

Asian Corporate Advisors
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15 May 2014

The Board of Directors

China Energy Limited
6 Battery Road
#10-01
Singapore 049904

Dear Sirs

Letter on quarterly results and the announced proposed (“Delisting Proposal”) voluntary delisting of China Energy Limited (“CEL” or the “Company”) by Lianguo International Limited (“Offeror”) pursuant to Rules 1307 and 1309 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

We refer to the above announcement and the Delisting Proposal by the Offeror to make an exit offer to acquire all the issued ordinary shares in the capital of the Company, other than those already held, directly or indirectly, by the Offeror, its related corporations or their respective nominees.

This letter (“**Letter**”) is prepared and provided to the directors of the Company (“**Directors**”) for the sole purpose of complying with Rule 25.6(c) of the Singapore Code on Takeovers and Mergers (“**Code**”). On 15 May 2014, the Company announced the unaudited results of the Company for the three months ended 31 March 2014 (the “**Results**”). We have reviewed sections 1 and 8 of the Results (“**1Q Financial Information**”) for the financial performance, position and cash flow statements for the three months period ended 31 March 2014 and for the purposes of Rule 25.6(c) of the Code. Accordingly, our Letter should not be used or relied by anyone for any other purposes and is provided to the Directors for the sole purpose of complying with Rule 25.6(c) of the Code and the contents of this Letter as one of the basis for Rule 25.3 of the Code. The Results are the sole and full responsibility of the Directors. The 1Q Financial Information and the Results are not prepared or finalised in connection with or for the purposes or in contemplation of the Delisting Proposal.

ACA did not prepare or assist in the preparation of or review of the audit of the Results nor were we involved in any discussions or deliberations that led to the Results.

In the course of our evaluation, we have held discussion with certain senior management of the Company (“**Management**”) and Directors who are responsible for the preparation of the Results; and we have also examined information collated by us including the audited financial statements as well as information, written or verbal, provided to us by the Management and Directors. The Management and Directors have confirmed to ACA the accuracy, truthfulness and completeness of all written (correspondence and emails) and verbal information provided and that all material information including but not limited to the bases or assumptions for the preparation of the Results or the plans or prospects or proposals available to or known by them and the Management and Directors in connection with the Results or the redevelopment of its assets or sale of its assets or projects undertaken has been disclosed to ACA and included in the Results, that such information is fair and accurate in all material aspects and that there is no other information or fact, *inter alia*, basis of valuation or value of its assets or liabilities or the revenues or income or expenses of the Company or the Group, the omission of which would result in the Results being untrue, inaccurate or incomplete in any material aspect or misleading. In addition, the Management and Directors have confirmed that the 1Q Financial Information and the Results are not prepared or finalised in connection with or for the purposes or in contemplation of the Delisting Proposal. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by ACA concerning the truth, accuracy, completeness, adequacy or sufficiency of any bases or assumptions used for the Results, or any such information or facts as disclosed in the Results.

In addition for the review of the Results, and have relied on, *inter alia*, confirmation from the Management and Directors for the Results that to the best of their knowledge, nothing has come to the attention of the board of

Directors which may render the financial statements for the three months period ended 31 March 2014 to be false or misleading and the report from your auditor, Moore Stephens LLP ("**Auditor**") where they have been engaged to review the condensed interim financial information for the three months period ended 31 March 2014 as a requirement under Rule 25.6(c) of the Code.

Save as provided in this Letter, we do not express any other views on the 1Q financial Information.

Subject to the contents of this Letter and on the bases of the procedures performed by the Directors for the financial performance, position and cash flow statements for the three months period ended 31 March 2014, nothing has come to our attention that causes us to believe that the 1Q Financial Information have not been made after due and careful enquiry.

We do not accept responsibility to any person (other than the Directors) in respect of, arising out of, or in connection with this Letter.

Yours faithfully,
For and on behalf of
ASIAN CORPORATE ADVISORS PTE. LTD.

Mr Liao H.K.
Managing Director

Ms Foo Quee Yin
Managing Director