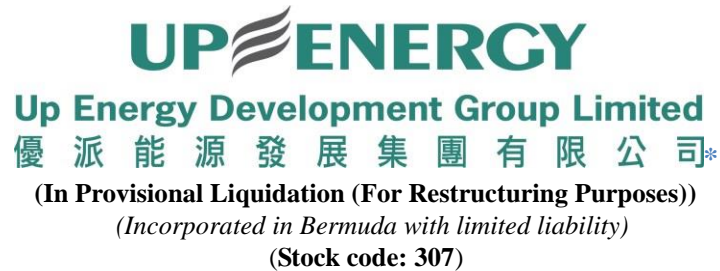


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VOLUNTARY CLARIFICATION ANNOUNCEMENT

This announcement is published on a voluntary basis by the Joint Provisional Liquidators (the “**JPLs**”) of Up Energy Development Group Limited (In Provisional Liquidation (For Restructuring Purposes)) (the “**Company**”).

The JPLs noted that there are rumour and/or accusations that Mr Zhang Li, the purported chairman and the executive director of the Company (“**Mr Zhang**”), was involved in economic criminal offence and arrested by local police bureau of Gansu Province, the PRC (the “**Rumour**”).

The JPLs have contacted Mr Zhang recently in order to ascertain the Rumour. Based on the understanding of the JPLs, the JPLs would like to provide the following information to the shareholders of the Company in connection with the Rumour as follows:

According to Mr Zhang, the Rumour was entirely inaccurate. A company in Shenzhen, in which Mr Zhang is/was the legal representative, was involved in a contractual dispute with several customers. As a result of the said dispute, one of those customers had brought the dispute to the Peoples Court of Shenzhen Futian District, Shenzhen (“**Futian District Court**”) and the Futian District Court has already dismissed the claim. However, subsequent to such decision, some of those customers, who were not satisfied with the decision of the Futian District Court, have made complaints to the public security bureau of the location(s) of their registered place(s) of domicile (the “**Matter**”). Mr Zhang has assisted the investigation by local relevant authority. Mr Zhang has provided the JPLs a copy of the abovementioned judgment of the Futian District Court.

Mr Zhang confirmed that the Matter is not related to the Company and therefore would not affect the Company’s business.

The Company has not received any request from any PRC authority in respect of the above Rumour. Also, based on the available information, the Rumour has no connection with the Company and the Company has no operation in Gansu Province, the PRC. The Company will continue monitoring the matter and will make further announcement if there is any significant development.

** For identification purposes only*

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on 30 June 2016. Trading in the Shares will remain suspended until further notice.

**For and on behalf of
Up Energy Development Group Limited
(In Provisional Liquidation
(For Restructuring Purposes))**

**Osman Mohammed Arab
Roy Bailey
Lai Wing Lun**
*Provisional Liquidators
who act without personal liability*

Hong Kong, 11 October 2018

As at the date of this announcement, the Board of Directors comprises Mr Wang Chuan, Mr Zhang Li and Mr Zheng Yuan as Executive Directors; and Mr Li Bao Guo, Mr Liu Yongshun, and Mr Wu Yanfeng as Independent Non-executive Directors. The names of the Board members referred hereto are based on the latest register of directors of the Company. For the avoidance of doubt, the composition of the Board is a matter in dispute as Mr Gao Shufang (subsequently resigned with effect from 30 September 2017) and Mr Ji Lianming claimed themselves being appointed as Executive Directors whereas Mr Chan Ming Sun Jonathan, Mr Lee Chi Hwa, Joshua and Mr Mak Yiu Tong claimed themselves to be appointed as Independent Non-executive Directors in replacement of the entire Board members (inter alia including Mr Chui Man Lung, Everett who has purported resigned on 30 August 2018) in a SGM held on 25 April 2017.