



KS ENERGY SERVICES LIMITED

(Company Registration No. 198300104G)

COMMENCEMENT OF KS ENERGY'S US\$130 MILLION DRILLING CONTRACT FOR KS MEDSTAR-1

The Board of Directors of KS Energy Services Limited ("KS Energy" or the "Group") refers to its announcement on 27 March 2008 relating to jackup rig "KS Medstar-1". KS Energy is pleased to announce that it has taken delivery of KS Medstar-1 and this rig will be deployed for the charter contract ("Charter") with Belayim Petroleum Company ("Petrobel"), which has commenced on 11 April 2008. Petrobel is a joint venture between the Egyptian General Petroleum Corporation and Agip/ENI, the petroleum company of Italy.

The Charter is for a period of 3 years with contract value of US\$130 million plus a renewal option for one year. When the renewal option is exercised, the value of the contract will be increased to US\$175.2 million. Under this Charter, the "KS MedStar-1" - a 300-foot cantilever drilling jackup rig, will drill in the Mediterranean Sea. The Group will be deploying its extensive rig chartering, drilling, operating and management expertise in this project.

The drilling contract is expected to contribute positively to the financial performance of KS Energy in FY2008.

By Order of the Board
Lawrence Kwan
Company Secretary
Date: 15 April 2008

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. The shares of KS Energy are traded on the main board of the Singapore Exchange.

The core activities of KS Energy are in the distribution and capital equipment charter and services. For its distribution business, KS Energy ranks as one of the leading distributors of oil and gas equipment, spare parts, consumables and industrial products in the region. Together with Aqua-Terra Supply Co., Limited ("Aqua-Terra" or "ATS") and SSH Corporation Ltd ("SSH"), the KS Energy group distributes more than 60,000 oil and gas related products comprising more than 140 international brands of products.

Following the acquisition of Atlantic Oilfield Services Ltd (“AOS”) in May 2007, KS Energy now has the capability to supply, as well as operate capital equipment, including on-shore and off-shore rigs. Integrating the twin capabilities of AOS and KS Energy, the group now has the ability to provide a full suite of services directly to the oil and gas companies, tendering for high value and high margin projects. Currently, KS Energy has a fleet of 20 capital assets. Headquartered in Singapore, it has a geographical reach spanning South East Asia, China, the Middle East, the North Sea, Europe and the USA.

For more information, please visit our website: www.ksenergy.com.sg