

IPCO INTERNATIONAL LIMITED

Company Registration No. 199202747M

PROPOSED LISTING OF NATURAL GAS DISTRIBUTION NETWORK BUSINESS

IpcO International Limited (the “Company”) wishes to announce that it is currently evaluating the Proposed Listing of XiaoGan Zhong Huan Gas Investment & Management Co., Ltd. (“Xiaogan Zhong Huan”), which is a wholly-owned subsidiary of China Environmental Energy Protection Ltd (“China Environmental”). China Environmental is wholly-owned by Excellent Empire Ltd (“Excellent Empire”), which is in turn a wholly-owned subsidiary of the Company. XiaoGan Zhong Huan is a company registered in the People’s Republic of China (“PRC”) and is currently engaged in natural gas distribution in Hubei Province.

Bank of China International (“BOCI”) Securities Limited has been appointed as the sponsor, issue manager, underwriter and placement agent for the Proposed Listing.

It is envisaged that the Proposed Listing would involve, *inter alia*, a restructuring exercise to consolidate the Company’s natural gas business in Hubei province under China Environmental, with a view towards listing XiaoGan Zhong Huan shares (the “Proposed Transactions”) on the New Third Board, the over-the-counter (OTC) Stock Exchange in China.

The Company is considering the Proposed Transactions as a means to unlock value for its Shareholders and to raise funds for further expansion in China’s growing energy sector.

The Proposed Transactions, if materialised, will be subject to, among other things, obtaining approvals from the Stock Exchange in China, other regulatory authorities and the Shareholders, if required.

The Board of Directors wishes to highlight to Shareholders that it is currently exploring plans for the Proposed Transactions, and such plans are at a preliminary stage. There is no assurance that the requisite approvals and/or consents will be granted, or that the Proposed Transactions can proceed.

The Company will make further announcements when there are material developments in relation to the Proposed Transactions.

In the meantime shareholders and potential investors in the Company are reminded to exercise caution when dealing in the shares of the Company. Any persons in doubt about any action to be taken are recommended to consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
Carlson Clark Smith
Executive Director and Chief Financial Officer
19 December 2014