KS ENERGY LIMITED
An Integrated Energy Services Hub

(Company Registration No. 198300104G)
(Incorporated in the Republic of Singapore with limited liability)

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 Friday, 29 April 2016 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the year ended 31 December 2015 together with the Auditors' Report thereon. **(Resolution 1)**
2. To re-elect the following Directors of the Company retiring pursuant to the Constitution of the Company:
   Mr Kris Taenar Wiluan (Retiring under Article 91) **(Resolution 2)**
   Mr Lawrence Stephen Basapa (Retiring under Article 91) **(Resolution 3)**
   Mr Soh Gim Teik (Retiring under Article 97) **(Resolution 4)**
   [See Explanatory Note (i)]
3. To re-appoint Mr Lim Ho Seng as a Director of the Company under Article 93 of the Constitution of the Company, who was previously re-appointed to hold office until this Annual General Meeting pursuant to Section 153(6) of the Companies Act, Cap. 50 of Singapore, which was in force immediately before 3 January 2016.
   [See Explanatory Note (ii)] **(Resolution 5)**
4. To note that Mr Billy Lee Beng Cheng will be retiring as a Director of the Company and he will not be seeking re-election at this Annual General Meeting.
   [See Explanatory Note (iii)]
5. To approve the payment of Directors' fees of S$399,000 for the year ended 31 December 2015 (FY2014: S$326,000). **(Resolution 6)**
6. To re-appoint KPMG LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**
7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Share Issue Mandate**

   That pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) 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) options, warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force provided that:

   (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

   (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

      (i) new shares arising from the conversion or exercise of any convertible securities;

      (ii) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

      (iii) any subsequent bonus issue, consolidation or subdivision of shares;

   (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

   (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force (i) 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 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 (iv)] **(Resolution 8)**

9. **Authority to allot and issue shares under the KS Energy Employee Share Option Scheme and KS Energy Share Performance Plan**

   That pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore, 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 granted by the Company 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 always that the aggregate number of shares to be issued pursuant to the options to be granted under the KSE ESOS and the vesting of awards granted or to be granted under 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 (v)] **(Resolution 9)**

10. **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:

    (a) 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 14 April 2016 (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**");

    (b) 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;

    (c) the Audit and 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

    (d) 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 (vi)] **(Resolution 10)**

11. **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:

    (a) 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**");

    (b) 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;

    (c) 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

    (d) 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 (vii)] **(Resolution 11)**

12. **Proposed Renewal of the Share Buy Back Mandate**

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

    (a) 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:

       (i) 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

       (ii) 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 of Singapore and Listing Manual of the SGX-ST.

    (b) 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:

       (i) 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 Constitution of the Company to be held;

       (ii) the date on which the authority contained in the Share Buy Back Mandate is varied or revoked by the Shareholders in a general meeting; or

       (iii) the date on which the Share Buy Back is carried out to the full extent mandated.

    (c) 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 of Singapore, 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:

       (i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price (as hereinafter defined); and

       (ii) 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.

    (d) 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 (viii)] **(Resolution 12)**

By Order of the Board

Kim Yi Hwa
Secretary
Singapore, 14 April 2016

Explanatory Notes on Resolutions to be passed:

(i) Mr Kris Taenar Wiluan, who is due to retire by rotation pursuant to Article 91 of the Constitution of the Company will, upon re-election, remain as Executive Chairman of the Board and a member of the Nominating Committee and will be considered non-independent.

Mr Lawrence Stephen Basapa, who is due to retire by rotation pursuant to Article 91 of the Constitution of the Company will, upon re-election, remain as a member of the Nominating Committee and Remuneration Committee and will be considered independent.

Mr Soh Gim Teik, who was appointed to the Board after the last Annual General Meeting and due to retire pursuant to Article 97 of the Constitution of the Company will, upon re-election, remain as Vice Chairman of the Audit and Risk Management Committee and a member of the Nominating Committee and will be considered independent.

For more information on the Directors, please refer to Pages 13 to 15 of the Annual Report.

(ii) Mr Lim Ho Seng will, upon re-appointment as a Director of the Company, remain as Lead Independent Director, Chairman of the Audit and Risk Management Committee, a member of the Nominating Committee and Remuneration Committee and will be considered independent. For more information on the Director, please refer to Page 13 and 14 of the Annual Report.

(iii) Mr Billy Lee Beng Cheng will, upon his retirement as a Director cease to be Chairman of the Remuneration Committee and member of the Audit and Risk Management Committee and Nominating Committee.

(iv) The Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary 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 when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(v) The Ordinary Resolution 9 proposed in item 9 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 do 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.

(vi) The Ordinary Resolution 10 proposed in item 10 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.

(vii) The Ordinary Resolution 11 proposed in item 11 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.

(viii) The Ordinary Resolution 12 proposed in item 12 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 2015 and certain assumptions are set out in greater detail in the Appendix enclosed together with the Annual Report.

Notes:

1. (a) A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Annual General Meeting (the "**Meeting**").
   (b) A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
2. A proxy need not be a member of the Company.
3. If the appointer is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
4. 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 Meeting.