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## **CHINA STAR ENTERTAINMENT LIMITED**

*(Incorporated in Bermuda with limited liabilities)*

(Stock Code: 326)

(Warrant Code: 972)

### **ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES AND RESUMPTION OF TRADING**

This announcement is made pursuant to the Rule 13.09 of the Rules governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board”) of China Star Entertainment Limited (the “Company”) has noted the increases in the price and trading volume of the shares (the “Shares”) of the Company today.

The Board would like to inform the shareholders of the Company that the Company is under a preliminary negotiation regarding a possible fund raising exercise. As announced by the Company on 7 January 2011, the Company has entered into a conditional agreement with Sociedade de Turismo e Diversões de Macau, S.A. in relation to the proposed acquisition of the property leasehold right in respect of the leasehold granted by the Macau Government over Lot 6B, Lot 6C, Lot 6D and Lot 6E, located in Macau at Zona de Aterros do Porto Exterior (ZAPE) (the “Sites”). The Company intends to develop the Sites into office units and residential apartment for sale. The net proceeds from the fund raising exercise, if proceeds, are intended to fund the building and construction costs of the Sites and/or for general working capital purposes. As at the date of this announcement, the Company has not entered into any legally binding agreements or contracts relating to the possible fund raising exercise.

Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

**Shareholders of the Company and potential investors should note that the possible fund raising exercise is still under preliminary negotiation and may or may not proceed. Accordingly, shareholders of the Company and potential investors should exercise caution when dealings in the Shares and warrants of the Company.**

### **Suspension and Resumption of Trading**

Trading in the Shares and warrants of the Company on The Stock Exchange of Hong Kong Limited was suspended at the request of the Company with effect from 2:47 p.m. on 18 March 2011 pending the release of this announcement. The Company has applied for a resumption of trading in the Shares and warrants of the Company with effect from 9:00 a.m. on 21 March 2011.

This announcement is made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of the contents contained herein.

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

Hong Kong, 18 March 2011

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