



KS ENERGY SERVICES LIMITED

(Company Registration No. 198300104G)

JOINT VENTURE WITH MMEER USA, INC.

The Board of Directors of KS Energy Services Limited (“KS Energy” or the “Company”) announces that its wholly-owned subsidiary, KS Oil Rig Services, Inc., (“KS Oil Rig”) has, on 26 September 2007, entered into an agreement with MMEER USA., Inc. (“MMEER”) to form, and has formed, a limited liability company known as ‘MMEER Dixie Patriot, LLC’ (“MMEER DP”).

MMEER DP was formed in Texas, USA. MMEER DP has an issued and paid-up capital of US\$16,100,000.00 divided into 16,100 units of US\$1,000.00 each.

KS Oil Rig and MMEER have subscribed for 4,025 (25%) and 12,075 (75%) units respectively in the capital of MMEER DP at a subscription price of US\$1,000.00 per unit. With the subscription, MMEER DP became an associated company of KS Energy.

The principal activities of MMEER DP are those of owning and chartering a United States flagged self-elevating accommodation rig that performs services for the offshore oil & gas industry. This strategic venture will enhance KS Energy’s market reach and further strengthen its market position in the USA and Gulf of Mexico.

The abovementioned investment was funded by the Company from internal resources.

The abovementioned investment is not expected to have any material effect on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2007.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect in the abovementioned limited liability company.

By Order of the Board
Lawrence Kwan
Company Secretary
Date: 16 October 2007

ABOUT KS ENERGY SERVICES LIMITED

A Globally Accredited and Integrated Oil & Gas Services Provider

KS Energy Services Limited (“KS Energy”) is a leading one-stop energy services provider to the global oil & gas (“O&G”) and petrochemical industries. Formerly known as KS Tech Ltd, KS Energy was listed on SGX-SESDAQ on 6 August 1999 and subsequently upgraded to the Mainboard of the Singapore Exchange on 11 March 2002.

In 2003, KS Energy embarked into the rig and capital equipment refurbishment and rental business. Supported by its abilities to procure, supply and charter upgraded capital assets under long term service agreements to top tier O&G companies including BP, Maersk and

CNOOC, KS Energy was able to establish a strong reputation in the O&G industry within a relatively short period of time.

Following the acquisition of Atlantic Oilfield Services Ltd in May 2007, KS Energy now has the capability to supply, as well as operate the capital equipment, including on-shore and off-shore rigs. Effectively, it has nudged itself up the value chain and transformed into a full service provider by offering value-added services directly to O&G companies. It has a combined fleet of 20 on-shore and off-shore rigs and vessels operating across an extensive geographical region encompassing South East Asia, China, the Middle East, the North Sea, Europe and the USA.

In addition, KS Energy also distributes more than 60,000 O&G related products comprising more than 140 international brands. Together with two other Singapore listed companies under its umbrella - Aqua-Terra Supply Co. Limited, a leading supplier of O&G consumables; and SSH Corporation Ltd, a leading supplier of industrial products for the energy sector, KS Energy ranks among the largest distributors of O&G equipment, spare parts, consumables and industrial products in the region.