



Asean Energy Corp

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES FOR DISSEMINATION IN THE UNITED STATES

For Immediate Release

January 6, 2015

ASEAN ENERGY PROVIDES UPDATE & ANNOUNCES ADDITIONAL ASSET SPIN-OFF

Vancouver, B.C., January 6, 2015 – Asean Energy Corp. (CSE: ASA) (“Asean Energy”) (the “**Company**”) is pleased to provide an update on the previously announced plan of arrangement (the “**Arrangement**”), the upcoming Annual General and Special Meeting of shareholders (the “**AGM**”), the private placement, and generally comment on our corporate strategy, specifically with respect to near-production opportunities, oil field redevelopment and large-target exploration fields we have pursued in Southeast Asia.

The Plan of Arrangement (the “POA”)

The Company is pleased to announce an additional divestiture or spin-off of certain assets into a second subsidiary company, for the benefit of its shareholders.

The Company previously announced (see news release of October 30, 2014) a proposal to spin-off as a separate reporting issuer its domestic subsidiary 1016183 B.C. Ltd. (“**Spinco**”) to the benefit of existing shareholders, assigning to it all rights under the September 15, 2014 Letter of Intent (“**LOI**”) with Servomarin Sdn. Bhd. (“**SSB**”).

On December 26, 2014 the Company entered into an additional LOI with SSB. This followed SSB’s completion of a binding Strategic Cooperation Agreement (the “**SCA**”) on December 20, 2014 to jointly form a new operating company in Malaysia with an arms-length international leading provider of Asset Integrity Management solutions, specializing in plant & pipeline integrity, advanced NDT (Non-Destructive Testing) and quality assurance. SSB is to provide management and other services while its new partner will provide all the necessary technical, engineering, equipment and personnel support as required to service clients in the offshore oil, gas, petrochemical and manufacturing industries in Southeast Asia.

The SSB Board decided to take advantage of the POA process to further differentiate its assets into specific entities, and enable Asean Energy’s second domestic subsidiary 1021916 B.C. Ltd. (“**Spinco2**”) to spin-off with the same shareholder ratio composition as that of the parent company and Spinco, to qualify it as a Reporting Issuer in the Provinces of British Columbia, Alberta and Ontario.

On the Effective Date of the Arrangement, which is expected to be in February 2015, all existing shareholders’ common shares of the Company will be exchanged for the same number of new common shares of the Company and, through a series of steps, that number of common shares of Spinco on a 1 share of Spinco for every 10 shares of the Company held by the shareholder, and that number of common shares of Spinco2 on a 1 share of Spinco for every 25 shares of the Company held by the shareholder.

Spinco and Spinco2 would then proceed to acquire 100% of SSB and 100% of SSB’s interest in the SCA respectively, subject to the satisfaction of a number of conditions including, but not limited to, completion

of satisfactory due diligence reviews, negotiation and execution of definitive documentation including a formal share purchase agreement (the "**Definitive Agreement**"), completion of the final \$230,000 tranche of the announced \$500,000 Private Placement, approval of the shareholders of Asean Energy and Servomarin Sdn. Bhd., approval of the Supreme Court of British Columbia, and, if applicable, approval of any stock exchange on which a listing application is submitted, and other conditions customary for a transaction of this type. The proposed POA cannot close until the required shareholder approval is obtained. There can be no assurance that the proposed Arrangement will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or any listing statement to be prepared in connection with the proposed Arrangement, including any proposed amalgamation and any proposed listing application, any information released or received with respect to the proposed Arrangement may not be accurate or complete, is subject to change, and should not be relied upon. Trading in the securities of any start-up company should be considered highly speculative. No stock exchange has passed upon the merits of the proposed Arrangement, and has neither approved nor disapproved the contents of this press release.

AGM and Special Meeting of Shareholders

A Notice of Meeting and Management Information Circular will be sent out to shareholders immediately following receipt of the anticipated Interim Order of the Supreme Court of British Columbia that seeks to approve the POA. It is anticipated that the AGM and Special Meeting will be held on Monday, February 23rd, 2015 in Vancouver. The full particulars of the POA will be described in the Management Information Circular, which will be mailed to the shareholders of Asean Energy and will be available under the Company's profile at www.sedar.com.

Private Placement

Prior to closing the POA the Company intends to complete the \$500,000 private placement financing (the "Private Placement") first announced on October 30, 2014. On December 2, 2014 the Company closed the first tranche of \$270,000 through the issuance of 5.4 million units (each a "Unit") at a price of \$0.05 per Unit. Each Unit consists of one Common Share of Asean Energy Corp., the right to acquire, for no additional consideration one-half of a Common share of Spinco, and the right to acquire for no consideration one-half share purchase warrant (a "Warrant") of Spinco, with each full Warrant exercisable to acquire one additional Common Share of Spinco at a price of \$0.10 for a period of one year from Closing. The balance of \$230,000 is anticipated to close prior to the completion of the POA.

Corporate Strategy

As discussed in our filed Monthly Progress Reports, our objective has always been to develop a near term cash flow project that promises to minimize the necessity for dilutive share issuances, and ultimately ensures the Company's survival through at minimum the coverage of overhead and continued project generation. In September 2014, following a review of the activities, operations, cost effectiveness and business development costs involved in Southeast Asia, and the technical breakdown in the price of oil, it was decided that changes were necessary to more effectively and efficiently move the corporate agenda forward. Despite promising projects in hand, the Company's efforts had encountered a series of delays to timing and production expectations, primarily due to an inability by prospective partners to complete on their commitments, and efforts by certain parties to alter, enhance or circumvent the original terms of the underlying agreements.

In accordance with our overriding objective of developing a near term cash flow project, we seized upon an opportunity to benefit our existing shareholders that provides the Company and new investors a means to participate in a high-potential cash-flow project, largely immune to the price of oil and the deflationary or recessive economics most of the world is experiencing. The Plan of Arrangement as announced on October 30 2014 nicely filled the void that collapsing oil prices suggested would not be easily mitigated.

Since putting in a major peak back in mid-June, crude oil has declined by over 50%. The deflationary forces much of the world is experiencing cannot be underestimated. We believe that the cause goes well beyond the strength of the US dollar, and in fact the unprecedented decline in oil prices is likely telegraphing that global demand is severely stalling in the face of a slowdown and deflation across Europe and China, along with the still-likely failure of Abenomics in Japan and renewed signs of FX contagion in emerging markets. There's an apparent breakdown within OPEC, particularly Saudi Arabia's willingness to accept whatever price the market offered in order to protect its market share. Conspiracy theories aside as to whether OPEC's move constitutes an anti-American trade war against US shale producers or a pro-American squeeze on Russia, Iran, and Venezuela, it's already putting a serious squeeze on Albertan heavy-oil producers, Texas oil men, Russian "oilgarchs," and oil-exporting emerging markets.

At current price levels, the economics involved to continue our oil field redevelopment strategy in Cepu, Indonesia would not be profitable. Delays experienced in meeting the funding requirements of our mature oil & gas field revitalization initiatives now allow us to take a wait and see approach. We intend to revisit the opportunities developed in Indonesia once "the bottom" is in, likely with much better terms and conditions than those negotiated over the prior 18-months. Oil prices may remain low for some time. We are therefore progressing as a priority on the Plan of Arrangement, an exceptional opportunity of immediate benefit to our shareholders, that provides the Company and investors willing to fund the transaction with a means to participate directly in a compelling cash flow project, largely immune to the price of oil and the deflationary or recessive economics most of the world is experiencing.

Servomarin Sdn. Bhd. ("SSB")

On completion of the Arrangement and proposed acquisitions both 1016183 B.C. Ltd. and 1021916 B.C. Ltd. will undergo a name change and commence business providing offshore oilfield services and inspection, Asset Integrity Management solutions specializing in plant & pipeline integrity, advanced NDT (Non-Destructive Testing) and quality assurance, a high-growth recession-resistant sector of the oil and gas industry.

It is expected that SSB will become a fully accredited IMCA supply company within a few months from the completion of the Arrangement, which clears the way for its appointment as a preferred contractor and/or supplier on large private and state-controlled contracts. SSB's established partnerships provide ready access to all technical, engineering, vessels, equipment and personnel support as and when required to service clients in the oil, gas, petrochemical and manufacturing industries in Southeast Asia.

Mr. Heshameldin Fathi introduced the opportunity to Asean Energy in September 2014, and is the controlling shareholder of Servomarin Sdn. Bhd. The subsequent appointment of Mr. Fathi as President of the Company's subsidiary Asean Energy Holdings Corp. ("**Asean Holdings**") was made in anticipation of developing selected upstream and downstream oil and gas projects in Southeast Asia. Given the current wait and see approach to the Company's oil and gas field initiatives, and to avoid any conflict of interest and related party issues as we advance the Arrangement and acquisitions, Mr. Fathi agreed to resign his position with Asean Holdings effective December 24, 2014.

Offshore Maintenance, Modifications & Operations Market Forecast

The World Offshore Maintenance, Modifications & Operations Market Forecast 2014-2018 analyses the demand for services in four key equipment and service lines: offshore asset services, asset integrity services, support services and modifications. In 2013, demand for offshore maintenance, modifications and operations services totaled \$112 billion (bn) for the world's nearly nine thousand offshore platforms. Over the period 2014 to 2018 spend of \$672bn is forecast; a 31% growth on the previous five-year period. Asia is forecast to overtake North America's spend during the forecast period 2014-2018 to account for 30%, compared to North America's 27%. Asia's large installed and operational base of infrastructure, combined with increasing offshore developments, will drive demand in the region. Asia has the largest modification spend over the forecast period. By sector, asset services accounts for the largest share of spend (46%), followed closely by modifications (41%).

ON BEHALF OF ASEAN ENERGY CORP.

(signed) "Robert van Santen"
Chief Executive Officer

For further information, please contact:

Asean Energy Corp.
Greg Patchell, *Manager, Public Relations*
Telephone: (250) 860-8634

Not for distribution to United States wire services or dissemination in the United States. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Some of the statements contained in this press release are forward-looking statements and information within the meaning of applicable securities laws. Forward-looking statements and information can be identified by the use of words such as "expects", "intends", "is expected", "potential", "suggests" or variations of such words or phrases, or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements and information are not historical facts and are subject to a number of risks and uncertainties beyond the Company's control. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, except as may be required by law.

The Company will provide further updates respecting these initiatives as developments occur. There can be no assurance that interests in any or all of these or additional projects being pursued will be acquired, funded and/or commercialized.

Neither the Canadian Securities Exchange (the "CSE") nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.