

ASX: SOI

14 October 2014



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Company Announcements Office
ASX Limited
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Penor Project Update

Malaysian Housing Commission to Make Joint Submission with PJVD

- **Soil Sub Technologies Limited** (“SOI”, “the Company” or “**Soil Sub Technologies**”) is pleased to announce an update in respect to the Penor Project from Malaysian based Platinum JV Developments Sdn Bhd (“**PJVD**”). **SOI** has an option to acquire 100% of **PJVD** (**SOI**, ASX Announcement 23/4/2014).
- **PJVD** has been requested by the National Housing Commission of Malaysia - Syarikat Perumahan Negara (“**SPNB**”) to jointly develop the Penor Project in the State of Pahang.
- A Development Proposal will be presented by **SPNB** (Developer) and **PJVD** (Development Manager) to the Ministry of Finance for final approval in the next few weeks which should clear the pathway for final Construction Contract negotiations.
- Terms of the proposed business partnership are currently being negotiated between **SPNB** and **PJVD**.
- The Penor Project was awarded to **PJVD** on 22 April 2014 as principal developer by Honourable Prime Minister of Malaysia **Yang Mat Berhormat Dato Sri Haji Mohammad Najib bin Tun Haji Abdul Razak**.
- Both the Terengganu and Penor Projects represent potential gross contract values in the order of A\$800 million over a 4-5 year period with the potential to generate significant earnings to **SOI**.

Soil Sub Technologies Limited

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About the Penor Project

PJVD has been requested to submit a Development Proposal with the **SPNB** (the National Housing Company of Malaysia) to the Ministry of Finance in the coming weeks.

Following approval by the Ministry of Finance the **SPNB** and **PJVD** will proceed to form a business partnership that will likely see **SPNB** fulfil the role as Developer and **PJVD** as Project Manager.

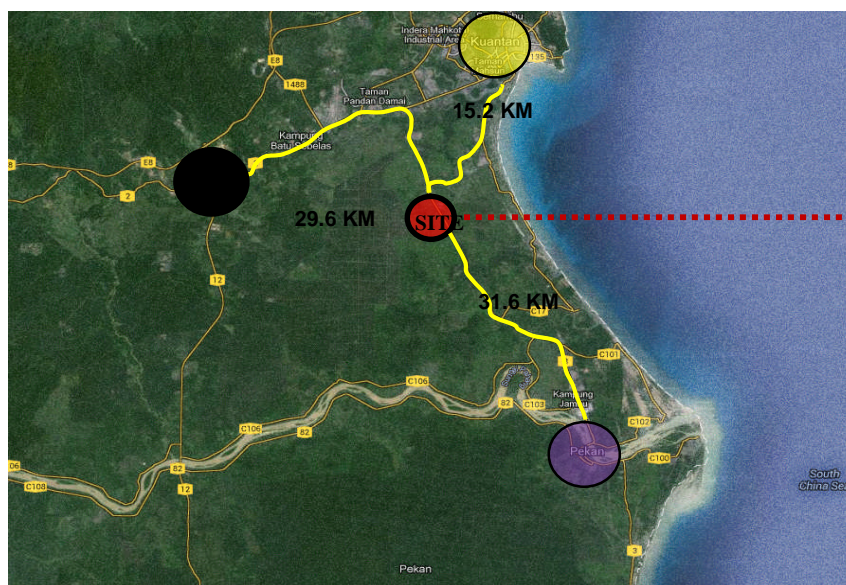
The **SPBN** reports directly to the Malaysian Ministry of Finance and is assisting **PJVD** in respect to the fast tracking of the Penor Project.

The **Prime Minister of Malaysia**, his Excellency **Dato Sri Haji Mohammed Najib bin Tun Haji Abdul Razak** (the "Prime Minister") endorsed **PJVD** on 22 April 2014 as the Project Manager of 4-5,000 houses (and up to 20,000 houses at this site and 90,000 houses in total) as part of the first phase of this housing project.

The contract will cover all infra-structure and housing (excluding public works) on a 500 acre site situated approximately 10 kilometres south west of Kuantan, the capital city of Pahang State, Malaysia.

It is anticipated that the rollout of this project will take place in phases and could ultimately lead to an upgrade in the quality of housing and a reduction in the total number houses which currently stands at 4-5,000.

Furthermore, subject to reaching agreement with the current land owners, the State of Pahang, construction could extend to the surrounding 1,500 acres at this site (up to 20,000 houses in total at this site). For this reason, the current Master plan details infrastructure sufficient for a 2,000 acre development.





PJVD is a private Malaysian owned company that comprises a group of Malaysian and Australian professionals that have aggregated a high-calibre team of companies, professionals and technologies to enable the roll out of a major housing project commencing in Pahang State.

Conclusion

We are delighted with the progress the Company is making on the Penor Project and consider that the invitation to partner with the **SPNB** is a significant milestone in the value creation cycle for the Penor Project.

For any further information please contact the Company on +61-8-6380-9200.

Yours Sincerely

A handwritten signature in black ink, reading 'Guy T. Le Page'.

Guy T. Le Page, MAusIMM, FFIN
Chairman