



IEV HOLDINGS LIMITED
(Company Registration 201117734-D)

PRESS RELEASE

For Immediate Release

PROJECT UPDATE: PT. IEV PABUARAN KSO

- **GROUP SIGNS MUTUAL AGREEMENT ON OIL LIFTING PROCEDURES, COST RECOVERY PROCEDURE AND ACCOUNTING MANUAL**
- **GROUP RECEIVES APPROVAL FOR EXPENSES FOR PHASE 2 WORKS**

*Unless otherwise defined, capitalised terms used in this press release shall have the same meaning ascribed to them in the announcements dated 17 February 2012, 15 August 2012, 22 April 2013 and 21 February 2014 (the “**Announcements**”).*

Singapore, 18 July 2014: IEV Holdings Limited (the “**Company**”, and together with its subsidiaries, “**IEV**” or the “**Group**”) refers to the Announcements and wishes to announce that the Group had on 7 July 2014, signed a Mutual Agreement with PT Pertamina EP (“**Pertamina**”) on Oil Lifting Procedures, Cost Recovery Procedure and Accounting Manual (the “**Approved Procedures and Accounting Manual**”) for the KSO Project.

The Approved Procedures and Accounting Manual has detailed the commitment from Pertamina in preparation for the oil handling from the Pabuaran Block upon the start of oil production. IEV has also received the Approval for Expenses for Phase 2 works (“**AFE Phase 2**”) from Pertamina to proceed with the drilling of two additional development wells from the Cilamaya structure, one additional well from the Pabuaran structure, and acquisition and processing of 3D seismic data. The work program under AFE Phase 2 is expected to commence by 1Q2015.

With the Approved Procedures and Accounting Manual, the Group is now ready to sell the oil from the KSO Project, when oil production commences. Meanwhile, preparation work for Phase 1 is ongoing with the tender evaluation of rig services for the drilling of CLS-1 twin well, which is scheduled to be spud by October 2014. The workover of the gas well at the Pabuaran structure in Phase 1 will also be completed in the same program.

The Group has also begun to negotiate land acquisition terms for the additional wells in Phase 2 of the KSO Project. The Company will continue to provide timely updates on its progress and will make further announcements as and when there are material developments.

Save for their shareholdings in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the KSO Project. The Directors are also not aware of any substantial shareholders that have any interest, direct or indirect, in the KSO Project.

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Investors and potential investors are advised to exercise caution when dealing with the shares of the Company in relation to this announcement.

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ABOUT IEV HOLDINGS LIMITED

Listed on Catalist of the Singapore Exchange on 25 October 2011, IEV offers a range of integrated engineering solutions ("**IES**") involving all aspects of a field life cycle, from the installation of new facilities to repair and maintenance of existing assets and the eventual decommissioning of ageing structures. With over 25 years of experience and a network of offices in Malaysia, Indonesia and Vietnam, IEV is well recognised as one of the leading providers of subsea products and services in the Asia Pacific region. IEV is also a provider of mobile natural gas to the industrial sector, a business the Group developed since 2005.

*This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this announcement.*

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made, or reports contained in this press release.

The contact person for the Sponsor is Mr. Alex Tan, CEO, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160
