



STONE GROUP HOLDINGS LIMITED
四通控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 409)

ANNOUNCEMENT

This announcement is made at the request of The Stock Exchange of Hong Kong Limited. (the “Stock Exchange”)

The directors (the “Directors”) of Stone Group Holdings Limited (the “Company”) have noted the recent increase in trading volume of the shares of the Company and wish to state that save as disclosed below, they are not aware of any reasons for such increase.

The board of Directors (the “Board”) wishes to inform the shareholders that the Company is currently at the stage of finalising a shareholders’ agreement with a connected person (as defined in the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange) of the Company and various independent third parties who are not connected persons of the Group for regulating the operation and management of a joint venture company to engage in mineral resources exploration in the Middle East region, Africa and other countries, and other ancillary business. It is anticipated that the shareholders’ agreement will be signed shortly and an announcement setting out the principal terms of the shareholders’ agreement and details of the joint venture company will be published thereafter. **Accordingly, the Board wishes to remind shareholders and investors that, before the formal publication of the announcement by the Company in relation to the aforesaid joint venture company and the relevant shareholders’ agreement, you are advised to exercise caution when dealing in the securities of the Company.**

Save as disclosed above, the Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

This announcement is made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

On behalf of the Board
Stone Group Holdings Limited
DUAN Yongji
Chairman

Hong Kong, 14 June 2007

As at the date of this announcement, the Board comprises ten Directors, of whom Messrs. DUAN Yongji, SHI Yuzhu, SHEN Guojun, CHEN Xiaotao, ZHANG Disheng and Ms. LIU Wei are executive Directors and Messrs. NG Ming Wah, Charles, Andrew Y. YAN, LIU Ji and LIU Jipeng are independent non-executive Directors.

Please also refer to the published version of this announcement in South China Morning Post.