exercised by the Directors at any time and from time to time during the period (the "Relevant Period") commencing from the date of this Resolution and expiring on the earliest of:
 - the conclusion of the next Annual General Meeting of the Company or the date by which such Annual General Meeting is required by law or the Articles to be held;
 - the date on which the authority conferred in the Share Buy Back Mandate is varied or revoked by the Shareholders in a general meeting; or
 - the date on which the Share Buy Back is carried out to the full extent mandated.
- in this Resolution:
"Maximum Limit" means that number of issued Shares representing 10 per cent (10%) of the issued ordinary shares of the Company as at the date of the passing of this Resolution (excluding treasury shares held by the Company as at the date of the passing of this Resolution) unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, Cap. 50, at any time during the Relevant Period or within any one financial year of the Company, whichever is the earlier, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered; and
"Maximum Price" means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share in the event of any Share Buy Back determined by the Directors, but in any event, not exceeding the maximum price, which:
 - in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price (as hereinafter defined); and
 - in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent (120%) of the Average Closing Price (as hereinafter defined).(the "Maximum Price") in either case, excluding related expenses of the purchase.
For the above purposes:
"Average Closing Price" means the average of the closing market prices of the Shares over the last five (5) Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer

pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-Market Day period;

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient, incidental, necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution. [See Explanatory Note (vii)] **(Resolution 13)**

By Order of the Board

Yeo Poh Noi Caroline

Secretary

Singapore, 7 April 2015

Explanatory Notes to be passed:

- Mr Billy Lee Beng Cheng, who is due to retire by rotation pursuant to Article 91 of the Company's Articles of Association will, upon re-election as a Director of the Company, remain Chairman of the Remuneration Committee ("RC"), and a member of the ARMC and Nominations Committee ("NC").
Mr Wong Meng Yeng, who is due to retire by rotation pursuant to Article 91 of the Company's Articles of Association will, upon re-election as a Director of the Company, remain Chairman of the NC, and a member of the ARMC and RC.
Mr Chew Choon Soo, who was appointed to the Board after the last Annual General Meeting and due to retire pursuant to Article 97 of the Company's Articles of Association will, upon re-election, remain a member of the RC.
Mr Richard James Wiluan, who was appointed to the Board after the last Annual General Meeting and due to retire pursuant to Article 97 of the Company's Articles of Association will, upon re-election, remain an Executive Director.
Mr Billy Lee Beng Cheng, Mr Wong Meng Yeng and Mr Chew Choon Soo will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.
- Mr Lim Ho Seng, who is over 70 years of age and retiring pursuant to Section 153(6) of the Companies Act, Cap. 50, has consented to stand for re-appointment. Mr Lim will, upon re-appointment as a Director of the Company, remain Lead Independent Director, Chairman of the ARMC and a member of the NC and RC and will be considered independent for the purposes of Rule 704(8) of Listing Manual of the SGX-ST.
- The Ordinary Resolution 9 proposed in item 7 above, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding fifty percent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to twenty percent (20%) may be issued other than on a pro rata basis. For the purpose of determining the total number of Shares (excluding treasury shares) that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed, and any subsequent consolidation or subdivision of shares.
- The Ordinary Resolution 10 proposed in item 8 above, if passed, will empower the Directors of the Company, to allot and issue shares in the Company pursuant to the exercise of options outstanding under the KSE ESOS and/or vesting of awards granted pursuant to the KSE PSP, provided that the aggregate number of shares issued pursuant to the KSE ESOS and the KSE PSP does not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.
- The Ordinary Resolution 11 proposed in item 9 above, if passed, will authorise the IPT pursuant to the DSAW IPT Mandate as described in the Appendix and recurring in the year and will empower the Directors and/or any of them to do all acts necessary to give effect to the DSAW IPT Mandate. This authority will, unless previously revoked or varied by the Company at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.
- The Ordinary Resolution 12 proposed in item 10 above, if passed, will authorise the IPT pursuant to the JVC IPT Mandate as described in the Appendix and recurring in the year and will empower the Directors and/or any of them to do all acts necessary to give effect to the JVC IPT Mandate. This authority will, unless previously revoked or varied by the Company at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.
- The Ordinary Resolution 13 proposed in item 11 above, if passed, will empower the Directors from the date of the above Meeting until the next Annual General Meeting to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten percent (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price.
The rationale for, the authority and limitation on, the sources of funds to be used and the illustrative financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy Back Mandate based on the audited consolidated financial statements for financial year ended 31 December 2014 and certain assumptions are set out in greater detail in the Appendix enclosed together with the Annual Report.

Notes:

- A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
- If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 19 Jurong Port Road, Singapore 619093 not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Shareholders of KS Energy Limited (the "Company") will be held at 19 Jurong Port Road, Singapore 619093 on 29 April 2015 at 10.30 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without amendments, the following special resolution:

SPECIAL RESOLUTION**Resolution 1: Adoption of New Articles of the Company**

That:

- the New Articles of the Company set out in the Appendix to the Circular to Shareholders dated 7 April 2015, be and are hereby approved and adopted as the Articles of the Company in substitution for, and to the exclusion of, the Existing Articles of the Company; and
- the Directors of the Company be and are hereby authorised and empowered to complete and to do all such acts and things, and to approve and execute such documents as they may consider necessary, desirable or expedient to give effect to this resolution.

Yours faithfully

For and on behalf of the Board of Directors of

KS ENERGY LIMITED

Yeo Poh Noi Caroline

Secretary

Singapore, 7 April 2015

Notes:

- A Shareholder of the Company entitled to attend and vote at this meeting may appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a Shareholder of the Company.
- Where a Shareholder appoints more than one (1) proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no proportion is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- The form of proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
- If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Meeting will act as your proxy.
- The form of proxy or other instruments of appointment shall not be treated as valid unless deposited at the registered office of the Company at 19 Jurong Port Road Singapore 619093 not less than 48 hours before the time appointed for holding the meeting and at any adjournment thereof.
- For depositors holding their shares through The Central Depository (Pte) Limited in Singapore, the Directors have determined that it is more practicable for the depositor proxy form to be delivered to, collected, collated, reviewed and checked at the Company's Share Registrar at 80 Robinson Road #02-00 Singapore 068898 and as such will be counted as valid in regards to this meeting pursuant to the Company's Articles of Association. The depositor proxy form, duly completed, must be deposited by the depositor(s) at the abovementioned office of the Company's Share Registrar in Singapore not less than 48 hours before the commencement of the EGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, Listing Manual, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.