KS ENERGY LIMITED
An Integrated Energy Services Hub

PROPOSED ISSUE OF NEW CONVERTIBLE BONDS – SGX-ST APPROVAL IN PRINCIPLE

Capitalised terms used herein shall have the definitions ascribed to them in the announcement dated 21 September 2015 in relation to the proposed issue of New Convertible Bonds, unless otherwise stated or the context otherwise requires.

The Board of Directors (the "**Board**") of KS Energy Limited (the "**Company**") refers to its announcement dated 21 September 2015, in relation to the Company's entry into the Purchase Agreement for the proposed issue of New Convertible Bonds.

SGX-ST APPROVAL-IN-PRINCIPLE

The Board wishes to announce that the Company has, on 23 October 2015, received the in-principle approval of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of up to 26,785,710 new ordinary shares in the capital of the Company to be issued upon conversion of the New Convertible Bonds (the "**New Conversion Shares**").

The in-principle approval of the SGX-ST for the listing and quotation of the New Conversion Shares was granted subject to the following conditions:-

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

(2) announcement of the conditions under which the price of the New Conversion Shares may be adjusted and the conditions under which the New Convertible Bonds may be redeemed;

(3) a written undertaking from the Company that it will comply with Listing Rule 704(30) and Listing Rule 1207(20) in relation to the use of the proceeds from the issue of the New Convertible Bonds and where the proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of the proceeds for working capital in the Company's announcements on the use of the proceeds and in the annual report ;

(4) a written confirmation from the Company that it will comply with Listing Rule 803;

(5) a written confirmation from the Company that it will not issue the New Convertible Bonds to persons prohibited under Listing Rule 812(1);

(6) a written confirmation from the Company that the terms of the New Convertible Bonds comply with Listing Rule 829(1)

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

(8) a written undertaking from the Company that it will comply with Listing Rule 831; and

(9) a written undertaking from the Company that it shall not, pursuant to Condition 6(C)(10) of the terms and conditions of the New Convertible Bonds, adjust the conversion price to the advantage of the Subscriber without first obtaining the prior approval of its shareholders at a general meeting.

The Company will be providing the abovementioned confirmations and undertakings to the SGX-ST in due course.

The in-principle approval of the SGX-ST for the listing and quotation of the New Conversion Shares is not to be taken as an indication of the merits of the New Issue, New Convertible Bonds, the New Conversion Shares, the Company and/or its subsidiaries.

BY ORDER OF THE BOARD
KS ENERGY LIMITED

Kim Yi Hwa
Company Secretary

26 October 2015

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