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UP ENERGY
Up Energy Development Group Limited
優派能源發展集團有限公司*
(In Provisional Liquidation (For Restructuring Purposes))
(Incorporated in Bermuda with limited liability)
(Stock code: 307)

ANNOUNCEMENT IN RESPECT OF
(1) UPDATE ON THE STATUS OF THE FULFILLMENT OF THE RESUMPTION
CONDITIONS
AND
(2) ADJOURNMENT OF BERMUDA HEARING

This announcement is made by Up Energy Development Group Limited (In Provisional Liquidation (For Restructuring Purposes)) (the “Company”) pursuant to Rule 13.09 and Rule 13.24A of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

References are made to the announcements of the Company dated 31 March 2016, 23 May 2016, 7 July 2016, 10 July 2016, 25 August 2016, 13 September 2016, 21 September 2016, 26 September 2016, 13 October 2016, 17 October 2016, 24 October 2016, 3 November 2016, 29 November 2016, 7 December 2016, 22 February 2017, 23 February 2017, 6 March 2017, 26 April 2017, 23 May 2017, 2 October 2017, 20 October 2017, 27 October 2017, 28 November 2017, 12 March 2018, 18 April 2018, 5 June 2018, 1 August 2018, 12 September 2018 and 11 October 2018 respectively (collectively the “Announcements”) in relation to, among other things, the appointment of the Joint Provisional Liquidators of the Company (the “JPLs”). Capitalised terms used in this announcement shall bear the same meanings as those defined in the Announcements unless the context requires otherwise.

UPDATE ON THE STATUS OF THE FULFILLMENT OF THE RESUMPTION
CONDITIONS

Referring to the Company’s announcement dated 12 September 2018, an application for the resumption of the construction of the Xiaohuangshan Mine was submitted to the local authorities in early September 2018. The Company has commenced the preparation work for the resumption of construction and the fulfilment of the requirements of the local authorities. It is currently anticipated that the formal approval for the resumption of construction will be granted by the local authorities shortly, possibly in November 2018.

The Company has been in active discussions with the majority of its key creditors including holding an informal creditors’ meeting with them in early November 2018 during which the current status on the operational and financial restructuring was presented. The Company

* For identification purposes only

currently aims to submit an application to the Supreme Court of Bermuda in late November or early December 2018 to convene a formal creditors' meeting to consider the restructuring proposals. This application is also expected to be similarly made in Hong Kong.

In relation to the publication of the outstanding annual results for the financial years ended 31 March 2016, 2017 and 2018 respectively, the audit of the consolidated financial statements is actively on-going and considerable progress has been achieved to date. It is anticipated that the audit of the outstanding annual results will be completed in the next month.

The Company is working with its Financial and Legal advisors to prepare a fresh resumption proposal to the Stock Exchange of Hong Kong, including all the recent updates and additional forthcoming developments, in the next few weeks. The Company remains confident that the recent developments and the new information now available, will substantially enhance the contemplated new resumption proposal. Subject to the continued successful progress of the other restructuring efforts in fulfilling the other Resumption Conditions, the Company remains confident that the contemplated new proposal will likely satisfy the resumption requirements imposed by the Stock Exchange.

Further announcement(s) will be made by the Company to inform the public of any further material developments in relation to the Company and its restructuring as and when appropriate pursuant to the requirements of the Listing Rules.

ADJOURNMENT OF BERMUDA HEARING

The adjourned winding-up petition was again heard in the Supreme Court of Bermuda on 29 October 2018. No winding up order was made at that hearing but the Court's decision has been reserved.

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, 6 November 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.