



KrisEnergy cuts 1st steel for Cambodia Apsara oil platform

Singapore, 9 December 2019 – KrisEnergy Ltd. (“KrisEnergy” or “the Company”), an independent upstream oil and gas company, is pleased to announce that on 6 December 2019 a ceremony was held to mark the cutting of first steel for the minimum facilities wellhead platform (the “Mini-Platform”) for the Apsara oil field in Block A, offshore Cambodia, the nation’s maiden hydrocarbon development.

The ceremony, held at the PT Profab¹ facility on Batam Island, Indonesia, was attended by a delegation from the Royal Government of Cambodia led by H.E. Meng Saktheara, Secretary of State, Ministry Mines and Energy (“MME”); H.E. Cheap Sour, Director General of Petroleum, MME; and Siek Sopheak, Deputy Director General, General Department of State Property and Non Tax Revenue of the Ministry of Economics and Finance. KrisEnergy was represented by Kelvin Tang, Chief Executive Officer and President of Cambodian operations, and Brian Helyer, VP Operations.

The Apsara field in Cambodia Block A lies over the Khmer Basin, an unproduced geological basin in Cambodian maritime waters of the Gulf of Thailand. Due to the unproven production performance of the basin, development of the Apsara area will be in several phases to mitigate risk and provide time for the collection and analysis of critical data to be applied in future phases.

This development phase, Mini Phase 1A, comprises the Mini-Platform and five initial development wells connected to the *Ingenium II* production barge for oil, gas and water processing. Shuttle tankers will transport crude oil from the barge. Apsara oil is scheduled to flow in the first half of 2020 and the field is expected to reach a peak rate of 7,500 barrels of oil per day. A detailed description of the Apsara Mini Phase 1A development is attached to this press release.

Upgrading and refurbishment of *Ingenium II* commenced in November 2018 in Keppel Shipyard Ltd’s Benoi facility in Singapore. Installation and integration have been completed for all main new packages - power generation, central control room, electrical switch room, living quarters, pedestal crane, electrical transformers and produced water processing package - and mechanical completion of all systems is scheduled for December 2019 before commissioning in January 2020.

Bids were received in November 2019 for the drilling rig tender, which is expected to be awarded shortly.

¹ PT Profab is a subsidiary of National Oilwell Varco, Inc. (“NOV”), an American multinational corporation based in Houston, Texas that is a worldwide provider of facilities, equipment and components used in the upstream oil and gas industry



"Today is a milestone in the development of the Apsara oil field. We congratulate the KrisEnergy team on their progress not only on the Mini-Platform but also on the *Ingenium II* vessel in Singapore. Producing Cambodia's first oil in our offshore waters will be a major step along our road to economic development and national prosperity and is aligned with the Government's key development goals," said H.E. Meng Saktheara.

Mr. Tang commented: "We welcome to Batam Island our esteemed guests from the Royal Government of Cambodia to witness the cutting of first steel as we continue to progress multiple workstreams. The cutting of first steel is cause for celebration. It signifies that after years of planning, construction of the main structure is underway. However, we must not forget that a lot of work has been, and continues to be, carried out on other areas of the Apsara development. As well as the refurbishment of the production barge, we have completed the acquisition of 1,200 sq. km of 3D seismic data and a geophysical survey at the platform location. So far we have achieved almost 565,000 man-hours on this project without a single lost time injury and it is full steam ahead towards Apsara first oil in 2020."

Below is a representation of the Apsara oil field arrangement in Block A, offshore Cambodia.



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Editors: Please note that video footage of the 1st steel cutting ceremony and of the *Ingenium II* production barge is available upon request.



About KrisEnergy:

KrisEnergy Ltd. is an independent upstream company focused on the exploration for and the development and production of oil and gas in Southeast Asia. The Company holds working interests in three producing oil and/or gas licences, two in the Gulf of Thailand and one onshore Bangladesh. It also participates in 10 blocks in various stages of development, appraisal and exploration in Bangladesh, Cambodia, Indonesia, Thailand and Vietnam. KrisEnergy operates nine of the contract areas.

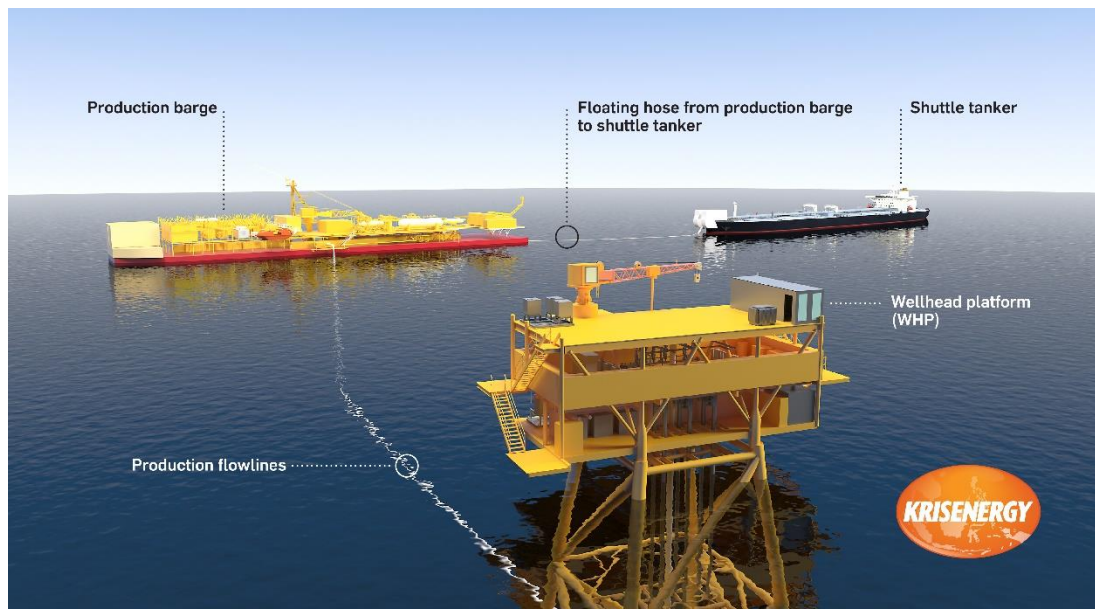
KrisEnergy's shares are listed on the mainboard of Singapore Exchange Trading Ltd under the ticker SK3. For further information, visit www.krisenergy.com.

Cambodian Apsara Oil Development Mini Phase 1A

Mini Phase 1A is an additional five-well mini platform to supplement Phase 1A¹ of the Production Permit Application dated 10 January 2017.

The components of Mini Phase 1A are:

- A simple wellhead support structure capable of housing up to six development wells, (the “Mini-Platform”);
- Five initial development wells;
- *Ingenium II* production barge for oil, gas and water processing; and
- Initial use of shuttle tankers for oil storage and transportation.



Mini Phase 1A simplifies the original Phase 1A development with a smaller platform, fewer initial development wells and the use of lower cost leased shuttle tankers versus the original plan for a permanent floating storage and offloading vessel (“FSO”).

Mini Phase 1A is an integral stage to Phase 1A. The initial five wells will provide critical, long-term well performance data to understand the reservoir drive mechanism, especially the strength of water drive. The well performance data will be used to modify and optimise the remaining development phases.

Mini Phase 1A is scheduled to commence oil production in the first half 2020 and to reach a peak production rate of 7,500 barrels of oil per day.

¹ Phase 1A as described in the Production Permit Application (“PPA”) dated 10 January 2017 comprises a single unmanned minimum facility 24-slot wellhead platform, Platform A, producing to a moored production barge with produced oil sent for storage to an FSO vessel from which sales and lifting take place. Phase 1A envisaged the drilling of 20 development wells



The Mini-Platform

The Mini-Platform is a similar structure to the 24-slot platform describe under the PPA except that it is smaller and houses only up to six wells.

Other aspects of the Mini-Platform, including minimal facilities, transfer of produced fluids to the production barge and the transfer of electrical power from the production barge are unchanged from the original platform.

The Mini-Platform topsides consist of three decks with minimal facilities and dual export lines for produced well fluids.

The Production Barge

Keppel Shipyard Ltd commenced upgrade and refurbishment of the production barge, *Ingenium II*, in November 2018 in the Benoi yard in Singapore. The oil, gas and water separation facilities on the barge will be capable of processing up to 30,000 barrels of fluid per day. The barge will also house the living quarters for the field.

Shuttle Tankers

Mini Phase 1A will use lower cost leased shuttle tankers for oil storage and the transportation of the produced Apsara crude oil to market. Two shuttle tankers, each with a capacity of 100,000 to 200,000 barrels, will be employed during Mini Phase 1.

While in the field, one shuttle tanker is moored by hawser to the production barge and a floating hose transfers processed oil from the barge.

A leased FSO will be used in future Apsara development phases.

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