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HONG KONG ENERGY (HOLDINGS) LIMITED
香港新能源(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 987)

(website: www.hkenergy.com.hk)

NOTICE OF HKE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of the shareholders of Hong Kong Energy (Holdings) Limited (the “**Company**”) will be held at 9th Floor, Tower 1, South Seas Centre, 75 Mody Road, Tsimshatsui East, Kowloon, Hong Kong, on Monday, 26 July 2010 at 10:30 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company (unless otherwise indicated, capitalised terms used in this notice shall have the same meanings as defined in the circular of the Company dated 30 June 2010):

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the authorised share capital of the Company be and is hereby increased from HK\$26,000,000 comprising 2,000,000,000 ordinary shares of HK\$0.01 each (the “**HKE Shares**”) and 600,000,000 preference shares of HK\$0.01 each (the “**Convertible Preferred Shares**”) to HK\$150,000,000 comprising 9,000,000,000 HKE Shares and 6,000,000,000 Convertible Preferred Shares by the creation of an additional 7,000,000,000 HKE Shares and 5,400,000,000 Convertible Preferred Shares in the capital of the Company (the “**Increase in Authorised Share Capital**”) having the rights and being subject to the restrictions set out in the amended and restated Articles of Association as adopted by special resolution numbered 5 below; and
- (b) any one HKE Director be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by him to be incidental to, ancillary to or in connection with the matters contemplated in and for giving effect to the Increase in Authorised Share Capital.”

2. “**THAT**, conditional upon the passing of the ordinary resolution numbered 1 set out in the notice convening this Meeting:

- (a) the execution, delivery and performance by the Company of the Sale and Purchase Agreement (a copy of which has been produced at the Meeting marked “A” and signed by the chairman of the Meeting for identification purposes), together with the terms and conditions thereof and transactions contemplated thereunder (in particular, the purchase of the Sale Share and the assignments of the Loans), be and are hereby approved, ratified and confirmed;
- (b) subject to and conditional upon, among others, HKE Shareholders approving the special resolution numbered 5 set out in the notice convening this Meeting, the creation and issuance of Convertible Preferred Shares in the aggregate principal amount of HK\$1,018.1 million by the Company upon Completion of the Sale and Purchase Agreement in accordance with the terms and conditions thereof be and is hereby approved;
- (c) subject to and conditional upon, among others, the granting by the Listing Committee of the Stock Exchange of the listing of and permission to deal in the Conversion Shares (as defined below), the allotment and issue of new shares in the share capital of the Company upon exercise of the conversion rights attaching to the Convertible Preferred Shares (the “**Conversion Shares**”) be and is hereby approved, and the HKE Board be and is hereby authorised to allot and issue the Conversion Shares pursuant to and in accordance with the terms and conditions of the amended and restated Articles of Association (as adopted by special resolution numbered 5 below); and
- (d) any one HKE Director or, if the affixation of the common seal of the Company is necessary, any one HKE Director and the company secretary of the Company or any two HKE Directors or such other person (including a director) or persons as the HKE Board may appoint be and is/are hereby authorised for and on behalf of the Company to approve and execute all documents, instruments and agreements and to do all such acts or things deemed by him/her/them to be incidental to, ancillary to or in connection with the matters contemplated in or related to the Sale and Purchase Agreement, the issue of the Convertible Preferred Shares, the issue of the Conversion Shares upon conversion of the Convertible Preferred Shares and transactions contemplated thereunder or incidental thereto and completion thereof as he/she/they may consider necessary, desirable or expedient.”

3. “**THAT**:

- (a) the Gansu Loan Facility granted or to be granted by HKE (Gansu) to HKC (HK) which will, upon Completion, constitute financial assistance provided by the Company and its subsidiaries to a connected person of the Company, be and is hereby approved, ratified and confirmed; and
- (b) any one HKE Director or, if the affixation of the common seal of the Company is necessary, any one HKE Director and the company secretary of the Company or any two HKE Directors or such other person (including a director) or persons as

the HKE Board may appoint be and is/are hereby authorised for and on behalf of the Company to approve and execute all such documents, instruments and agreements including the relevant loan agreements whether under the common seal of the Company or otherwise and to do all such acts or things deemed by him/her/them to be necessary, desirable or expedient for the purpose of giving effect to the Gansu Loan Facility and the transactions contemplated thereunder or incidental thereto.”

4. **“THAT:**

- (a) subject to the consent of other shareholder of CECIC HKCG and approval of the relevant PRC authorities to the CECIC HKCG Title Transfer being obtained, the terms and implementation of the CECIC HKCG Title Transfer entered into or to be entered into between HKC (HK), being a connected person of the Company, and HKE (Gansu), which will become a subsidiary of the Company upon Completion, be and are hereby approved; and
- (b) any one HKE Director or, if the affixation of the common seal of the Company is necessary, any one HKE Director and the company secretary of the Company or any two HKE Directors or such other person (including a director) or persons as the HKE Board may appoint be and is/are hereby authorised for and on behalf of the Company to approve and execute all such documents, instruments and agreements whether under the common seal of the Company or otherwise and to do all such acts or things deemed by him/her/them to be necessary, desirable or expedient for the purpose of giving effect to the CECIC HKCG Title Transfer and the transactions contemplated thereunder or incidental thereto.”

SPECIAL RESOLUTION

5. **“THAT:**

- (a) the reprinted Articles of Association incorporating, inter alia, the terms of the Convertible Preferred Shares to be issued by the Company (a copy of which has been produced to the meeting marked “B” and signed by the chairman of the Meeting for identification purpose) be and is hereby approved and adopted in its entirety in substitution of the existing Articles of Association; and
- (b) any one HKE Director be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by him to be incidental to, ancillary to or in connection with the matters contemplated in and for giving effect to the foregoing.”

By Order of the Board
Hong Kong Energy (Holdings) Limited
Mok Ming Wai
Company Secretary

Hong Kong, 30 June 2010

Principal place of business in Hong Kong:
9th Floor, Tower 1
South Seas Centre
75 Mody Road
Tsimshatsui East
Kowloon
Hong Kong

Registered office in the Cayman Islands:
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Notes:

1. A form of proxy for use at the Meeting is enclosed with the circular despatched on 30 June 2010 to the HKE Shareholders.
2. A HKE Shareholder entitled to attend and vote at the above Meeting is entitled to appoint another person as his proxy to attend and to vote on his behalf. A proxy need not be a HKE Shareholder.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the principal place of business of the Company in Hong Kong at 9th Floor, Tower 1, South Seas Centre, 75 Mody Road, Tsimshatsui East, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.

As at the date of this announcement, the Board comprises seven Directors of which Mr. OEI Kang, Eric, Dr. YUNG Pak Keung, Bruce and Mr. LEUNG Wing Sum, Samuel are executive Directors; Mr. LIU Zhixin is a non-executive Director; and Mr. ZHANG Songyi, Mr. TANG Siu Kui, Ernest and Mr. YU Hon To, David are independent non-executive Directors.