



IEV HOLDINGS LIMITED

(Company Registration 201117734-D)

(Incorporated in the Republic of Singapore on 26 July 2011)

PROJECT DEVELOPMENT – KSO PABUARAN BLOCK

Singapore, 14 August 2012 – Catalyst-listed, IEV Holdings Limited (the “**Company**”, and together with its subsidiaries, “**IEV**” or the “**Group**”) has entered into a term sheet agreement (the “**Agreement**”) with a potential investor (the “**Investor**”) for the funding of the Kerjasama Operasi (“**KSO**”) also known as the “Operation Cooperation” program (the “**Award**”) of the Pabuaran Block (the “**Block**”) on 14 August 2012. Due diligence of the Block will now commence and it is expected to be completed within September 2012. The final decision on the investment and its details will be announced with the signing of the Sales and Purchase Agreement (the “**SPA**”) by both parties, subject to successful due diligence by the Investor.

As announced on 17 February 2012, the Block was awarded by Pertamina EP, a subsidiary of PT Pertamina (PERSERO) to PT IEV GAS (“**IEV GAS**”), a subsidiary of IEV, on 16 February 2012. The Block is located 90 kilometers (“**km**”) east of Jakarta in the Subang district, West Java, with a total acreage of about 77.036 square km. Under this Award, IEV GAS will undertake exploration and production activities for a 15-year concession period. The funding from Investors will help accelerate the development and commercialisation of the Award.

Barring any unforeseen circumstances and subject to the SPA, work on the Block is scheduled to begin in 2H2012 with the first production from the Block expected to commence in 1H2014.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the aforementioned Agreement or Investor. The Directors are also not aware of any substantial shareholders who have any interest, direct or indirect, in the aforementioned Agreement and Investor.

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

By Order of the Board

Christopher Nghia Do

President and CEO

14 August 2012

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte. Limited) 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 announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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