

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Ming Kei Energy Holdings Limited

明基能源控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE DISPOSAL OF 51% EQUITY INTERESTS IN STAR FORTUNE INTERNATIONAL INVESTMENT COMPANY LIMITED

Financial adviser to the Company



INCUBUS CORPORATE FINANCE LIMITED

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board announces that the Vendor, an indirect wholly-owned subsidiary of the Company has, after trading hours on 13 March 2009, entered into the MOU with the Purchaser in relation to the Possible Disposal. Under the MOU, the Group intends to dispose of and the Purchaser intends to acquire 51% equity interests in the Target Company.

Pursuant to the MOU, the Purchaser shall deposit a sum of HK\$2 million as earnest money into to an escrow account with an escrow agent upon the execution of the MOU.

The Board wishes to emphasize that the Possible Disposal may or may not materialise. If the Formal Agreement is entered into, it is expected that the Possible Disposal will constitute a notifiable transaction on the part of the Company pursuant to the GEM Listing Rules. Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Disposal will be made by the Company in the event any Formal Agreement has been signed.

* For identification purposes only

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board announces that the Vendor, an indirect wholly-owned subsidiary of the Company has, after trading hours on 13 March 2009, entered into the MOU with the Purchaser in relation to the Possible Disposal.

THE MOU

Date: 13 March 2009

Parties:

(i) Vendor:

Star Fortune International Development Company Limited (星力富鑫國際發展有限公司), an indirect wholly-owned subsidiary of the Company; and

(ii) Purchaser:

Lasting Power Investments Limited (力恒投資有限公司), a wholly-owned subsidiary of Artfield Group Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1229)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser, Artfield Group Limited, and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Major terms of the MOU

Under the MOU, the Group intends to dispose of and the Purchaser intends to acquire 51% equity interests in the Target Company.

The Purchaser will commence a due diligence review and analysis of the Target Group and the Coal Mines as soon as practicable after the execution the MOU.

Under the MOU, it is also agreed that neither the Company nor the Vendor nor any of their holding companies or affiliates or related entities will, within the Exclusivity Period, negotiate with any party other than the Purchaser or its affiliates for the Possible Disposal.

Under the MOU, it is also agreed that the Purchaser and the Vendor shall negotiate in good faith towards each other and enter into a shareholders' agreement, which shall be in form and substance to the reasonable satisfaction of the Vendor and the Purchaser, relating to the organization and governance of the Target Group upon completion of the Possible Disposal.

Earnest Money

Pursuant to the MOU, the Purchaser shall deposit HK\$2 million as earnest money into an escrow account with an escrow agent upon the execution of the MOU.

In case a Formal Agreement for the Possible Disposal is entered into between the parties to the MOU, the Earnest Money shall be applied as a deposit to settle part of the consideration for the Possible Disposal in accordance with the terms and conditions of the Formal Agreement.

If the Purchaser decides not to proceed further on the Possible Disposal on or before the expiry of the Exclusivity Period, the escrow agent shall return the Earnest Money to the Purchaser with interest.

The consideration for the Possible Disposal (including the method of payment) shall be subject to further negotiation between the parties and the due diligence to be conducted by the Purchaser on the Target Group.

Save for the provisions relating to the Earnest Money, exclusivity, confidentiality, costs and expenses, counterpart execution, amendment, termination and the governing laws of the MOU, other terms of the MOU are not legally binding and do not create any legal obligation on the parties to the MOU. The Possible Disposal will be subject to the execution and completion of the Formal Agreement.

The MOU shall be terminated and be of no force and effect on the earlier of (i) the execution date of the Formal Agreement; or (ii) the lapse of a period of three (3) months from the date of the MOU; or (iii) any other date as the parties to the MOU may agree in writing.

Information of the Target Group

The Target Company is a company incorporated in the British Virgin Islands and is principally engaged in investment holding. Its subsidiaries are engaging in mining, sale and distribution of coals in the PRC.

The Target Company, through its wholly-owned subsidiaries, beneficially owned the entire interests in the mining rights (採礦許可證) granted by the relevant PRC authorities to conduct mining activities in the Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and the exploration permit (礦產資源勘查許可証) granted by the relevant PRC authorities to conduct exploration activities in the Zexu Open Pit Coal Mine (澤旭露天煤礦). The Coal Mines are open pit coal mines and situated at Bei Ta Mountain (北塔山), Qi Tai County (奇台縣), Xinjiang Uygur Autonomous Region (新疆維吾爾自治區).

As at the date of this announcement, the Target Company directly holds 100% equity interests in Ming Kei Kai Yuan Investment Company Limited, a limited company incorporated in Hong Kong, which in turn holds 100% equity interests in Mulei County Kai Yuan Company Limited (木壘縣凱源煤炭有限責任公司), which in turn holds 100% equity interests in Qitai County Zexu Trading Company Limited (奇台縣澤旭商貿有限責任公司).

The Board wishes to emphasize that the Possible Disposal may or may not materialise. If the Formal Agreement is entered into, it is expected that the Possible Disposal will constitute a notifiable transaction on the part of the Company pursuant to the GEM Listing Rules. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Disposal will be made by the Company in the event any Formal Agreement has been signed.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors from time to time
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong for general banking business
“Coal Mines”	Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and Zexu Open Pit Coal Mine (澤旭露天煤礦)
“Company”	Ming Kei Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM
“connected persons”	has the meaning ascribed to it in the GEM Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Earnest Money”	HK\$2,000,000, being the refundable deposit paid by the Purchaser under the MOU for the Possible Disposal
“Exclusivity Period”	the period from the date of the MOU to the date falling three (3) months from the date of the MOU agreed by the Purchaser and the Vendor, which the Vendor and the Company will not negotiate with any other party for the Possible Disposal
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Disposal
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“MOU”	the memorandum of understanding dated 13 March 2009 entered into between the Purchaser and the Vendor setting out the preliminary understanding in relation to the Possible Disposal
“Possible Disposal”	the possible disposal by the Group to the Purchaser of 51% equity interests in the Target Company
“PRC”	the People’s Republic of China, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Lasting Power Investments Limited (力恒投資有限公司), a wholly-owned subsidiary of Artfield Group Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1229)
“Shareholders”	holders of the Shares of the Company from time to time
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Star Fortune International Investment Company Limited (星力富鑫國際投資有限公司), a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Target Group”	together, the Target Company, Ming Kei Kai Yuan Investment Company Limited, Mulei County Kai Yuan Company Limited and Qitai County Zexu Trading Company Limited
“Vendor”	Star Fortune International Development Company Limited (星力富鑫國際發展有限公司) a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“%”	per cent
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
Ming Kei Energy Holdings Limited
Mr. Tsang Ho Ka, Eugene
Chief Executive Officer and Executive Director

Hong Kong, 13 March 2009

As at the date of this announcement, the executive Directors are Ms. Yick Mi Ching Dawnibilly, Mr. Tsang Ho Ka, Eugene, Mr. Wong Wai Sing and Mr. Luk Yue Kan, and the independent non-executive Directors are Mr. Fung Ho Yin, Mr. Sung Wai Tak, Herman, and Mr. Chung Ho Tung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting and the Company’s website at www.mingkeienergy.com.