



KrisEnergy acquires Chevron Cambodia unit

Indirect participating interest in Cambodia Block A rises to 52.25%, renamed entity to hold operatorship

Singapore, 11 August 2014 – KrisEnergy Ltd. (“KrisEnergy” or “the “Company”), an independent upstream oil and gas company, announces that its wholly owned subsidiary, KrisEnergy (Asia) Ltd, has entered into an agreement with Chevron Global Energy Inc. to acquire the entire issued share capital of Chevron Overseas Petroleum (Cambodia) Limited (“Chevron Cambodia”), which holds a 30% participating interest in, and operatorship of, Cambodia Block A.

Cambodia Block A lies offshore Cambodia where extensive exploration work in the licence area since the mid-2000s resulted in the Apsara oil discovery for which a production permit application (“PPA”) was submitted in 2010 and updated in 2012. The contract area covers 4,709 sq km over the Khmer Basin in the Gulf of Thailand where water depths range from 50 metres to 80 metres.

The total consideration for the transaction is US\$65 million subject to a working capital adjustment. Chevron Cambodia will be renamed to KrisEnergy (Apsara) Ltd once an acknowledgment is received for the transaction by the Royal Government of the Kingdom of Cambodia. Joint-venture partners, MOECO Cambodia Co. Ltd (“MOECO”) and GS Energy Corporation (“GS Energy”), have approved the transaction.

Chevron Cambodia’s 30% participating interest in Cambodia Block A will reduce to 28.5% once the Cambodia National Petroleum Authority (“CNPA”) or its successor completes its acquisition of a 5% participating interest in the block. Pre-transaction, KrisEnergy held an indirect 25% participating interest in Cambodia Block A, which will reduce to 23.75% post transfer to CNPA. Upon completion of the acquisition of Chevron Cambodia, KrisEnergy will indirectly hold 52.25% participating interest in the development block.

Cambodia historically has no oil or gas production and the Apsara PPA is the first to be evaluated by the Ministry of Mines and Energy (successor petroleum regulator to CNPA). KrisEnergy, along with the joint-venture partners, intends to work with the Cambodian authorities to agree the terms and conditions of the PPA before declaring final investment decision for the Apsara development.

Phase one of the Apsara project includes 24 development wells from a single platform with oil processed then stored in an offshore storage vessel prior to commercial sales. This concept is similar to other fields in the Gulf of Thailand. Production from the initial single platform is expected to peak at approximately 10,000 barrels of oil per day.

The initial public offering of the Company was sponsored by CLSA Singapore Pte Ltd and Merrill Lynch (Singapore) Pte. Ltd. (the “**Joint Issue Managers, Global Coordinators, Bookrunners and Underwriters**”). The Joint Issue Managers, Global Coordinators, Bookrunners and Underwriters assume no responsibility for the contents of this announcement.



Richard Lorentz, Director Business Development, commented: “We farmed into Cambodia Block A in 2010 and we believe it has all the makings of a significant oil production area. Chevron, with its experience in the Gulf of Thailand, has done some tremendous work in Block A and we hope that with the KrisEnergy entity now holding operatorship, we will be able to steer the Apsara development plans forward to first production as quickly and cost effectively as possible. We will give this project our full focus as we work with the Cambodian authorities to finalise the Apsara PPA.”

Outside of the immediate Apsara development area, a further six structural trends have been identified and mapped as a result of 3D seismic interpretation or exploration drilling. Two additional future development phases in the Apsara area on the discoveries made to date may involve the installation of up to nine platforms, each with 24 wells. Further development across the entire licence area could involve up to 44 production platforms in seven separate producing areas.

The other participants in Cambodia Block A are MOECO with a 28.5% working interest, GS Energy with 14.25% and CNPA with 5% once formal transfer is approved.

Full details of the Cambodia Block A transaction can be found in the accompanying regulatory disclosure of 11 August 2014 and entitled *KrisEnergy increases interest in Cambodia Block A through corporate acquisition*.

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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 18 contract areas in Bangladesh, Cambodia, Indonesia, Thailand and Vietnam, spanning the entire exploration-to-production life cycle. We operate 11 of the contract areas and this will rise to 12 once approvals are received for the Cambodia Block A transaction. KrisEnergy has also acquired a non-operated participating interest in Block A Aceh, the transaction for which is also pending government approval. In the first quarter 2014, our working interest production was approximately 8,000 barrels of oil equivalent per day from two oil and gas licences in the Gulf of Thailand and one gas field onshore Bangladesh.

KrisEnergy’s shares are listed on the mainboard of the Singapore Exchange Securities Trading Ltd under the ticker SK3.

For further information, visit www.krisenergy.com.