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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

(Warrant Code: 972)

**DELAY IN DESPATCH OF CIRCULAR
IN RESPECT OF
(1) CHANGE IN BOARD LOT SIZE;
(2) PROPOSED RIGHTS ISSUE ON THE BASIS OF
THREE RIGHTS SHARES FOR EVERY ONE SHARE HELD
ON THE RECORD DATE WITH BONUS WARRANTS ON THE BASIS OF
ONE BONUS WARRANT FOR EVERY FIVE RIGHTS SHARES TAKEN
UP UNDER THE RIGHTS ISSUE;
(3) APPLICATION FOR WHITEWASH WAIVER;
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

Pursuant to Rule 8.2 of the Takeovers Code, the Circular should be sent to the Independent Shareholders by the Company on or before 9 May 2011. As additional time is required to finalise the information to be included in the Circular, including the letter from the Independent Financial Adviser, the Company has applied to the Executive for its consent to extend the date of despatch of the Circular to no later than 20 May 2011 and the Executive has indicated that it is minded to grant such consent.

As such, the timetable for the Rights Issue as set out in the Announcement may be revised. Further announcement for the revised timetable of the Rights Issue will be made by the Company as soon as practicable.

Reference is made to the announcement dated 18 April 2011 issued by China Star Entertainment Limited (the “Company”) in connection with, among other matters, the Rights Issue (the “Announcement”). All capitalised terms used herein shall, unless otherwise defined, have the same meanings as those defined in the Announcement.

DELAY IN DESPATCH OF CIRCULAR

Pursuant to Rule 8.2 of the Takeovers Code, the circular in connection with the Rights Issue on the basis of three Rights Shares for every one Shares held on the Record Date with Bonus Warrants on the basis of one Bonus Warrant for every five Rights Shares taken up under the Rights Issue, the application for Whitewash Waiver, change in board lot size and the notice of the SGM (the “Circular”) should be sent to the Independent Shareholders by the Company, on or before 9 May 2011.

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As such, the timetable for the Rights Issue as set out in the Announcement may be revised. Further announcement for the revised timetable of the Rights Issue will be made by the Company as soon as practicable.

By Order of the Board
China Star Entertainment Limited
Heung Wah Keung
Chairman

Hong Kong, 9 May 2011

As at the date of this announcement, the executive Directors are Mr. Heung Wah Keung, Ms..Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; the independent non-executive Directors are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Leung Hok Man..

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any such statement contained in this announcement misleading.