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CHINA FISHERY GROUP LIMITED
(Incorporated in the Cayman Islands)
(the "**Company**")

**CONSENT SOLICITATION EXERCISE IN RELATION TO THE US\$250,000,000
9.00% SENIOR NOTES DUE 2017 ISSUED BY CORPORACIÓN PESQUERA INCA
S.A.C. – COMMENCEMENT OF SOLICITATION**

1. INTRODUCTION

The Board of Directors of the Company (which together with its subsidiaries shall be referred to as the "**CFGL Group**") wishes to announce that:

- (a) its subsidiaries Corporación Pesquera Inca S.A.C. ("**Copeinca**"), a *sociedad anónima cerrada* organized under the laws of the República del Perú and Copeinca AS, a private limited company (Aksjeselskap) organized under the laws of Norway, as the parent guarantor ("**Copeinca Norway**"), plan to solicit (such solicitation, as may be amended or supplemented, the "**Solicitation**") consents from the holders ("**Holders**") of at least a majority in aggregate of the principal amount ("**Requisite Consents**") of its outstanding US\$250,000,000 9.00% Senior Notes due 2017 ("**COP Notes**") to make certain amendments to an indenture dated 10 February 2010, as amended and supplemented, entered into by and among Copeinca, Copeinca Norway, Deutsche Bank Trust Company Americas, as trustee, registrar, paying agent and transfer agent ("**DB Trustees**") and Deutsche Bank Luxembourg S.A., as Irish paying agent, Irish transfer agent and Irish listing agent ("**DB Lux**") pursuant to which the COP Notes were issued (the "**COP Indenture**").

The Solicitation will commence at 9:00 a.m., New York City time, on 17 July 2014 (9:00 p.m., Singapore time, on 17 July 2014); and

- (b) in connection with the Solicitation:
 - (i) the Company has entered into a solicitation agents agreement with Copeinca, Copeinca Norway, The Hongkong and Shanghai Banking Corporation Limited, Jefferies LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Standard Chartered Bank ("**Solicitation Agents Agreement**"). Pursuant to the Solicitation Agents Agreement, The Hongkong and Shanghai Banking Corporation Limited, Jefferies LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Standard Chartered Bank are appointed as joint solicitation agents in connection with the Solicitation;

- (ii) D.F. King & Co. Inc. has been retained to act as information and tabulation agent ("**Information and Tabulation Agent**");
- (iii) Copeinca and Copeinca Norway will execute a supplemental indenture to the COP Indenture to be entered into by and among Copeinca, Copeinca Norway, DB Trustees and DB Lux;
- (iv) the Company, CFG Investment S.A.C. ("**CFG Peru**"), China Fisheries International Limited ("**CFIL**") and Sustainable Fishing Resources S.A.C. ("**SFR**") will execute a supplemental indenture to the COP Indenture to be entered into by and among the Company, CFG Peru, CFIL, SFR, Copeinca, Copeinca Norway, DB Trustees and DB Lux (the "**COP Supplemental Indenture**"), pursuant to which, *inter alia*, the Company, CFG Peru, CFIL and SFR shall provide guarantees under the COP Notes, and become guarantors of the COP Notes under the COP Indenture; and
- (v) in connection with an indenture dated 30 July 2012, as amended and supplemented, pursuant to which CFG Peru issued US\$300,000,000 9.75% Senior Notes due 2019 listed on the Singapore Exchange Securities Trading Limited (the "**CFG Notes**"), entered into by and among CFG Peru, the Company, the initial Non-Russian Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee ("**Citicorp**") (the "**CFG Indenture**"), CFG Peru, the Company, Citicorp, Copeinca, Copeinca Norway and Copeinca's restricted subsidiaries (which currently includes Copeinca Internacional S.L.U. but will include any of its future restricted subsidiaries) ("**Restricted Subsidiaries**") shall execute supplemental indentures, pursuant to which Copeinca, Copeinca Norway and the Restricted Subsidiaries shall provide guarantees under the CFG Notes and become guarantors of the CFG Notes under the CFG Indenture.

2. COMMENCEMENT OF CONSENT SOLICITATION PROCESS IN CONNECTION WITH THE COP NOTES

Specifically, the Company is seeking the consents from the Holders of the COP Notes to amend certain provision of the COP Indenture:

- (a) to permit Copeinca Norway (as applicable), Copeinca and the Restricted Subsidiaries to guarantee up to US\$1,200 million in principal amount of indebtedness of the CFGL Group, which shall comprise:
 - (i) the CFG Notes;
 - (ii) the US\$650,000,000 term and revolving credit facility dated 20 March 2014 where CFG Peru, CFIL and Copeinca were borrowers, as it may be amended or supplemented from time to time; and
 - (iii) up to an additional US\$250,000,000 of additional senior notes proposed to be issued by a member of the CFGL Group (promptly upon their issuance) and/or bank borrowings incurred by a member of the CFGL Group.

provided that once the guarantee in (i) and (ii) above, as applicable, become effective, the Company, CFG Peru, CFIL and SFR will promptly provide guarantees to the COP Notes thereafter; and

- (b) to permit (but not require) certain internal restructuring being:
- (i) Copeinca Norway to transfer its interest in Copeinca Internacional S.L.U. to CFG Peru and/or Copeinca and Copeinca Norway may transfer its interest in Copeinca to Copeinca Internacional S.L.U. and/or CFG Peru; and
 - (ii) Copeinca Internacional S.L.U., Copeinca and Copeinca Norway to merge into or transfer all or substantially all of their respective assets (including by way of liquidation) to CFG Peru, provided CFG Peru expressly assumes the obligations of Copeinca and/or Copeinca Norway under the COP Indenture.

(Collectively referred to as the “**Proposals**”)

The Solicitation is to:

- (a) enable Copeinca to pursue financing activities to support the expansion and growth of its business that may not otherwise be available to it;
- (b) enable certain members of the CFGL Group, namely the Company, CFG Peru, CFIL and SFR to support the repayment obligations of the COP Notes;
- (c) enable Copeinca, Copeinca Norway and the Restricted Subsidiaries to support the payment obligations of certain indebtedness of the CFGL Group, including CFG Peru; and
- (d) better reflect Copeinca’s current business and operational status, as it would benefit from the consolidated financing platform and enhanced liquidity that would be available to it if the Proposals are adopted.

A copy of the relevant consent solicitation statement (“**Consent Solicitation Statement**”) pertaining to the Solicitation will be sent to the relevant Holders of the COP Notes.

The record date for the Solicitation is 5:00 p.m., New York City time, on 16 July 2014 (5:00 a.m., Singapore time, on 16 July 2014).

The Solicitation will expire at 5:00 p.m., New York City time, on 30 July 2014 (5:00 a.m., Singapore time, on 30 July 2014) (“**Expiration Date**”), unless extended or terminated by the Company.

As soon as practicable following the date of receipt of the Requisite Consents pursuant to the Solicitation, the Information and Tabulation Agent will certify that the Requisite Consents have been received and not revoked as of 5:00 p.m., New York City time (5:00 a.m., Singapore time), on such date (“**Consent Date**”). Copeinca, Copeinca Norway, DB Trustees and DB Lux will then execute the COP Supplemental Indenture to give effect to the Proposals (such time, the “**Effective Time**”).

The Consent Date may fall before or on the Expiration Date and the Effective Time may be before, on or after the Expiration Date.

If Copeinca receives consent from Holders of not less than a majority in aggregate principal amount of the outstanding COP Notes, the Proposals will be binding on all Holders. In such an event, non-consenting Holders or Holders who fail to deliver consent will not receive any consent fee.

BY ORDER OF THE BOARD

Yvonne Choo
Company Secretary
17 July 2014

This announcement is not a solicitation of consents with respect to any COP Note. The Solicitation is being made solely pursuant to the Consent Solicitation Statement dated 17 July 2014, which sets forth in detail the terms of the Solicitation.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions.

Forward-looking statements in this announcement, including, among others things, those statements relating to the Solicitation, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the COP Notes, changes in the business and financial condition of the Company and its subsidiaries, changes in the industry, and changes in the capital markets in general.