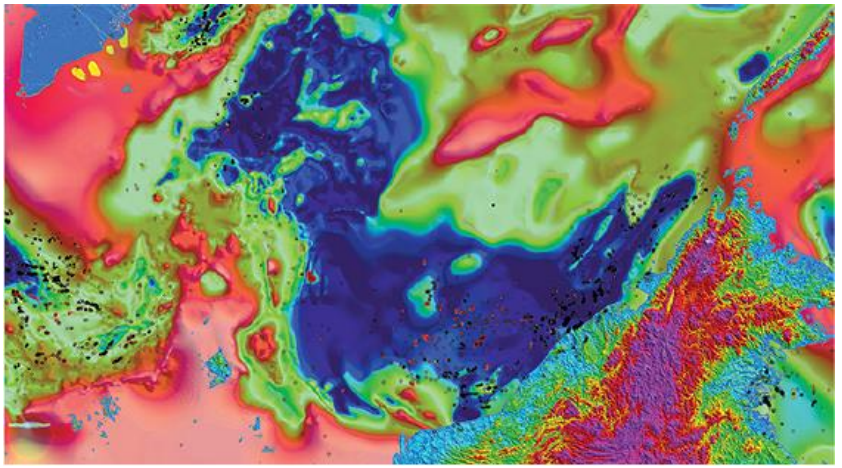






KrisEnergy Ltd.

Consent Solicitation Exercise Presentation

17 November 2016

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Standard Chartered Bank has been appointed as the consent solicitation agent with respect to the proposed consent solicitation. Standard Chartered Bank also extended currency swaps to the Company with respect to the 2017 Notes following completion of the issuance of such notes. Standard Chartered Bank is in constructive discussions with the Company to restructure the terms of the currency swaps or finance and address the exposure under the currency swaps.

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I. Executive Summary

Executive Summary

Feedback, Improved Terms & Earlybird Consent Fee	▪ Following the informal Noteholders' meeting held on 9 November 2016, as well as meetings with private banks and institutional investors, the Company, together with all other stakeholders, has taken into account all feedback received ▪ The Company has decided to address Noteholders' requests by introducing: ➢ An **improved coupon structure** that increases total coupon from 4% to **up to 7%** per annum, including: ▪ Increasing the cash coupon from 2% to 4% from the fifth coupon payments and thereafter; and ▪ Additional oil-price-linked cash coupon (up to 3% per annum), ensuring the Company shares cash flow upside with Noteholders from increases in Brent crude prices (see slide 14 for details) ➢ An **Earlybird Consent Fee** of 0.5% to provide a cash incentive for Noteholders to submit voting instructions in favour of the Extraordinary Resolutions being proposed by the Earlybird Consent Expiration Date ➢ The Senior Unsecured Notes may be redeemed in whole, or in part, at par at the option of the Company
Rationale of launching CSE	▪ The liquidity position of the Company is **critical** and it is the Company's highest priority to obtain approvals for the Extraordinary Resolutions ahead of the 9 December interest payment date for the 2017 Notes ➢ **This will allow the Company to access the remaining US$35 mm upsized bridge commitment to cover the upcoming coupon payment as well as other critical business needs** ➢ **Unlock the conditionality to the Proposed Preferential Offering of Zero Coupon Secured Notes and access up to S$140 mm** ▪ Terms of the Proposed Preferential Offering of Zero Coupon Secured Notes: ➢ Up to S$140 mm rescue financing – zero coupon / no cash cost ➢ The Zero Coupon Secured Notes mature **after** the Senior Unsecured Notes
Sale of working interest to Medco	▪ In line with KrisEnergy's new business plan, KrisEnergy announced on 9 November 2016 that it will reduce its working interest in Block A Aceh to 15%. The transaction mitigates risk and significantly reduces exposure to future capital expenditure commitments

The Company has formally launched a consent solicitation exercise ("CSE") on 17 November 2016 to exchange the Existing Notes into the Senior Unsecured Notes as part of a critical financial restructuring

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Earlybird Consent Fee

Earlybird Consent Fee **(Subject to Conditions)**	▪ A one-time fee of 0.5% in principal amount of the Existing Notes (equal to S$1,250 per S$250,000 of the Notes), subject to the fulfilment of the Conditions, to Noteholders who submit or deliver valid and unrevoked voting instructions in favour of the relevant Extraordinary Resolution on or prior to the Earlybird Consent Expiration Date ▪ No other consent fee payable in addition to, or other than, the Earlybird Consent Fee
Conditions for Payment	▪ Noteholders of both Series of Existing Notes (being the 2017 Notes and the 2018 Notes) duly passing the Extraordinary Resolution approving the Proposals in respect of both Series of Existing Notes; ▪ Shareholders approving the Proposed Preferential Offering Resolution and the Proposed Whitewash Resolution at the Shareholder EGM; and ▪ Relevant Noteholders duly completing and returning to the Tabulation Agent, the Voting Instruction Form on or prior to the Earlybird Consent Expiration Date and, providing complete details of a valid account with a bank in Singapore to which the Earlybird Consent Fee should be credited
Earlybird Consent Expiration Date	▪ 5.00 p.m. (Singapore time) on 29 Nov 2016
Tabulation Agent	▪ Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services) 80 Robinson Road #11-02, Singapore 068898 Fax: +65-6236-3405 Telephone: +65-6236-3550 / +65-6236-3555 Email: is.corporateactions@sg.tricorglobal.com

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Voting and Quorum

Quorum and Adjournment	▪ As further set out in the Trust Deed, the quorum required at the Meetings to pass the Extraordinary Resolutions sanctioning, approving, assenting and agreeing to the Extraordinary Resolutions is two or more persons holding or representing not less than 75% in principal amount of the outstanding 2017 / 2018 Notes, respectively. No business (other than the choosing of a chairman) shall be transacted unless the requisite quorum is present at the commencement of business ▪ If within 15 minutes from the time initially fixed for the Meeting, a quorum is not present, the Meeting shall be adjourned until such date, being not less than 14 and not more than 42 days later, and time and place as the chairman may decide. At least 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) of such adjourned Meeting must be given in the same manner as the original Meeting and such notice shall state the quorum required at such adjourned Meeting ▪ The quorum required at any adjourned Meeting to pass the Extraordinary Resolutions is two or more persons holding or representing not less than 25% in principal amount of the 2017 / 2018 Notes, respectively ▪ Voting Certificates obtained and Voting Instructions given by Noteholders in respect of the Meeting shall remain valid for such adjourned Meeting (unless (in the case of Voting Certificates) surrendered to the Tabulation Agent before the time appointed for holding such adjourned Meeting or (in the case of Voting Instructions) revoked on or prior to the Consent Deadline)
Voting Requirements	▪ As further set out in the Trust Deed, every question submitted to the Meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer, the Trustee or one or more persons representing 2% in principal amount of the 2017 / 2018 Notes, respectively ▪ Unless a poll is demanded a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it ▪ If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the Meeting continuing for the transaction of business other than the question on which it has been demanded ▪ A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once ▪ On a show of hands every person who is present in person and produces a Voting Certificate or is a proxy has one vote. On a poll every such person has one vote in respect of each S$250,000 of 2017 / 2018 Notes so produced or represented by the Voting Certificate so produced or for which he is a proxy. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them in the same way ▪ In case of equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have
Required Majority	▪ At least 75% of the votes cast

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Expected Execution Timeline

Noteholders to refer to the Consent Solicitation Statement for complete details of the CSE timeline

Event	Date and Time
C Announcement of the Proposal and the Notice of Meetings to the Noteholders of the relevant Series of Notes by means of publication in The Business Times	▪ 17 Nov 2016
C Consent Solicitation Statement available to Noteholders at the office of the Tabulation Agent	▪ From 17 Nov 2016, between 9.00 a.m. to 6.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 9.30 a.m. (Singapore time) on 7 Dec 2016 for the 2017 Notes and up to 10.30 a.m. (Singapore time) on 7 Dec 2016 for the 2018 Notes
C Earlybird Consent Expiration Date – Latest time and date for Noteholders to submit or deliver, or arrange to have submitted or delivered on their behalf, duly completed Voting Instruction Forms to the Tabulation Agent in order to have their votes cast in favour of the relevant Extraordinary Resolution at the relevant Meeting to be eligible for the Earlybird Consent Fee (subject to the fulfilment of the Conditions)	▪ 5.00 p.m. (Singapore time) on 29 Nov 2016
C Consent Deadline – Latest time and date for appointing proxies or revocation or amendment of a Voting Instruction	▪ 48 hours before the time fixed for the relevant Meeting, being (in the case of the 2017 Notes) 9.30 a.m. (Singapore time) on 7 Dec 2016 and (in the case of the 2018 Notes) 10.30 a.m. (Singapore time) on 7 Dec 2016, or 48 hours before the time fixed for the adjourned Meeting, as applicable
C Time, date and location of the Meeting for the 2017 / 2018 Notes	▪ 9.30 a.m. / 10.30 a.m. (Singapore time) on 9 Dec 2016 at the offices of Clifford Chance Pte. Ltd. at 12 Marina Boulevard, 25th Floor, Tower 3, Marina Bay Financial Centre, Singapore 018982
C Announcement of the results or adjournment of each Meeting	▪ As soon as reasonably practicable after the conclusion of the relevant Meetings and (in the case of the results) no later than 14 days after the results are known
C Payment of the Earlybird Consent Fee to eligible Noteholders, subject to the fulfilment of the Conditions	▪ No later than five business days after the shareholders EGM
P Shareholder EGM to approve Proposed Preferential Offering of Zero Coupon Secured Notes	▪ Expected to be on or about 13 Dec 2016
C Notes Exchanges Record Date / Settlement Date for Senior Unsecured Notes issuance	▪ Expected to be on or about 27 Dec 2016
C Listing Date – The date on which the Senior Unsecured Notes are listed on the SGX-ST	▪ Expected to be on or about 28 Dec 2016
P Settlement / Listing of Zero Coupon Secured Notes	▪ Expected to be on or about 13 Jan 2017

C **Proposed CSE** P **Proposed Preferential Offering**

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II. KrisEnergy's Restructuring Framework

Key Challenges Faced by the Company



Refer to slides 7 to 12 of the Company's Proposed Financial Restructuring Presentation (dated 9 November 2016) for a summary of the current challenges faced by KrisEnergy

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All Stakeholders Asked to Support the Company

1 Management and Employees

- Corporate general & administrative expenses reduced by 44.5% in the first nine months of 2016 vs. same period in 2014
- Enhanced production efficiencies and lower operating costs
- New business plan

2 Bank Lenders[1]

- RCF maturity extended to June 2018
- RCF Lender to provide conditional US$50 mm bridge upsize for up to six months[2] [3]
- Proceeds from any future asset sales permitted to be re-invested in new business plan following repayment of bridge upsize
- Discussions with Swap Banks are ongoing with the intention to exchange mark-to-market loss of swaps into Unsecured Term Loans



3 Shareholders[3]

- Shareholders to inject up to S$140 mm of new funds into the Company via the proposed issuance of S$-denominated Zero Coupon Secured Notes with detachable warrants ("Proposed Preferential Offering")
  - Zero coupon
  - Issued at par
  - Matures after Senior Unsecured Notes
- Keppel to undertake to subscribe for its pro-rata entitlement of the notes with warrants and for all remaining notes with warrants not subscribed for by other shareholders

4 Noteholders

We seek your support for:

- Five-year maturity extension
- Restructured cash coupons, some accrued interest initially and then step-up in fixed cash coupon, plus oil-price-linked cash coupon upside up to 7% per annum
- Replacement of maintenance financial covenants with incurrence covenants

The Company has reached commercial agreements with the RCF Lender and major shareholders with regards to their respective components in broader restructuring framework

[1] Received an agreed final term sheet in relation to the amendments to RCF (excluding the bridge upsize and the extension to the tenor, which have already been formally documented). Documentation to amend and restate the RCF agreement is being prepared currently

[2] US$15 mm available immediately; US$35 mm contingent on approval of the Extraordinary Resolutions among other conditions. Proceeds from the bridge upsize will be used to fund capital expenditures, general working capital requirements and debt service costs

[3] Conditional on the approval of the Extraordinary Resolutions among other conditions

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Support From RCF Lender Has Increased

	Extension (25 March 2016)	Transfer & Upsize (1 July 2016)	Bridge Upsize & Further Extension (November 2016)[1]
RCF Lender(s)	▪ HSBC ▪ Commonwealth Bank ▪ ANZ Bank	▪ RCF Lenders replaced by DBS Bank	▪ DBS Bank
Facility Size	▪ c. US$111 mm (to be reduced to c. US$55 mm by 31 July 2016)	▪ Upsized to c. US$148 mm	▪ Remain at c. US$148 mm ▪ Bridge upsize of US$50 mm
Maturity	▪ 24 March 2017	▪ 24 March 2017	▪ 30 June 2018 ▪ Bridge upsize is available for up to six months
RCF Security	▪ Substantially all of the Company's production and development assets	▪ Unchanged	▪ Cambodia Block A and other exploration assets added to security package
Other Terms and Conditions	▪ Repayment of US$55 mm by 29 July 2016 ▪ Raising new capital of US$100 mm by 30 June 2016 and US$50 mm by 30 November 2016	▪ Waived requirements of early repayment and new capital raising	▪ US$15 mm available immediately; **US$35 mm contingent on approval of the Extraordinary Resolutions among other conditions** ▪ Proceeds from any future asset sales permitted to be re-invested in new business plan following repayment of bridge upsize

[1] Received an agreed final term sheet in relation to the amendments to RCF (excluding the bridge upsize and the extension to the tenor, which have already been formally documented). Documentation to amend and restate the RCF agreement is being prepared currently

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Shareholders are Injecting New Funds to Support KrisEnergy

Zero Coupon Secured Notes due 2024	**Principal**	▪ Up to S$140 mm
	Maturity	▪ 2024
	Tenor	▪ Seven years from date of issue
	Coupon	▪ No coupon
	Use of Proceeds	▪ Capital expenditures, repayment of the bridge upsize and general working capital purposes
	Security	▪ Second ranking security over all of the Group's assets secured or to be secured under the RCF ▪ First ranking security over certain assets of the Group
Detachable Warrants	**Exercise Price**	▪ S$0.110/share
	# of New Shares	▪ Equivalent of approximately S$138 mm additional capital through exercise of all warrants into new shares
	Exercise Period	▪ Seven years
Other	**Execution**	▪ Non-renounceable preferential offering to existing shareholders ▪ Keppel to undertake to subscribe for its pro-rata entitlement to the Notes and for all remaining Notes not subscribed for by other shareholders
	Conditions Precedent	▪ **Approval of the Extraordinary Resolutions for exchange of Existing Notes into Senior Unsecured Notes** ▪ Successful outcome of Shareholders' EGM

New capital is critical to support KrisEnergy's future and together with the successful implementation and execution of the new business plan, to enable full repayment to the Noteholders by 2022 & 2023

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Summary Terms of Senior Unsecured Notes

		2022 Notes[1]	2023 Notes[1]	Rationale
Proposed Terms	Principal	S$130 mm	S$200 mm	▪ Company expects to meet debt obligations with future free cash flows generated by executing new business plan
	Maturity	9 June 2022	22 August 2023	▪ A five-year maturity extension will provide runway needed to execute new business plan
	Coupon	**Fixed Coupon** + **Brent-Price-Linked Cash Coupon** ▪ Up to 7% per annum ▪ See detailed coupon schedule on next page		Need to balance: ▪ **Share upside potential with Noteholders** ▪ Investing in NPV-positive development projects to increase free cash flow ▪ Greater flexibility in managing short-term liquidity ▪ Service debt obligations to Noteholders
Other Terms & Conditions		▪ Replace maintenance financial covenants with incurrence covenants ▪ All accrued and unpaid interest on Existing Notes will be paid in cash on Settlement Date as per existing coupon structure ▪ Callable at par at the option of the Company		▪ All stakeholders asked to jointly support the Company to protect its future viability, growth and ability to retire all debt to Noteholders by 2022 and 2023

Conditional entirely on approval of the Extraordinary Resolutions, shareholders to increase exposure in the Company via injection of up to S$140 mm through the preferential offering. Further, if the warrants are fully exercised, the Company has access to another S$138 mm

[1] 2017 Notes to be exchanged into 2022 Notes; 2018 Notes to be exchanged into 2023 Notes

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Enhanced Coupon Structure of Senior Unsecured Notes

Up to 7% per annum coupon rate comprised of a fixed coupon in addition to a Brent-Price-Linked coupon, which will take effect from the Exchange Date, which is expected to be on or around 27 Dec 2016

	Fixed Coupon (per annum)		**Brent-Price-Linked Coupon** (per annum)	**Min. Coupon** (per annum)	**Max. Potential Coupon** (per annum)
	Cash	Accrued (or Paid in Cash at Company's Discretion)	Additional Cash Coupon per Interest Period (Annualised)		
First Four Coupon Payments After Exchange Date	2%	2%	Subject to Brent Price, from Exchange Date: ▪ 1%, if US$70/bbl < Brent Price ≤ US$80/bbl ▪ 2%, if US$80/bbl < Brent Price ≤ US$90/bbl ▪ 3%, if US$90/bbl < Brent Price	2% Cash + 2% Accrued	5% Cash + 2% Accrued
Starting From the Fifth Coupon Payments and Thereafter	4%	--		4% Cash	7% Cash
Brent Price	▪ Arithmetic mean of Brent Crude oil in US$/bbl (as per "CO1 Comdty" on Bloomberg) over the immediately preceding 180-days period over the relevant coupon period				
Accrued Interest	▪ In the first four coupon payments, Company retains the option to pay 2% of Fixed Coupon in cash or accrue to principal amount to manage its liquidity				

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Pro Forma Maturity Profile of Secured & Unsecured Notes

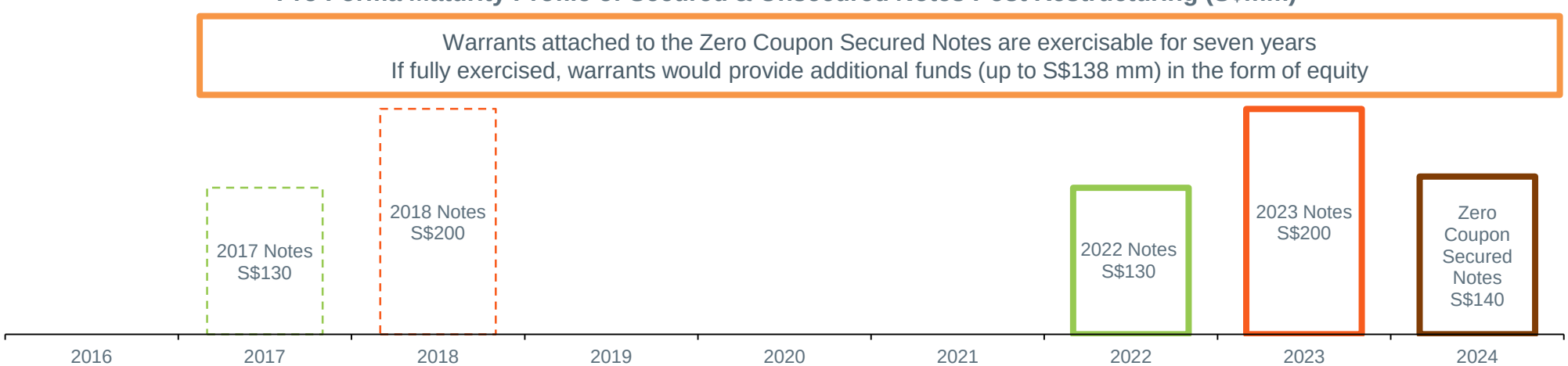
Existing Debt Unsustainable

- Existing capital structure is not sustainable with US$148 mm RCF outstanding balance, S$330 mm Existing Notes due over next two years and the six-month bridge upsize

Proposed Restructuring Plan

- Proposed exchange into Senior Unsecured Notes extends Existing Notes by five years coupled with a more flexible coupon structure
- Discussions with Swap Banks are ongoing with the intention to exchange mark-to-market loss of swaps into Unsecured Term Loans(1)
- Issuance of S$-denominated seven-year Zero Coupon Secured Notes of up to S$140 mm with warrants allows Company to satisfy funding requirements under new business plan
- Warrants, if fully exercised, would provide additional funds in the form of equity
- RCF extended to June 2018 and RCF Lender providing up to six-month bridge upsize to address short-term liquidity gaps. The Company assumes the RCF will be refinanced on substantially the same terms upon maturity

Pro Forma Maturity Profile of Secured & Unsecured Notes Post Restructuring (S$mm)(2)



[1] Final principal amount to be determined on Termination Date
[2] Excludes accrued interest, Unsecured Term Loans, RCF and the bridge upsize

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Best Available Option to Creditors and Company

Noteholders

- ✓ No haircut to the face value of the Existing Notes
- ✓ Continued payment of cash coupon with step-up mechanism
- ✓ Share upside where oil prices rebound
- ✓ Rescue financing via Proposed Preferential Offering of Zero Coupon Secured Notes will help fund new business plan, and allows for potentially additional capital to be raised through warrants, if exercised
- ✓ New capital bears zero coupon, issued at par and matures after the maturity dates of Existing Notes
- ✓ Successful execution of the new business plan will generate funds for repayment



Company

- ✓ Closes funding gap and allows execution of new business plan with issuance of Zero Coupon Secured Notes
- ✓ Preserves cash flows from lower coupons and maturity extensions through exchange of Existing Notes for Senior Unsecured Notes
- ✓ Investment in NPV-positive projects from overall enhanced cash position
- ✓ Increased free cash flows generated from successful implementation of new business plan to help service/repay Senior Unsecured Notes and ultimately deleverage the Company

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Conclusion

All stakeholders are taking a concerted effort to support the Company and contribute to its financial restructuring plan

Company forms new business plan…

- Invest in selected NPV-positive projects to generate positive free cash flows
- Partial divestment of selected assets to mitigate risk and provide for additional liquidity

…but is financially constrained

- Significant short-term covenant pressure
- Critical liquidity position
- Funding gap for executing new business plan

How to solve the above and pay back creditors?

1. Close the funding gap with a proposed issuance of Zero Coupon Secured Notes
2. Proceeds from any future asset sales permitted to be re-invested in new business plan following repayment of bridge upsize
3. Lower cash outflows to service current debt and extend debt maturities
4. Use runway provided by the restructuring plan to invest in NPV-positive projects

The new business plan is not without risk, such as volatility in oil prices, operations and partial divestment activities, **but the proposed financial restructuring is required for Company to successfully execute its new business plan and to fulfil debt obligations**

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Risks If CSE Were Unsuccessful

Certain Highlighted Risks

- Liquidity position of the company is critical, with the US$148 mm RCF fully utilised and unused sources of liquidity as at 30 September 2016 amounted to c. US$37 mm
- **If the Extraordinary Resolutions are not approved in time, the Company will face the risk of default on Existing Notes**
  - Passing of the Extraordinary Resolutions will allow the Company to utilise the remaining US$35 mm under the bridge commitment to cover the upcoming coupon payment for the 2017 Notes and other critical business needs
- **Such default may lead to cross-defaults, acceleration, enforcement and commencement of legal proceedings (including winding up proceedings)**
  - Such proceedings may lead to the Group losing its operatorships and petroleum licenses owing to government confiscation
  - Severely reduces potential realisation value
- See risk factors on pages 14 to 20 of the Consent Solicitation Statement

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