

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)

REMINDER OF CLOSING DATE, SUSPENSION OF TRADING, IMPLICATIONS OF DELISTING FOR SHAREHOLDERS AND COMPULSORY ACQUISITION

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 (the “**Circular**”);
- (b) the exit offer letter dated 15 September 2014 (the “**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 joint announcements made by the Company and the Offeror on 11 November 2013 and 15 September 2014; and
- (d) the announcement made by the Company on 23 September 2014 (“**23 September Announcement**”).

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

2. CLOSING DATE

The Board wishes to remind its Shareholders that as stated in the 23 September Announcement, **the Exit Offer will close at 5:30 p.m. on 7 October 2014**, or such later date(s) as may be announced from time to time by the Offeror (the “**Closing Date**”).

3. DELISTING OF THE COMPANY

The Shareholders have approved the Delisting Resolution in accordance with Rules 1307 and 1309 of the Listing Manual of SGX-ST at the Extraordinary General Meeting of the Company held on 5 September 2014. Hence, regardless of the final level of acceptances at the Closing Date, the Company will be delisted from the Official List of SGX-ST.

4. SUSPENSION OF TRADING

The Board wishes to remind its Shareholders that as stated in the 23 September Announcement, based on the Closing Date, **the last day of trading in the Shares on the SGX-ST will be 29 September 2014. Accordingly, trading of the Shares will be suspended with effect from 9:00 a.m. on 30 September 2014.** If the Closing Date is extended beyond 5:30 p.m. on 7 October 2013 before 29 September 2014, the Company will make an appropriate announcement on the new last day of trading in the Shares.

5. IMPLICATIONS OF DELISTING FOR SHAREHOLDERS

The Board wishes to remind its Shareholders that as stated in the Circular, shares of unquoted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of liquidity and marketability. After the Closing Date, the Company will be delisted from the Official List of the SGX-ST and it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. Even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price. Further, any transfer or sale of Shares represented by share certificates will be subject to a stamp duty.

After the Closing Date, the Company will be delisted from the Official List of the SGX-ST and each Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one share certificate representing his delisted Shares. The Share Registrar will arrange to forward the share certificates to such Shareholders (who are not CPFIS Investors), by ordinary post and at the Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors who do not accept the Exit Offer will be forwarded to their respective CPF Agent Banks for their safekeeping.

Please refer to paragraph 8 of the Circular for further information.

6. RIGHT OF COMPULSORY ACQUISITION

6.1 Compulsory Acquisition by the Offeror under Section 215(1) of the Companies Act

The Board wishes to remind its Shareholders that as stated in the Exit Offer Letter, pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Exit Offer (or otherwise acquires Shares during the period the Exit Offer is open for acceptance) in respect of not less than 90 per cent. of the total number of 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 will have the right to compulsorily acquire, at the Exit Offer Price, all the Shares of the Shareholders who have not accepted the Exit Offer. In such event, the Offeror intends to exercise its rights of compulsory acquisition.

6.2 Dissenting Shareholders' right under Section 215(3) of the Companies Act

As stated in the Exit Offer Letter, if the Offeror, its related corporations or their respective nominees acquire, pursuant to the Exit Offer, such number of Shares which, together with Shares held by the Offeror, its related corporations or their respective nominees, comprise 90 per cent. or more of the total number of Shares (excluding treasury shares), Dissenting Shareholders have the right to require the Offeror to acquire their Shares at the Exit Offer Price. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

7. 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 CEL

Ong Kian Min
Lead Independent Director

CHINA ENERGY LIMITED

By Order of the Sole Director of the Offeror

Cui Lianguo
Director

LIANGUO INTERNATIONAL LIMITED

26 September 2014