

# IPCO INTERNATIONAL LIMITED

(Company Registration No. 199202747M)

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## INVESTMENT IN HAI YANG ZHONG HUAN NATURAL GAS CO., LTD

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The Board of Directors of Ipco International Limited (the “Company”) is pleased to announce that the Company through its wholly-owned subsidiary Excellent Empire Ltd, via its wholly-owned subsidiary China Environmental Energy Protection Investment Limited, which in turn through its China subsidiary Hubei Zhong Lian Huan Energy Investment Management Limited (“Hubei Zhong Lian Huan”) has agreed to invest in Hai Yang Zhong Huan Natural Gas Co., Ltd (“Hai Yang Zhong Huan”).

Hai Yang Zhong Huan is originally owned by Mr. Xin Rui Zhang (“Mr. Xin”) with an authorised share capital of Rmb600,000. Mr. Xin is a Chinese businessman with extensive contacts in the natural gas industry, especially in Shandong province. Mr. Xin is not a shareholder of the Company, nor does he have any relationship with any of the Directors in the Company.

Hai Yang Zhong Huan will increase its authorised capital to Rmb30 million and has invited Hubei Zhong Lian Huan to subscribe 90% or Rmb27 million of the total share capital. Mr. Xin will subscribe the remaining 10% share capital. Hai Yang Zhong Huan will thereupon become a subsidiary of Hubei Zhong Lian Huan.

Hai Yang Zhong Huan was incorporated to invest in natural gas and natural gas related projects in the People’s Republic of China, particularly in Shandong province. The Company is currently not in operation. The investment by Hubei Zhong Lian Huan will be effected upon successfully securing a build and operate management project for a 52.8km natural gas pipeline and receiving stations in Shandong. The investment in Hai Yang Zhong Huan is not expected to have a material impact on the financial position of the Company for the current financial year.

None of the Directors or substantial shareholders of the Company has any interest, whether direct or indirect, in the aforesaid transaction save for their shareholdings in the Company.

The Company shall continue to provide the shareholders with updates as and when there are material developments in relation to Hai Yang Zhong Huan.

Shareholders are advised to exercise caution in trading their shares and should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

By the Order of the Board  
Carlson Clark Smith  
Executive Director and Chief Financial Officer  
22 October 2015