

CHINA FISHERY GROUP LIMITED (PROVISIONAL LIQUIDATORS APPOINTED)
(Incorporated in the Cayman Islands)
(**"Company"**)

**UPDATE ON THE APPOINTMENT OF PROVISIONAL LIQUIDATORS
EXECUTION OF DEED OF UNDERTAKING**

The Company refers to the announcements made on 27 November 2015, 30 November 2015, 4 December 2015, 9 December 2015, 6 January 2016 and 11 January 2016 in relation to, *inter alia*:

- (a) the order ("**HK Discharge Order**") issued by the High Court of the Hong Kong Special Administrative Region ("**HK Court**") on 5 January 2016 dismissing the continuance of appointment of Mr Fergal Thomas Power and Mr Edward Simon Middleton (both of KPMG Hong Kong ("**KPMG HK**")), and Mr Kris Beighton (of KPMG Cayman Islands ("**KPMG Cayman**")) as joint provisional liquidators of the Company and China Fisheries International Limited (a wholly owned indirect subsidiary of the Company incorporated in Samoa) ("**CFIL**") in Hong Kong; and
- (b) the continuation of the appointment of Mr Fergal Thomas Power of KPMG HK, and Mr Kris Beighton and Mr Alexander Lawson (both of KPMG Cayman) as joint provisional liquidators of the Company (the "**JPLs**"), pursuant to the Order of the Grand Court of the Cayman Islands (the "**Cayman Court**") dated 8 December 2015.

The JPLs have been informed that the Company (via a director of the Company) and CFIL (via a former director of CFIL) (together, the "**CF Group Parties**") have purportedly entered into a deed of undertaking ("**Deed**") with the petitioning creditor, The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**"), whereby, in consideration of the CF Group Parties' fulfillment of certain undertakings, HSBC has agreed to immediately take all necessary action (and any action reasonably requested by the CF Group Parties) to:

- (a) remove and terminate the appointment of the JPLs;
- (b) apply for the dismissal of the winding up petition that was set for hearing in the Cayman Court on 8 January 2016 and has been adjourned, and the winding up petition set for hearing in the HK Court on 27 January 2016; and
- (c) remove and terminate any appeal with respect to the HK Discharge Order.

For the avoidance of doubt, the JPLs are not a party of the Deed and have not authorized or sanctioned the entering of the Deed by the Company and CFIL. The Deed is subject to the ratification and consent (to the extent necessary) of the JPLs and an order of the Cayman Court. A further announcement will be made at that stage.

Reference is also made to the announcement of Pacific Andes Resources Development Limited ("**PARD**") dated 24 January 2016 in relation to, *inter alia*, the execution of the Deed and the alleged refusal of the JPLs to consent and effect the terminate the appointment of the JPLs.

The Company wishes to clarify that any discharge of the JPLs will have to be ordered by the Cayman Court. The JPLs will abide by the orders of the Grand Court when made. In the meantime and as set out above, the JPLs remain appointed as joint provisional liquidators of the Company pursuant to the Order of the Cayman Court dated 8 December 2015.

The Company will continue to update the shareholders of any material developments.

For and on behalf of

CHINA FISHERY GROUP LIMITED

(Provisional Liquidators Appointed)

Fergal Thomas Power
Kris Beighton
and Alexander Lawson

*Joint and Several Provisional Liquidators
Acting as agents without personal liability
25 January 2016*