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**COMMENCEMENT OF CONSENT SOLICITATION EXERCISE  
BY KRISENERGY LTD. (THE "COMPANY")  
IN CONNECTION WITH THE NOTES ISSUED BY THE COMPANY PURSUANT  
TO ITS S\$500,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAM  
("MTN PROGRAM")**

The board of directors (the "**Board**") of the Company refers to:

- (i) the Series 1 S\$130,000,000 6.25 per cent. Fixed Rate Notes due 2017 (ISIN: SG6RD3000000) (the "**2017 Notes**");
- (ii) the Series 2 S\$200,000,000 5.75 per cent. Fixed Rate Notes due 2018 (ISIN: SG6SE5000004) (the "**2018 Notes**");

(the 2017 Notes and the 2018 Notes, each a "**Series**" and together, the "**Notes**").

Capitalised or other terms used but not defined herein shall, unless the context otherwise requires, have the meaning set out in the consent solicitation statement dated 12 November 2015 (the "**Consent Solicitation Statement**") issued by the Company.

The Company wishes to announce that it has today commenced a consent solicitation exercise to seek approval, by way of extraordinary resolution, of the holders (the "**Noteholders**") of each Series of the Notes (the "**Consent Solicitation**") to amend Clause 7.2(b) of the trust deed dated 26 May 2014 constituting each Series (the "**Trust Deed**") and Condition 3.2(b) of the relevant Series of Notes in order to effect an amendment of the step-up in the Consolidated EBITDAX (as defined in the Trust Deed) to Consolidated Interest Expense (as defined in the Trust Deed) ratio in the covenant contained in Clause 7.2(b) of the Trust Deed and Condition 3.2(b) of the relevant Series of Notes (the "**Proposal**"). Further details in relation to the Proposal are set out in the Consent solicitation Statement.

The Company is an independent upstream company focused on the exploration, appraisal, development and production of oil and gas in Southeast Asia. The Company's revenue is derived from the sale of crude oil and liquids, and gas, out of which the sale of crude oil and liquids accounted for approximately 60.4 per cent. of the Company's revenue in the nine months ended 30 September 2015. Revenue is anticipated to increase as two new oil developments in the Gulf of Thailand (the Nong Yao oil field in G11/48 and the Wassana oil field in G10/48) were successfully brought into production in June and August 2015, respectively. Production at both oil fields is currently being increased and the Company believes that production will reach plateau rates by the end of 2015.

As the Company increases its crude oil production, the Company believes that this will in turn increase its exposure to ongoing uncertainties in the global commodity markets and in particular, exposure to volatility in the price of oil. At the time of establishment of the MTN Program in May 2014, the price of Brent crude was approximately US\$110 per barrel as compared with the average price of



US\$56.60 per barrel for the first nine months of 2015. Further, price volatility may continue with any slowing in the global economic recovery and the actions of oil producing countries which may, positively or negatively, affect the market. Most recently, signs of an economic slowdown in China, potential for a rise in U.S. interest rates, speculation that any relief in sanctions on Iran could add to a perceived imbalance in global oil supply and expectations of a decrease in U.S. domestic oil production are some of the elements that have resulted to a wide variation of up to US\$20 per barrel in oil price forecasts for the 2016 and 2017 period.

The Company believes that it has been fast to react to the precipitous drop in oil prices and has taken steps to implement cost management measures to try and mitigate oil price volatility. In addition, as approximately 82.0 per cent. of the Company's 2P reserves and 2C resources were gas as at 31 December 2014, the Company believes that the additional near-term gas developments in the coming years will tend to ultimately rebalance the share of crude oil and liquids sales in the Company's revenue, and reduce its exposure to oil price volatility.

In order to sustain production growth in existing fields, promote near-term development and maintain a conservative level of financial gearing, the Company also successfully completed a S\$169.5 million renounceable underwritten rights issue on 11 August 2015, where it is noted that one of the Company's key shareholders, Keppel Corporation Limited, through its wholly-owned subsidiary, Devan International Limited, increased its equity ownership in the Company from 31.4 per cent. to 40.1 per cent. As at 30 September 2015, the Company's debt to debt-and-equity (based on its unaudited financial results for the third quarter and nine months ended 30 September 2015) was 31.2 per cent., which is at the lower end of the Company's target range of 30 per cent. to 50 per cent.

The Company is currently compliant with all financial covenants in relation to the Notes, but recognises that in the current challenging market conditions, with particular reference to the prolonged weakness in global oil prices, it is important to continue implementing prudent financial management strategies as required. The Company believes that the Proposal will provide an appropriate level of financial covenant headroom to manage through this challenging stage of the industry cycle while in turn allowing it to maintain production growth in existing fields and promote reasonable near-term development over the coming years.

Keith Cameron, Chief Executive Officer, commented: "The persistent uncertainty in the international oil markets is stoking volatility in prices even at these relatively low levels, and there is wide variation in views as to how long this will continue. This amendment reflects our focus on prudently managing our business to provide some headroom and flexibility in these challenging times while continuing to position the Company for future growth and long-term value creation."

Standard Chartered Bank has been appointed as the consent solicitation agent in connection with the Consent Solicitation. For further details on the Consent Solicitation, Noteholders are advised to refer to the notices of meetings published in *The Business Times* and announced via SGXNET on 12 November 2015.

A copy of the Consent Solicitation Statement will be mailed to the Noteholders with an address in Singapore. In order to avoid any violation of laws applicable in countries other than Singapore, the Consent Solicitation Statement has not been and will not be mailed to Noteholders who do not presently have an address in Singapore ("**Foreign Noteholders**"). Foreign Noteholders who wish to



obtain a copy of the Consent Solicitation Statement should provide in writing such address in Singapore to Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services), as tabulation agent in connection with the Consent Solicitation, not later than five days before the Consent Deadline (as defined in the Consent Solicitation Statement).

In addition, Noteholders may collect copies of the Consent Solicitation Statement from the office of Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services), as tabulation agent in connection with the Consent Solicitation, at 80 Robinson Road, #11-02, Singapore 068898 (i) for holders of 2017 Notes, from 12 November 2015, between 9.00 a.m. to 6.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 6.00 p.m. (Singapore time) on 1 December 2015; and (ii) for holders of 2018 Notes, from 12 November 2015, 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 2 December 2015.

Shareholders of the Company who are not otherwise Noteholders will not be eligible to attend or vote at the meeting of the Noteholders either in person or by proxy.

*NOTE: this announcement does not constitute an invitation to participate in the Consent Solicitation. No offer or invitation to issue or redeem any securities is being made pursuant to this release. This announcement must be read in conjunction with the Consent Solicitation Statement. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Company or any other entity.*

**By order of the Board**

Kelvin Tang  
Joint Company Secretary  
12 November 2015

**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. Our strategy is to acquire assets in countries and basins where our technical team has expertise derived from decades of experience. Since 2009, we have built a portfolio of 19 contract areas in Bangladesh, Cambodia, Indonesia, Thailand and Vietnam, spanning the entire exploration-to-production life cycle. We operate 13 of the contract areas.

For more information, visit [www.krisenergy.com](http://www.krisenergy.com)