

CHINA FISHERY GROUP LIMITED
(Incorporated in the Cayman Islands)

Update on Chapters 11 and 15 proceedings before the US Bankruptcy Court

The board of directors (the “**Board**”) of China Fishery Group Limited (the “**Company**”) wishes to provide an update on Chapters 11 and 15 proceedings currently before the United States Bankruptcy Court in the Southern District of New York (the “**NY Court**”).

On 28 November 2016, the NY Court approved an order presented by the Chapter 11 trustee. Under the terms of the order, three of the Company’s Peruvian subsidiaries have agreed to take the necessary steps before 1 December 2016 to satisfy the claims of the creditors who had initiated restructuring proceedings in Peru and also to withdraw the Peruvian restructuring proceedings initiated by the subsidiaries.

Also under the terms of the approved order, the trustee has agreed the following:

- To support the continued operations of the Peruvian entities until 30 April 2017, to the extent consistent with his fiduciary duties, and to allow normalisation of the Peruvian operations. This period can be extended by mutual agreement.
- To work in good faith to secure adequate funding on commercially reasonable terms for the continued operations in Peru.
- To use his best efforts to promptly secure a standstill by the funded debt creditors to protect the assets of the Peruvian subsidiaries. To the extent that he is not able to achieve the standstill on a consensual basis, and to the extent that the trustee determines it appropriate, he will seek an injunction from the NY Court restraining action against the Chapter 11 debtors.
- To support an extension of the period during which the debtors have the exclusive right to file a restructuring plan until 31 March 2017. This extended period may be further extended by agreement and with the approval of the NY Court.

In addition, the order provides that, promptly, and in no event more than five days following the disposition of the Peruvian restructuring proceedings, the Chapter 15 recognition requests will be withdrawn from the NY Court. The effectiveness of the order will terminate immediately upon the publication of any involuntary restructuring proceedings in Peru.

There are also provisions in the order ensuring continued cooperation between the trustee and the Peruvian entities, and agreement that there will be communication efforts, including with employees, to ensure that the Peruvian operations are stabilized.

The Company will announce further updates as material developments arise.

By Order of the Board

Ng Puay Yee (Jessie)
Executive Director and Chief Executive Officer

30 November 2016