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*Smart Union*

## SMART UNION GROUP (HOLDINGS) LIMITED

合俊集團(控股)有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2700)**

### EXTENSION OF TIME FOR UNDERTAKINGS AND UPDATES ON THE MINE

As additional time is required for Tiancheng to obtain the mining licence for mining of the Mine, after arm's length negotiations, it is agreed among the Purchaser, the Target and the Vendor that the time for fulfillment of the Vendor's Undertakings and the Target's Undertakings is extended to 31 August 2008 (or such other date as may be agreed in writing between the parties thereto).

Save for the obtaining of the mining licence, all other Vendor's Undertakings and Target's Undertakings have been fulfilled. After consulting with its PRC legal advisers, the Company is informed that there is no legal difficulty for Tiancheng to obtain the mining licence.

The Board is also pleased to announce that on 29 April 2008, Tiancheng has entered into the LOI with Zijin regarding the development of the Mine. Pursuant to the LOI, Tiancheng will engage Zijin on an exclusive basis for conducting ore-dressing test and research of extracting valuable elements from the deposit of the Mine.

Reference is made to the announcement and the circular (the "**Circular**") of the Company dated 26 October 2007 and 10 December 2007 respectively in relation to, among other matters, the major transaction on the part of the Company in relation to the Acquisition. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Circular.

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The Board is also pleased to announce that on 29 April 2008, Tiancheng has entered into a letter of intention (the “**LOI**”) with Xiamen Zijin Mining & Metallurgy Technology Company Limited (“**Zijin**”), to the best of the Directors’ knowledge, an entity within the R&D system of Zijin Mining Group Co., Ltd., a company engage in exploration, mining, production, refining and sale of gold and other mineral resources in the PRC and listed on Stock Exchange (Stock code: 2899), regarding the development of the Mine. Pursuant to the LOI, Tiancheng had initially ascertained that placer deposit of major gold associated with silver and molybdenum and major silver associated with gold and molybdenum occurred in three mineral sites which covers approximately 1.5 square kilometers. Tiancheng will engage Zijin on an exclusive basis for conducting ore-dressing test and research of extracting valuable elements from the deposit of the Mine. Zijin will make an initial visit of three mineral sites on May 2008 and will submit letter of recommendation on ore dressing to Tiancheng within five working days after the visit. Ore dressing is a principal process in mining and involving the separation of valuable minerals from each other for further process.

By order of the Board  
**Smart Union Group (Holdings) Limited**  
**Wu Kam Bun**  
*Chairman*

Hong Kong, 2 May 2008

*As at the date of this announcement, the Board comprises of five executive Directors: Mr. Wu Kam Bun, Mr. Lai Chiu Tai, Mr. Lo Kwok Choi, Mr. Ho Wai Wah and Mr. Wong Wai Chuen; and three independent non-executive Directors: Dr. Lui Sun Wing, Mr. Li Chak Hung and Mr. Tang Koon Yiu, Thomas.*