JOINT ANNOUNCEMENT

by

China Energy Limited
(Company Registration No.: 200510060K)
(Incorporated in the Republic of Singapore)

and

Lianguo International Limited
(Company Registration No.: 1426420)
(Incorporated in the British Virgin Islands)

DESPATCH OF EXIT OFFER LETTER

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1. INTRODUCTION

1.1 The board of directors (the "**CEL Directors**") of China Energy Limited (the "**Company**") and the sole director (the "**Sole Director**") of Lianguo International Limited (the "**Offeror**") refer to the joint announcement (the "**Joint Announcement**") on 11 November 2013 made by the Company and the Offeror in relation to the proposed voluntary delisting (the "**Delisting**") of the Company from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the "**Listing Manual**") and the circular issued by the Company to its shareholders ("**Shareholders**") dated 13 August 2014 (the "**Circular**").

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular, unless otherwise expressly stated or the context otherwise requires.

1.2 As stated in the Circular, in connection with the Delisting, the Offeror will make an exit offer to acquire all the issued ordinary shares in the capital of the Company (the "**Shares**") held by all the Shareholders (the "**Exit Offer**").

1.3 The CEL Directors also refer to (a) the announcement on 29 August 2014 made by the Company in relation to the SGX-ST informing the Company on 29 August 2014 that it has no objection to the Company's application for the Delisting, subject to compliance with Rules 1307 and 1309 of the Listing Manual (the SGX-ST's decision is not to be taken as an indication of the merits of the Delisting); and (b) the announcement on 5 September 2014 made by the Company that the requisite Shareholders' approval for the Delisting was obtained at the extraordinary general meeting held by the Company on 5 September 2014. Accordingly, as all the conditions for the Delisting have been satisfied, the Exit Offer Letter (as defined below) containing the terms of the Exit Offer together with the relevant Acceptance Forms have been despatched to the Shareholders.

2. DESPATCH OF EXIT OFFER LETTER

2.1 Despatch of Exit Offer Letter and Acceptance Forms

The exit offer letter issued by the Offeror to the Shareholders dated 15 September 2014 containing, *inter alia*, the terms and conditions of the Exit Offer (the "**Exit Offer Letter**"), has been despatched to the Shareholders today together with the following documents:

(a) in the case of the Exit Offer Letter sent to a Shareholder whose Shares are deposited with The Central Depository (Pte) Limited ("**CDP**"), a Form of Acceptance and Authorisation in respect of the Exit Offer (the "**FAA**") and a pre-addressed envelope; and

(b) in the case of the Exit Offer Letter sent to a Shareholder whose Shares are not deposited with CDP, a Form of Acceptance and Transfer in respect of the Exit Offer (the "**FAT**") and a pre-addressed envelope.

2.2 Request for Documents

Any Shareholder who has not received the Exit Offer Letter and/or the relevant Acceptance Forms within a week from the date hereof should contact CDP (in the case of Shareholders whose Shares are deposited with CDP) or Boardroom Corporate & Advisory Services Pte. Ltd. (the "**Registrar**") (in the case of Shareholders whose Shares are not deposited with CDP), as the case may be, without delay at the following respective addresses:

The Central Depository (Pte) Limited 9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588	**Boardroom Corporate & Advisory Services Pte. Ltd.** 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

Copies of the FAA may be obtained by Shareholders who are depositors from CDP or the Registrar upon production of satisfactory evidence that they are Shareholders. Copies of the FAT may be obtained by Shareholders who hold Shares in scrip form from the Registrar upon production of satisfactory evidence that they are Shareholders.

A copy of the Exit Offer Letter is available on the website of the SGX-ST at http://www.sgx.com.

2.3 Shareholders are advised to read and consider the Exit Offer Letter carefully. The information in this joint announcement is qualified by, and should be read in conjunction with the Exit Offer Letter.

3. CLOSING DATE

The Exit Offer will close at 5.30 p.m. on 7 October 2014 (or such other later date(s) as may be announced from time to time by the Offeror) (the "**Closing Date**"). Although no extension of the Exit Offer is currently contemplated, if the Exit Offer is extended, an announcement will be made of such extension, and the Exit Offer will remain open for acceptance for such period as may be announced. If the Exit Offer is extended, Shareholders who have validly accepted the Exit Offer in respect of part of their Shares will be entitled to tender additional Shares in acceptance of the Exit Offer.

The Offeror does not intend to revise the Exit Offer Price.

As stated in the Circular, Shareholders should also note that the Company will be delisted from the SGX-ST following the close of the Exit Offer, regardless of the level of acceptances of the Exit Offer. The Exit Offer represents the final assured opportunity for Shareholders to exit their investment in the Shares prior to the Delisting of the Company.

4. PROCEDURES FOR ACCEPTANCE

The procedures for acceptance of the Exit Offer are set out in **Appendix 1** of the Exit Offer Letter and in the relevant Acceptance Forms.

Shareholders who wish to accept the Exit Offer may do so by completing and returning the relevant Acceptance Form(s).

5. OVERSEAS SHAREHOLDERS

5.1 Overseas Shareholders

The availability of the Exit Offer to Shareholders whose addresses are outside Singapore, as shown in the Register of Members of the Company or in the records of CDP (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions. For the avoidance of doubt, the Exit Offer shall be made to all Shareholders, including those to whom the Exit Offer Letter and the relevant Acceptance Forms may not be sent, provided that the Exit Offer does not constitute an offer or a solicitation to any person in any jurisdiction in which the introduction or implementation of the Exit Offer would not be in compliance with the laws of such jurisdiction.

The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of the mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a nation, state or other securities exchange of, any jurisdiction where the making of or the acceptance of the Exit Offer would violate the law

of that jurisdiction ("**Restricted Jurisdiction**") and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

Where there are potential restrictions on sending the Exit Offer Letter and the relevant Acceptance Forms to any overseas jurisdiction, the Offeror reserves the right not to send these documents to such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Exit Offer Letter and the relevant Acceptance Forms, from the office of the Registrar, Boardroom Corporate and Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Offeror c/o the Registrar at the above-stated address to request for the Exit Offer Letter and the relevant Acceptance Forms be sent to an address in Singapore by ordinary post at his own risk, up to five (5) market days prior to the Closing Date.

Copies of any formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

It is the responsibility of Overseas Shareholders who (a) request for the Exit Offer Letter, the relevant Acceptance Forms and any related documents and/or (b) wish to accept the Exit Offer, to satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, CDP and/or any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, CDP and/or any person acting on their behalf may be required to pay. In (a) requesting for the Exit Offer Letter, the relevant Acceptance Forms and any related documents and/or (b) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror and CDP that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

Overseas Shareholders are advised to read Section 14 entitled "Overseas Shareholders" of the Exit Offer Letter.

6. RESPONSIBILITY STATEMENTS

The CEL Directors (including those who may have delegated detailed supervision of this joint announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this joint announcement which relate to CEL are fair and accurate and that no material facts in relation thereto have been omitted from this joint announcement, and they jointly and severally accept responsibility accordingly.

The Sole Director of the Offeror (who may have delegated detailed supervision of this joint announcement) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this joint announcement (other than those relating to CEL and its subsidiaries) are fair and accurate and that no material facts in relation thereto have been omitted from this joint announcement, and accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the CEL Directors and the Sole Director of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this joint announcement.

By Order of the Board of Directors of CEL	**By Order of the Sole Director of the Offeror**
Ong Kian Min **Lead Independent Director**	**Cui Lianguo** **Director**
CHINA ENERGY LIMITED	**LIANGUO INTERNATIONAL LIMITED**

15 September 2014