

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)

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- (A) **CLOSE OF THE EXIT OFFER;**
(B) **FINAL LEVEL OF ACCEPTANCES; AND**
(C) **COMPULSORY ACQUISITION**
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1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or the “**CEL Directors**”) of China Energy Limited (the “**Company**”) and the sole director (the “**Sole Director**”) of Lianguo International Limited (the “**Offeror**”) refer to:
- (a) the circular issued by the Company to its shareholders (“**Shareholders**”) dated 13 August 2014;
 - (b) the exit offer letter dated 15 September 2014 (“**Exit Offer Letter**”) in relation to the exit offer by the Offeror to acquire all the issued ordinary shares in the capital of the Company (the “**Shares**”) held by all the Shareholders (the “**Exit Offer**”);
 - (c) the announcement made by the Company on 23 September 2014, 29 September 2014 and 14 October 2014;
 - (d) the joint announcements made by the Company and the Offeror on 11 November 2013, 15 September 2014, 26 September 2014, 3 October 2014, and 7 October 2014; and
 - (e) the letter dated 14 October 2014 (“**Letter**”) from the Offeror to the Shareholders who did not accept the Exit Offer (“**Dissenting Shareholders**”).
- 1.2 All capitalised terms used and not defined herein shall have the same meanings given to them in the Exit Offer Letter, unless otherwise expressly stated or the context otherwise requires.

2. CLOSE OF THE EXIT OFFER

The Offeror wishes to announce that the Exit Offer has closed at 5.30 p.m. (Singapore time) on 14 October 2014 (the “Closing Date”).

Accordingly, the Exit Offer is no longer open for acceptances and any acceptances received after 5.30 p.m. (Singapore time) on the Closing Date will be rejected.

3. FINAL LEVEL OF ACCEPTANCES

- 3.1 Pursuant to Rule 28.1 of The Singapore Code on Takeovers and Mergers, the Offeror wishes to announce that the total number of Shares (a) for which valid acceptances have been received as at 5:30 p.m. on 14 October 2014, (b) held by the Offeror and the parties acting or presumed to be acting in concert with it as at the Announcement Date, and (c) acquired or agreed to be acquired between the Announcement Date and up to 5:30 p.m. on 14 October 2014, by the Offeror and the parties acting or presumed to be acting in concert with it are as follows:

	Number of Shares	Percentage of total number of issued Shares¹ (%)
(a) Valid acceptances of the Exit Offer received (from Shareholders other than parties acting or presumed to be acting in concert with the Offeror) as at 5:30 p.m. on 14 October 2014	509,019,696	40.63
(b) Valid acceptances of the Exit Offer received (from parties acting or presumed to be acting in concert with the Offeror) as at 5:30 p.m. on 14 October 2014	654,351,400	52.23
(c) Shares held by the Offeror and its Concert Parties as at 11 November 2013, being the Announcement Date	654,351,400	52.23
(d) Shares acquired or agreed to be acquired by the Offeror and the parties acting or presumed to be acting in concert with it (other than pursuant to valid acceptances of the Exit Offer) between the Announcement Date and up to 5:30 p.m. on 14 October 2014	-	-

- 3.2 Accordingly, based on information available to the Offeror, as at 5:30 p.m. on 14 October 2014, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and the parties acting or presumed to be acting in concert with it, and (b) valid acceptances of the Exit Offer, amount to an aggregate of 1,163,371,096 Shares, representing approximately 92.86 per cent. of the issued Shares.

¹ References in this announcement to the total number of issued Shares are based on 1,252,885,000 Shares in issue as at 14 October 2014.

4. COMPULSORY ACQUISITION

As stated in the Letter, as the Offeror has received acceptances pursuant to the Exit Offer for not less than 90 per cent. of the issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding treasury shares), the Offeror is entitled to exercise its right under Section 215(1) of the Companies Act, Chapter 50 of Singapore ("**Companies Act**") **to compulsorily acquire, at the Exit Offer Price, all the Shares in respect of which acceptances have not been received by it pursuant to the Exit Offer ("Compulsory Acquisition"), on or after 15 November 2014**, being after the expiration of one month after the date on which a Notice to Dissenting Shareholder in the form prescribed under the Companies Act ("**Form 57**") is given to Dissenting Shareholders, subject to and on the terms set out in Form 57 and the provisions of Section 215(4) of the Companies Act.

Under Section 215(3) of the Companies Act, a Non-Assenting Shareholder has the right to require the Offeror to acquire his Shares at the Exit Offer Price. **Since the Offeror would be proceeding to compulsorily acquire all the Shares on the terms set out in Form 57 enclosed to the Letter, the Non-Assenting Shareholder need not take any action in relation to Form 58.** Nevertheless, if any Shareholder wishes to exercise his right under Section 215(3) of the Companies Act or if he is in any doubt, he should seek his own independent legal advice.

If a Shareholder is in any doubt in relation to the Compulsory Acquisition, the Form 57 or Form 58 or as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

5. 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 October 2014