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NewOcean Energy Holdings Limited

(新海能源集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 342)

Website: <http://www.newoceanhk.com>

ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES AND CLARIFICATION ON CERTAIN PRESS ARTICLES

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Directors wish to provide an up-date on the progress of: (i) the Proposed TDR Listing following the entering into the Service Agreement by the Company and (ii) the proposed Acquisition under the Letter of Intent.

The Directors also noted certain articles disseminated through the printed and electronic media in Taiwan and Hong Kong in which references were made to statements alleged to be made by the Company on the Proposed TDR Listing and the proposed Acquisition, and wish to clarify certain of these statements.

It should be noted by Shareholders and potential investors of the Company that the Proposed TDR Listing will be subject to the approval of the Taiwan Stock Exchange and other relevant authorities, and thus the Proposed TDR Listing may or may not occur. It should also be noted that no legally binding agreement has been made in respect of the Letter of Intent, and depending on negotiations on the detailed terms and conditions, the proposed transactions under the Letter of Intent may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

* *for identification purpose only*

This announcement is made by NewOcean Energy Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to (i) the Company’s announcement dated 27 September 2010 (the “**September Announcement**”) relating to the Company’s entering into the Service Agreement pursuant to which the Company has engaged Polaris for the Service in relation to the Proposed TDR Listing; and (ii) the Company’s announcement dated 3 June 2010 (the “**June Announcement**” and together with the September Announcement, the “**Announcements**”) relating to the Company’s entering in the Letter of Intent with the Vendors in relation to the Acquisition. Terms used in this Announcement shall, unless the context requires otherwise, have the same meanings as defined in the Announcements.

The board (the “**Board**”) of directors (“**Director**”) of the Company wishes to provide an up-date of the progress of the Proposed TDR Listing and the Acquisition. The Directors also noted certain articles (the “**Articles**”) disseminated through the printed and electronic media in Taiwan and Hong Kong in which references were made to statements alleged to be made by the Company on the Proposed TDR Listing and the Acquisition, and wish to clarify certain of these statements.

THE PROPOSED TDR LISTING

Following the entering into of the Service Agreement, the Company provided to Polaris, on a confidential basis and subject to the terms of a confidentiality agreement entered into between the Company and Polaris, certain information relating to the Company and its issued share capital for advice and assessment relating to the Proposed TDR Listing. Through the referral of Polaris, the Company has also made a courtesy visit to the Taiwan Stock Exchange to explore the idea of issuing TDR. Whilst the Directors so far do not foresee any particular regulatory obstacle for the Proposed TDR Listing, the advisory and consultation process is still on-going and the Company is still studying the recommendations provided by the relevant professional advisers on the action plan for the Proposed TDR Listing.

THE ACQUISITION

As announced in the June Announcement, the Acquisition will involve the conditional acquisition of the entire registered capital of Lianxin Energy and two related business arrangements between the Group and the Vendors, namely, arrangements relating to the provision of funds by the Group to restructure the borrowings of Lianxin Energy, and arrangements whereby the management rights and obligations of Lianxin Energy will be transferred from the Vendors to the Group after a transitional period of one year.

Due to the high business turnover of Lianxin Energy as disclosed in the June Announcement and the large number of LPG filling stations operated by Lianxin Energy, various proposals relating to the legal structure of the conditional acquisition and the related business arrangements have been put forward and arms length negotiations were conducted on each of these proposals. After reviewing the various proposals, the parties have come to a preliminary understanding on the basic legal structure of the Acquisition. However, other terms and conditions are still under negotiation and no binding agreement has yet been entered into by the Company and the relevant parties.

CLARIFICATION OF THE ARTICLES

The Articles contained certain statements made by the Company on the raising of approximately US\$30 million to US\$40 million (approximately HK\$234 million to HK\$312 million) by way of issuing TDR by the first quarter of 2011. The Board wishes to clarify that, while it presently does not foresee any particular regulatory obstacle for the Proposed TDR Listing, and the size of the TDR issue contained in the Articles is within the range of the recommendations relating to the Proposed TDR Listing, the Company has neither made any final decision in this regard nor announced any such decision. The Company will only make a final decision on the issue size of TDR after consultation with Polaris and taking into consideration the prevailing market conditions and other relevant factors at the time of the TDR issue.

In addition, the Articles contained certain statements made at interviews by an executive director of the Company (the “**Executive Director**”), as referred to in certain of the Articles on the likelihood of an announcement being made shortly by the Company on the details of the Acquisition and on funding, in part, of the Acquisition to be provided by proceeds from the Proposed TDR Listing. The Board wishes to confirm that, as negotiations between the Company and the relevant parties on the Acquisition had been on-going for about four months, subject to the agreement on certain terms and conditions, it is likely that an announcement will be made by the Company shortly on details of the Acquisition.

Considering the high business turnover of Lianxin Energy and its large number of LPG filling stations, the Company is exploring all possible channels of funding for the Acquisition including the Proposed TDR Listing. The Executive Director confirmed that during the interviews, he had explained that funding part of the Acquisition was a possible use of proceeds of the Proposed TDR Listing.

Certain of the Articles also contained a statement alleged to have been made by the Executive Director on an additional profit of RMB120 million to the Company arising from the Acquisition. In this regard, the Executive Director confirmed that during the interviews, he had explained the possible structure of the Acquisition as disclosed in the June Announcement. However, the Executive Director had not mentioned any specific profit figure during the interviews and thus the Board is unaware of the basis of the statement contained in the Articles.

The Board will further update the Shareholders and the investing public from time to time on any major development of the Proposed TDR Listing and the Acquisition. **It should be noted by Shareholders and potential investors of the Company that the Proposed TDR Listing will be subject to the approval of the Taiwan Stock Exchange and other relevant authorities, and thus the Proposed TDR Listing may or may not occur. It should also be noted that no legally binding agreement has been made in respect of the Letter of Intent, and depending on negotiations on the detailed terms and condition, the proposed transactions under the Letter of Intent may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board
NewOcean Energy Holdings Limited
Shum Siu Hung
Chairman

Hong Kong, 11 October, 2010

At the date of this announcement, the Board comprises Mr. Shum Siu Hung, Mr. Shum Chun, Lawrence, Mr. Cen Ziniu, Mr. Chiu Sing Chung, Raymond, Mr. Cai Xikun, Mr. Siu Ka Fai, Brian and Mr. Wang Jian, being the executive directors, Mr. Cheung Kwan Hung, Anthony, Mr. Chan Yuk Wai, Benedict and Dr. Xu Mingshe, being the independent non-executive directors.