INFO COMMUNICATION HOLDINGS LIMITED
訊 通 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8082)

(1) VERY SUBSTANTIAL ACQUISITION INVOLVING ACQUISITION OF MINING INTERESTS; (2) EXEMPT CONNECTED TRANSACTION INVOLVING THE PROVISION OF FINANCIAL ASSISTANCE BY A CONNECTED PERSON; (3) PROPOSED ISSUE OF SENIOR CONVERTIBLE BONDS INVOLVING CONNECTED TRANSACTION; (4) AMENDMENT TO ARTICLES OF ASSOCIATION; (5) GRANT OF OPTIONS; AND (6) RESUMPTION OF TRADING

Financial Adviser to the Company

CLSA Equity Capital Markets Limited

VERY SUBSTANTIAL ACQUISITION

On 18 April 2008, the Purchaser, being a wholly-owned subsidiary of the Company and the Warrantors entered into the Agreement pursuant to which: (i) the Purchaser has agreed to acquire and the Vendor has agreed to dispose of the Sale Shares at the Sale Consideration; and (ii) the Purchaser has agreed to subscribe for and the Target has agreed to allot and issue the Subscription Shares at the Subscription Consideration. The Acquisition and the Subscription are conditional upon each other.

The Sale Consideration of RMB415,000,000 (equivalent to HK$460,599,334 at an agreed exchange rate of HK$1:RMB0.901) will be settled by the Purchaser procuring the Company to allot and issue the Preferred Shares to the Vendor credited as fully paid, at the Issue Price at Completion. The Preferred Shares are convertible into the Vendor's Conversion Shares.

It is one of the conditions precedent to the Completion that a new class of Preferred Shares will be created and the existing authorised share capital of the Company of HK$20,000,000 divided into 2,000,000,000 Shares will be increased to HK$180,000,000 reclassified into Shares of HK$150,000,000 divided into 15,000,000,000 Shares of HK$0.01 each and Preferred Shares of HK$30,000,000 divided into 3,000,000,000 Preferred Shares of HK$0.01 each. The Preferred Share Class Creation is subject to the passing by the Shareholders of a special resolution at the EGM according to the Company's articles of association.

The Subscription Consideration of RMB500,000,000 shall be settled by the Purchaser in the following manner: (i) US$20,000,000 (equivalent to RMB140,000,000 at an agreed exchange rate of US$1:RMB7), being the deposit and part payment for the Subscription Consideration, shall be paid by the Purchaser to the Target on the next Business Day after the signing of the Agreement; and (ii) the remaining RMB360,000,000 shall be paid by the Purchaser to the Target on Completion. The Deposit has been duly paid as at the date of this announcement.

The Acquisition and the Subscription constitute a very substantial acquisition on the part of the Company under Chapter 19 of the GEM Listing Rules. Accordingly, the Agreement and the transactions contemplated thereunder are subject to the approval of the Shareholders at the EGM. Since completion of the Agreement is conditional upon, among others, completion of the Fund Raising Exercise, which will include the issue of the Senior Convertible Bonds to, among others, Linden, Linden may be regarded as having a material interest in the Agreement. Therefore, Linden and its associates (including TLX, which is owned as to 50% by Linden Capital L. P., the holding company of Linden) will abstain from voting on the resolution to approve the Agreement and the transactions contemplated thereunder.

EXEMPT CONNECTED TRANSACTION INVOLVING THE PROVISION OF FINANCIAL ASSISTANCE BY A CONNECTED PERSON

The Purchaser on 18 April 2008 entered into the Loan Agreement with Linden pursuant to which Linden agreed to make available to the Purchaser a loan facility in the principal sum of US$12,500,000 for a term of 3 months, which may be extended to 4 months subject to the agreement between the parties thereto, at an interest rate of 6% per annum. The proceeds of the Loan shall be used solely as to finance the acquisition of the entire share capital of the Target. Upon completion of the Reorganisation, the Target will indirectly hold the entire equity interests in Coal Mine No. 1 and Coal Mine No. 2. Immediately upon the issue of the Senior Convertible Bonds or immediately upon the completion of the sale and purchase under the Agreement or immediately upon the termination of the Agreement (whichever is the earliest), the Purchaser must repay the Loan and pay all accrued interest in full. The Company executed a guarantee on 18 April 2008 in favour of Linden in respect of the Purchaser's obligation under the Loan Agreement, which obligation is guaranteed by the Company up to such liability under the Loan Agreement but excluding the Excluded Assets. Since the Loan provided by Linden is on normal commercial terms and no security over the assets of the Group is granted in respect of the Loan, such financial assistance is exempted from reporting, announcement and independent shareholders' approval requirements of Chapter 20 of the GEM Listing Rules pursuant to Rule 20.65(4) of the GEM Listing Rules.

PROPOSED ISSUE OF SENIOR CONVERTIBLE BONDS INVOLVING CONNECTED TRANSACTION

As part of the Fund Raising Exercise, the Company will issue the Senior Convertible Bonds up to HK$572 million (equivalent to approximately RMB515 million) to (1) Linden or its affiliates as to approximately 40% of the total issue, (2) China Merchants or its affiliates as to approximately 20% of the total issue, and (3) investor(s) to be determined by CLSA, which has been appointed as placing agent (on a best efforts basis) for the Company, as to the remainder (i.e. 40%) of the total issue. The Company has entered into a non-binding term sheet with Linden and China Merchants which sets out the indicative terms of the Senior Convertible Bonds. Specific mandate for the allotment and issue of the Senior CB Conversion Shares will be sought from the Shareholders at the EGM. Since Linden's holding company, Linden Capital L. P. holds 50% interest of TLX, a substantial shareholder of the Company, in the event that a binding subscription agreement is entered into between the Company and Linden, the issue of the Senior Convertible Bonds to Linden will constitute a connected transaction involving a consideration of over HK$10,000,000. Accordingly, the connected transaction will be subject to reporting, announcement and independent shareholders' approval at the EGM to be convened. TLX and its associates are required be abstained from voting on the resolution in relation to the issue of the Senior Convertible Bonds. An independent board committee comprising the independent non-executive Directors will be formed to advise the Independent Shareholders in respect of the connected transaction. The Company will appoint an independent financial adviser to advise an independent board committee to the Board to be formed and Independent Shareholders on the fairness and reasonableness of the terms of the connected transaction. As at the date of this announcement, no binding agreement has been reached between the Company and the Investors or the Placing Agent in relation to the issue and the terms of the Senior Convertible Bonds and the Company will make further announcement on this possible connected transaction if there is any new development in relation thereto.

GRANT OF OPTIONS IN RELATION TO PROFIT GUARANTEE AND SERVICE AGREEMENTS

As incentive for the Vendor to meet the Profit Guarantee, it is a term of the Agreement that the Purchaser shall procure the Company to grant to the Vendor the Vendor's Options at Completion. The exercise of the subscription rights attached to the Vendor's Options is conditional upon the fulfillment of the Profit Guarantee by the Vendor.

On 26 May 2008, the Company has entered into the Service Agreement I and Service Agreement II with each of Finder 1 and Finder 2 respectively, pursuant to which the Company agrees to appoint Finder 1 and Finder 2 as its agents in consideration of each of them having successfully introduced to the Company the business opportunities as contemplated under the Agreement and for procuring the completion of the Agreement in accordance with the terms and conditions therein. As remuneration for the services rendered and to be rendered under the Service Agreement I and Service Agreement II, the Company will grant the Finder 1's Options to Finder 1 and the Finder 2's Options to Finder 2.

The grant of the Vendor's Options, Finder 1's Options and Finder 2's Options will be subject to, among others, approval by the Stock Exchange and by the Shareholders at the EGM.

GENERAL

A circular containing, among other matters, further details of the Acquisition, the Subscription, the Agreement and the transactions contemplated thereby (including the grant of the Vendor's Options), and the indicative terms and conditions of the Senior Convertible Bonds and a notice to convene the EGM, will be despatched to the Shareholders in compliance with the GEM Listing Rules.

The completion of the Acquisition is conditional upon, amongst other things, the completion of the Fund Raising Exercise which includes the issue of the Senior Convertible Bonds. The issue of the Senior Convertible Bonds may or may not proceed. In the meantime, investors and shareholders are advised to exercise extreme caution when dealing in the Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 21 April 2008 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in Shares with effect from 9:30 a.m. on 28 May 2008.

THE AGREEMENT

Date: 18 April 2008

Parties:

Purchaser: Billion Station Limited, a wholly-owned subsidiary of the Company

Vendor: Mr. Zhao Ming

Target: Triumph Fund A Limited

Warrantors: the Target, the Vendor, WFOE and Puhua

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Warrantors and their respective ultimate beneficial owners are Independent Third Parties and are third parties independent of TLX, Mr. Wong, Ms. Zhang and their respective associates.

The Vendor is a merchant. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Vendor and his associates did not hold any Shares or other securities in the Company.

The Target is a company incorporated in the Cayman Islands on 23 June 2006 and is principally engaged in investment holdings. Subject to the Share Mortgage, the Target is wholly and beneficially owned by the Vendor.

The Purchaser, being a wholly owned subsidiary of the Company, is an investment holding company incorporated in the British Virgin Islands.

The WFOE is a wholly owned subsidiary of the Target. Upon completion of the Reorganisation, Puhua will be owned as to 99% of its equity interests by the WFOE and the entire equity interests of Hengtai will be wholly and beneficially owned by Puhua. Under the Agreement, the Warrantors have agreed to give representations and warranties relating to the assets, liabilities, operations and affairs of the Target Group in favour of the Purchaser.

There was no previous transaction between the Company and each of the Warrantors prior to the entering into of the Agreement.

Assets to be acquired

Pursuant to the Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of the Sale Shares, being the entire issued share capital of the Target at the Sale Consideration.

Pursuant to the Agreement, the Purchaser has also conditionally agreed to subscribe and the Target has conditionally agreed to allot and issue the Subscription Shares at the Subscription Consideration.

The Acquisition and the Subscription are conditional upon each other and those conditions precedent have been set out in the paragraph headed "Conditions Precedents".

Immediately following Completion, the Purchaser will hold the entire issued share capital of the Target as enlarged by the allotment and issue of the Subscription Shares. Please refer to the section headed "INFORMATION ABOUT THE TARGET GROUP".

Upon Completion, the financial results of the Target Group will be consolidated into that of the Group.

Consideration

The Sale Consideration of RMB415,000,000 (equivalent to HK$460,599,334 at an agreed exchange rate of HK$1:RMB0.901) will be settled by the Purchaser procuring the Company to allot and issue the Preferred Shares to the Vendor credited as fully paid, at the Issue Price at Completion.

The Preferred Shares are convertible into the Vendor's Conversion Shares.

Further details of the Preferred Shares are set out in the section headed "Principal terms of the Preferred Shares" below in this announcement.

The Subscription Consideration of RMB500,000,000 shall be settled by the Purchaser in the following manner: (i) US$20,000,000 (equivalent to RMB140,000,000 at an agreed exchange rate of US$1:RMB7), being the deposit for the Subscription Consideration shall be paid by the Purchaser to the Target on the following Business Day after the signing of the Agreement and the Deposit has been duly paid; and (ii) the remaining RMB360,000,000 shall be paid by the Purchaser to the Target on Completion which shall be settled in aggregate of US$ or HK$ equivalence at the relevant middle price of the exchange rate published by the People's Bank of China on Completion Date. The Deposit has been duly paid as at the date of this announcement.

The Consideration was agreed between the Vendor and the Purchaser after arm's length negotiations taking into account:

(i) the Acquisition and the Subscription will provide an opportunity for the Group to gain access to the coal market in the PRC and broaden the income base of the Group, thereby enhancing its future financial position and profitability;

(ii) the continuous growth in the demand for and market price of coal in recent years;

(iii) the Profit Guarantee and a price earnings ratio of approximately 2.815 times to the 2009 Guaranteed Profit. The Directors consider such price earnings ratio to be fair and reasonable. In particular, the Directors note that such price earnings ratio is within or even less than the range of the 2009 price earnings ratio of companies engaged in mining business and listed on GEM and the main board of the Stock Exchange; and

(iv) the estimated coal resources of Coal Mine No. 1 and Coal Mine No. 2 of approximately 190,320,000 tonnes and the estimated aggregate recoverable reserves of Coal Mine No. 1 and Coal Mine No. 2 of approximately 68,880,000 and 100,800,000 tonnes as appraised by John T. Boyd Company in January 2008 and the Ministry of Land and Resources Confirmation on Appraisement of the Mining Rights in June 2005 as mentioned in the section headed "Nianpanliang Project and the Coal Mines" in this announcement below.

The Directors (including the independent non-executive Directors) consider that the Consideration is fair and reasonable and is in the interest of the Company and the Shareholders as a whole.

Subject to fulfillment of all conditions of the completion of the Acquisition Agreement A and acquisition of not less than 51% interest in Hengtai by Puhua in accordance with the terms of the Acquisition Agreement B, the Target will use the Deposit to (a) settle the purchase price of Puhua by the WFOE pursuant to the Acquisition Agreement A; and (b) increase the registered capital of Puhua by RMB113,603,000 (approximately HK$126,085,461) (as appropriate) and thereafter repay the debts owed by Puhua in the amount of RMB113,603,000 (approximately HK$126,085,461) (as appropriate).

In the event that Completion does not take place in accordance with the Agreement, the Deposit and all accrued interest at an interest rate of 6% per annum will be refunded to the Purchaser, regardless whether the Deposit has been used in the manner described in the preceding paragraph.

Pursuant to the Agreement against the payment by the Purchaser of the Deposit and as security for the refund of the Deposit, the Vendor has created the Share Mortgage in favour of the Purchaser pursuant to which the Vendor has created a first fixed legal mortgage over the entire issued share capital of the Target in issue in favour of the Purchaser.

Under the Agreement, the Vendor has also agreed to guarantee the refund of the Deposit together with interest accruing at 6% per annum by the Target to the Purchaser, and to procure the due and punctual performance by the Target of all its obligations under the Agreement. The Vendor will indemnify the Purchaser against all liabilities, losses, damages, costs and expenses which the Purchaser may suffer or incur in connection with any default or delay in performing the obligations under the Agreement by the Vendor.

Conditions precedent

Completion is subject to the satisfaction of the following conditions:

(i) the Purchaser being satisfied with the results of the due diligence review to be conducted over the assets, liabilities, operation and affairs of the Target Group;

(ii) all necessary governmental and other consents and approvals required to be obtained on the part of the Vendor, the Target, the Warrantors and the Purchaser in respect of the Agreement, the Acquisition Agreement A and Acquisition Agreement B and the transactions contemplated thereby (including the Reorganisation) having been obtained, including but not limited to the approval from the necessary PRC authorities;

(iii) the passing by the shareholders of the Company or independent shareholders of the Company, if so required under the applicable GEM Listing Rules, at the EGM to be convened and held of the resolutions to approve the Agreement and the transactions contemplated thereby, including but not limited to (1) the allotment and issue of the Preferred Shares to the Vendor or its nominees at the Issue Price credited as fully paid; (2) the issue of the Senior Convertible Bonds to the Investors; and (3) the increase of the authorised share capital of the Company to HK$180,000,000 by the creation of an additional 13,000,000,000 Shares and an additional 3,000,000,000 Preferred Shares; and (4) the grant of the Vendor's Options;

(iv) the passing by the shareholders of the Company or independent shareholders of the Company, if so required under the applicable GEM Listing Rules, at the EGM to be convened and held of a special resolution to approve the amendments to the Articles of Association to approve the Preferred Shares Creation;

(v) the obtaining of a PRC legal opinion (in form and substance satisfactory to the Purchaser) from a firm of PRC legal advisers appointed by the Purchaser in relation to the Agreement and the transactions contemplated thereby, including but not limited to the due completion of the Reorganisation and such other matters as may be reasonably required in relation to the Target Group;

(vi) the obtaining of a valuation report (in form and substance satisfactory to the Purchaser) from a valuer appointed by the Purchaser and showing the value of the WFOE, Puhua and Hengtai to be not less than HK$1,109,987,913 (equivalent to RMB1,000,000,000 at an exchange rate of HK$1:RMB0.901);

(vii) the warranties in relation to the asset, liabilities, operation and affairs of the Target Group and given by the Warrantors under the Agreement remaining true and accurate in all respects at the time of signing of the Agreement and up to Completion;

(viii) the GEM Listing Committee of the Stock Exchange granting listing of and permission to deal in the Vendor Conversion Shares; the Senior CB Conversion Shares; and the Vendor's Options Shares;

(ix) execution of the Acquisition Agreement A and the Acquisition Agreement B and completion of the Reorganisation to the satisfaction of the Purchaser;

(x) the obtaining of a technical report prepared by an independent technical personnel appointed by the Purchaser (in form and substance satisfactory to the Purchaser and the Vendor) in relation to the WFOE, Puhua and Hengtai;

(xi) the completion of the Fund Raising Exercise including the issue of the Senior Convertible Bonds;

(xii) the obtaining of a Cayman Islands legal opinion (in form and substance satisfactory to the Purchaser) from a firm of Cayman Islands legal advisers appointed by the Purchaser in relation to the Agreement and the transactions contemplated hereby;

(xiii) the execution and delivery of, amongst other things, the duly executed Share Mortgage by the Vendor to the Purchaser against the payment by the Purchaser of the Deposit;

(xiv) the passing by the shareholders of the Target at an extraordinary general meeting of the Target to be convened and held of an ordinary resolution to approve an increase of authorized capital of and in the Target to US$200,000 by the creation of an additional 150,000 shares of US$1.00 each;

(xv) no material adverse change in the financial or trading position or prospect of the business or assets of the Target Group arising in the period from 31 March 2008 to the Completion Date;

(xvi) Vendor's resignation from all positions or offices he holds at Puda Coal Inc., a company incorporated in the State of Florida of the United States of America including but not limited to chief executive officer and director of Puda Coal Inc.;

(xvii) Vendor's disposal of all his interest, whether directly or indirectly held, in Puda Coal Inc., to a third party independent of the Vendor; and

(xviii) repayment of such liabilities due by Hengtai to Zhang Hongliang and Baotou Hengtong Group Co., in accordance with the Acquisition Agreement B to the Purchaser's satisfaction.

In the event that the above conditions are not fulfilled on or before 4:00 p.m. on the 120th day after the date of the Agreement provided that such 120th day is a Business Day, failing which the immediate next Business Day after such 120th day (i.e. 18 August 2008) or such later date as the parties to the Agreement may agree, the Agreement shall cease and determine and the Target shall forthwith after such cessation and determination, refund the Deposit together with interest at 6% per annum accrued thereon, the Purchaser and thereafter neither party shall have any obligations towards each other. The above conditions are incapable of being waived.

The Directors confirm that as at the date of this announcement, save the execution of the Acquisition Agreement B and the Share Mortgage, none of the above conditions have been fulfilled.

As at the date of this announcement, the Vendor is the chief executive officer and a director of Puda Coal Inc., a company incorporated in the State of Florida of the United States of America and whose common stocks are traded in the OTC Bulletin Board. The Vendor beneficially owns 53,100,000 common stock of Puda Coal Inc., representing approximately 50.5% of the entire issued share capital of Puda Coal Inc. As at the date of this announcement, Puda Coal Inc. is not interested in any of the capital or equity interest of any members of the Target Group. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Puda Coal Inc. is an Independent Third Party.

It is the intention of the Company that the Vendor will devote most of his time and attention in operating the coal mine business of the Target Group after the Completion. Therefore, it is agreed that as conditions precedent to the Acquisition, the Vendor is required to resign from all his positions or offices held at Puda Coal Inc., and dispose of his direct or indirect interest in Puda Coal Inc.

Completion

Completion shall take place at 4:00 p.m. on the date falling two Business Days after the fulfillment of the conditions precedent set out in the section headed "Conditions Precedent" above in this announcement.

Upon Completion, the Target will become an indirect wholly owned subsidiary of the Company and the financial results of the Target Group will be consolidated into the consolidated financial statement of the Company.

PRINCIPAL TERMS OF THE PREFERRED SHARES

Set out below is a summary of the principal terms of the Preferred Shares:

Par Value:	HK$0.01
Issue Price:	HK$0.155 per share
Conversion Rate for each Preferred Share:	$\frac{\text{Conversion Notional Value/HK\$0.155}}{2,971,608,606}$ The Conversion Rate shall always be rounded down to three decimal places.
Conversion Notional Value:	HK$460,599,334, subject to adjustment provided below
Conversion Period:	at anytime after the one month after the date of determination of the 2009 Actual Profit
Maturity Date:	Perpetual Preferred Shares
Dividends:	Holders of the Preferred Shares shall be entitled to dividend to the same extent as the ordinary shares of the Company and shall rank *pari passu* with the ordinary shares in dividend as declared by the Company from time to time.

Conversion:

The holders of the Preferred Shares shall have the right to convert the Preferred Shares, in whole or in part, at any time once they are released from an escrow account, into Shares at the Conversion Rate provided that (i) any conversion of the Preferred Shares does not trigger a mandatory offer obligation under Rule 26 of the Hong Kong Code on Takeovers and Mergers (the "Code") on the part of the Preferred Shares holder who exercised the conversion rights, whether or not such mandatory offer obligation is triggered off by the fact that the number of conversion shares to be allotted and issued upon the exercise of the conversion rights attaching to the Preferred Shares (if applicable, including any Shares acquired by the parties acting in concert with the holder(s) of the Preferred Shares) represents more than 30% (or such other percentage as stated in Rule 26 of the Code in effect from time to time) of the then Shares in issue of the Company or otherwise pursuant to other provisions of the Code and (ii) the public float of the Shares shall not be less than 25% (or any given percentage as required by the GEM Listing Rules or the Stock Exchange of the issued Shares of the Company at any one time in compliance with the GEM Listing Rules. The Conversion Rate shall be subject to adjustment from time to time based upon certain events affecting the ordinary shares of the Company, subject to customary exceptions including but not limited to Shares issued under any employee share option scheme of the Company, shares issued pursuant to strategic acquisitions, distribution in specie, shares issued pursuant to the Senior Convertible Bonds, shares issued pursuant to exercise of Vendor's Options, Finder 1's Options and Finder 2's Options provided that this conversion right shall be subordinated to and shall rank after the conversion rights attaching to the Senior Convertible Bonds.

Conversion Notional Value Adjustment:

The Conversion Notional Value shall be subject to the following adjustments,

(i) Upon the determination of the 2008 Actual Profit:

$$\begin{matrix}\text{Conversion Notional} \\ \text{Value as adjusted}\end{matrix} \quad \text{HK\$460,599,334} \; - \; \begin{matrix}\text{HK\$571,587,125} \\ \textit{(Note 1)}\end{matrix} \; \text{x} \; \left(\frac{\text{2008 Guaranteed Profit}}{\text{2008 Actual Profit}} - 1 \right)$$

(ii) Upon the determination of the 2009 Actual Profit

$$\begin{matrix}\text{Conversion Notional} \\ \text{Value as adjusted}\end{matrix} \quad \begin{matrix}\text{The Conversion} \\ \text{Notional Value} \\ \text{as adjusted} \\ \text{previously or where} \\ \text{no adjustment,} \\ \text{HK\$460,599,334}\end{matrix} \; - \; \begin{matrix}\text{HK\$571,587,125} \\ \textit{(Note 1)}\end{matrix} \; \text{x} \; \left(\frac{\text{2009 Guaranteed Profit}}{\text{2009 Actual Profit}} - 1 \right)$$

Notes:

(1) the amount of HK$571,587,125 represents approximately the size of the Senior Convertible Bonds, which has been used as a reference for determining the adjustment formula.

(2) Where conversion notional value as adjusted under (i) and (ii) is less than HK$181,687,014, the conversion notional value shall be taken as HK$181,687,014.

(3) Conversion Notional Value will only be adjusted if and when the 2008 Actual Profit is less than the 2008 Guaranteed Profit or, as the case may be, the 2009 Actual Profit is less than the 2009 Guaranteed Profit.

Redemption: The Preferred Shares are non-redeemable.

Ranking: The Preferred Shares will rank (1) pari passu to any and all current or future preferred equity securities of the Company; (2) save as otherwise stated herein, senior to any and all current and future ordinary equity securities of the Company and (3) junior to any current and future convertible debt or note of the Company.

Transferability: The Preferred Shares are transferable

Voting Rights: The Preferred Shares have no voting right.

Rights in Liquidation:

1. Preferred Shares shall rank pari passu with ordinary shares of the Company for return of capital in the event of liquidation; and

2. Preferred Shares shall rank pari passu with ordinary shares of the Company for the right to participate in distribution of surplus in the event of liquidation.

Governing Law: Hong Kong

The maximum number of the Preferred Shares to be issued pursuant to the Acquisition will be 2,971,608,606. No application will be made to the Stock Exchange for the listing of the Preferred Shares.

Based on the number of Shares in issue as at the date of this announcement and assuming no further Shares will be issued or repurchased, upon full conversion of the Preferred Shares into Vendor's Conversion Shares at the Conversion Rate with a Conversion Notional Value of HK$460,599,334, the number of Vendor's Conversion Shares to be issued will be 2,971,608,606, which represents:

(i) approximately 335.53% of the Shares in issue;

(ii) approximately 77.04% of the Shares in issue as enlarged by the allotment and issue of the Vendor's Conversion Shares upon full conversion of the Preferred Shares at Conversion Rate with a Conversion Notional Value of HK$460,599,334; and

(iii) approximately 39.37% of the Shares in issue as enlarged by the allotment and issue of the Vendor's Conversion Shares upon full conversion of the Preferred Shares at the Conversion Rate with a Conversion Notional Value of HK$460,599,334, and the allotment and issue of the Senior CB Conversion Shares upon full conversion of the conversion rights attaching to the Senior Convertible Bonds.

The Issue Price of HK$0.155 represents:

(i) a discount of approximately 55.71% to the closing price of HK$0.35 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 54.01% to the average closing price of HK$0.337 per Share for the last five trading days up to and including the Last Trading Day;

(iii) a discount of approximately 52.96% to the average closing price of HK$0.3295 per Share for the last 10 trading days up to and including the Last Trading Day; and

(iv) a discount of approximately 44.64% to the average closing price of HK$0.28 per Share for the last 30 trading days up to and including the Last Trading Day.

The Vendor has undertaken to the Purchaser that during the period of time ending on one month after the determination of the 2009 Actual Profit by the auditor (the "Restricted Period"), the Vendor shall deposit with the Company the Preferred Shares and the Vendor may only convert and sell up to 10% of his total number of Preferred Shares at the Conversion Rate at the Conversion Notional Value of HK$460,599,334. Accordingly, the Vendor may only sell up to 297,160,860 Vendor's Conversion Shares during the Restricted Period. Application will be made to the GEM Listing Committee for the listing of and permission to deal in the Vendor's Conversion Shares. The effect on the shareholding structure of the Company due to conversion of the Preferred Shares into the Vendor's Conversion Shares is set out under the section headed "CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY" below.

The settlement of the Sale Consideration by way of Preferred Shares in the principal terms set out above, which confer similar rights to holders of ordinary shares including the right for dividend, right for return of capital and participation in distribution of surplus in liquidation except for, inter alia, voting rights, was arrived at after arm's length negotiation between the Vendor and the Purchaser. The terms set out in this announcement in relation to the Preferred Shares are the principal terms and further details of the terms of Preferred Shares, including but not limited to the adjustment mechanism for the Conversion Rate and the extent of ranking or seniority of the Preferred Shares will be set out in the circular to be dispatch to Shareholders in connection with the Acquisition and announced by way of separate announcement.

PREFERRED SHARE CLASS CREATION

Preferred Share Class Creation

As at the date of this announcement, the authorised share capital of the Company HK$20,000,000 comprising 2,000,000,000 Shares, of which 885,640,000 Shares have been allotted and issued and are fully paid or credited as fully paid. Pursuant to the Preferred Shares Class Creation, a new class of Preferred Shares will be created and existing authorised share capital of the Company of HK$20,000,000 divided into 2,000,000,000 Shares will be increased to HK$180,000,000 reclassified into Shares of HK$150,000,000 divided into 15,000,000,000 Shares of HK$0.01 each and Preferred Shares of HK$30,000,000 divided into 3,000,000,000 Preferred Shares of HK$0.01 each.

Other than the expenses to be incurred in relation to the Preferred Share Class Creation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders.

Conditions of the Preferred Share Class Creation

The Preferred Share Class Creation is conditional on:

(i) the passing by the Shareholders of a special resolution at the EGM to approve the Preferred Share Class Creation;

(ii) compliance with the relevant legal procedures and requirements under the laws of the Cayman Islands, if any, to effect the Preferred Share Class Creation; and

(iii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Vendor's Conversion Shares to be issued upon conversion of the Preferred Shares.

Details of the proposed amendments to the Articles of Association of the Company in relation to the Preferred Share Class Creation will be set out in the circular in relation to the Acquisition to be dispatched to Shareholders.

INFORMATION ON THE TARGET GROUP

The Target is incorporated in the Cayman Islands on 23 June 2006 and, subject to the Share Mortgage,is wholly and beneficially owned by the Vendor. As at the date of this announcement, the authorised share capital of the Target is US$50,000 divided into 50,000 shares of US$1.00 each all of which have been issued and are fully paid or credited as fully paid.

Upon completion of the Reorganisation, the Target Group will comprise the following members: (i) the Target; (ii) the WFOE; (iii) Puhua; and (iv) Hengtai. Members of the Target Group will undergo the Reorganisation pursuant to which (i) the WFOE as a wholly owned subsidiary of the Target will acquire 99% of the equity interests in Puhua pursuant to Acquisition Agreement A; and (ii) Puhua will acquire 100% equity interests in Hengtai pursuant to Acquisition Agreement B, and in such manner as the Purchaser may approve.

The Target

The Target is principally engaged in investment holding. The sole asset of the Target is its investment in the WFOE.

The Target has not commenced any business since its incorporation. Accordingly, no sale or turnover or profit or loss was recorded since its incorporation.

The WFOE

The WFOE, a wholly owned subsidiary of the Target, is a wholly foreign owned enterprise established on 31 March 2008 in the PRC. Both the total investment and the registered capital of the WFOE are US$5,000,000. The registered capital of WFOE has been fully paid up by the Target.

The business scope of WFOE is the development and marketing of coal and environmentally friendly energy reserve. Upon completion of the Reorganisation (including, among others, completion of the Acquisition Agreement A), the major asset of the WFOE will be the 99% of the equity interests in Puhua. The remaining one percent interest will be held by a PRC citizen Xue Zhendong, who is an Independent Third Party.

As at the date of this announcement, WFOE has not commenced any business since its incorporation. Accordingly, no sale or turnover or profit or loss was recorded since its incorporation.

Puhua

Puhua is a limited liability company incorporated in the PRC on 19 June 2003. As at the date of this announcement, the registered capital, which has been fully paid up, and total investments of Puhua amounted to RMB50 million and RMB50 million respectively.

As at the date of this announcement, the registered and paid up capital of Puhua is owned as to 90% by Xue Zhendong and as to the balance of 10% by Zhangwei, both of them are Independent Third Parties. The business scope of Puhua is the production of iron, steels, refractory materials, coal products, ferroalloy and pig iron.

Upon completion of the Reorganisation (including, among others, completion of the Acquisition Agreement A and Acquisition Agreement B), Puhua will be reorganized as a sino-foreign equity joint venture of the PRC and the principal asset of Puhua will be the entire equity interests in Hengtai. Puhua has a term of operation commencing from 19 June 2003 to 31 May 2012.

According to the audited accounts of Puhua prepared in accordance with the PRC accounting standards made up to 31 December 2006, the turnover, net profit before and after taxation of Puhua for the year ended 31 December 2006 were approximately RMB0, RMB0 and RMB0 respectively. There was no extraordinary item noted for Puhua for the year ended 31 December 2006.

According to the audited accounts of Puhua prepared in accordance with the PRC accounting standards, the audited total assets and net assets of Puhua as at 31 December 2006 under the PRC accounting standards were approximately RMB49,980,985.64 and RMB49,980,223.58 respectively.

According to the audited accounts of Puhua prepared in accordance with the PRC accounting standards made up to 31 December 2007, the turnover, net loss before and after taxation of Puhua for the year ended 31 December 2007 were approximately RMB0, RMB3,176,296.28 and RMB3,176,296.28 respectively. There was no extraordinary item noted for Puhua for the year ended 31 December 2007.

According to the audited accounts of Puhua prepared in accordance with the PRC accounting standards, the audited total assets and net assets of Puhua as at 31 December 2007 under the PRC accounting standards were approximately RMB153,287,969.84 and RMB46,803,927.30 respectively.

Hengtai

Hengtai is a limited liability company incorporated in the PRC on 31 May 2005. As at the date of this announcement, the registered capital, which has been fully paid up, and total investments of Hengtai amounted to RMB180 million and RMB180 million respectively.

As at the date of this announcement, the registered and paid up capital of Hengtai is owned as to 30% by Baotou Hengtong Group Co., Ltd. and as to the balance of 70% by Zhang Hongliang. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Baotou Hengtong Group Co., Ltd. and its ultimate beneficial owners and Zhang Hongliang are Independent Third Parties.

The business scope of Hengtai is early infrastructure construction on coal and coal sale. Hengtai has a term of operation commencing from 3 June 2005 to 2 June 2035. As the date of this announcement, Hengtai is the registered and beneficial owner of the mining licenses in respect of Coal Mine No. 1 and Coal Mine No. 2.

According to the audited accounts of Hengtai prepared in accordance with the PRC accounting standards made up to 31 December 2006, the turnover, net profit before and after taxation of Hengtai for the year ended 31 December 2006 were approximately RMB11,162,735.41, RMB2,952,830.02 and RMB1,978,396.11 respectively. There was no extraordinary item noted for Hengtai for the year ended 31 December 2006.

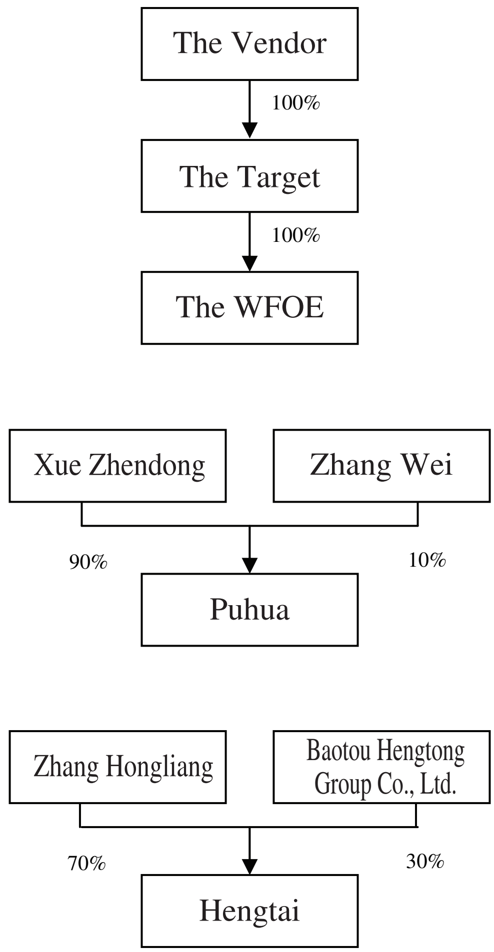
According to the audited accounts of Hengtai prepared in accordance with the PRC accounting standards, the audited total assets and net assets of Hengtai as at 31 December 2006 under the PRC accounting standards were approximately RMB266,586,299.16 and RMB182,966,103.75 respectively.

According to the audited accounts of Hengtai prepared in accordance with the PRC accounting standards made up to 31 December 2007, the turnover, net loss before and after taxation of Hengtai for the year ended 31 December 2007 were approximately RMB5,029,775.52, RMB1,451,548.30 and RMB1,451,548.30 respectively. There was no extraordinary item noted for Hengtai for the year ended 31 December 2007.

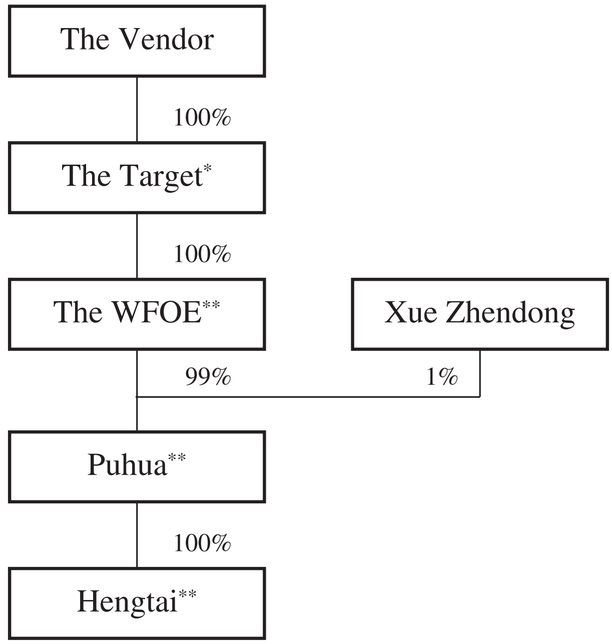
According to the audited accounts of Hengtai prepared in accordance with the PRC accounting standards, the audited total assets and net assets of Hengtai as at 31 December 2007 under the PRC accounting standards were approximately RMB308,649,549.16 and RMB181,514,555.45 respectively.

The following charts show the group structure of the Target Group (i) immediately before the Reorganisation; (ii) immediately after the completion of the Reorganisation and before the Completion and (iii) immediately after the Completion:

Structure of the Target Group immediately before the Reorganisation

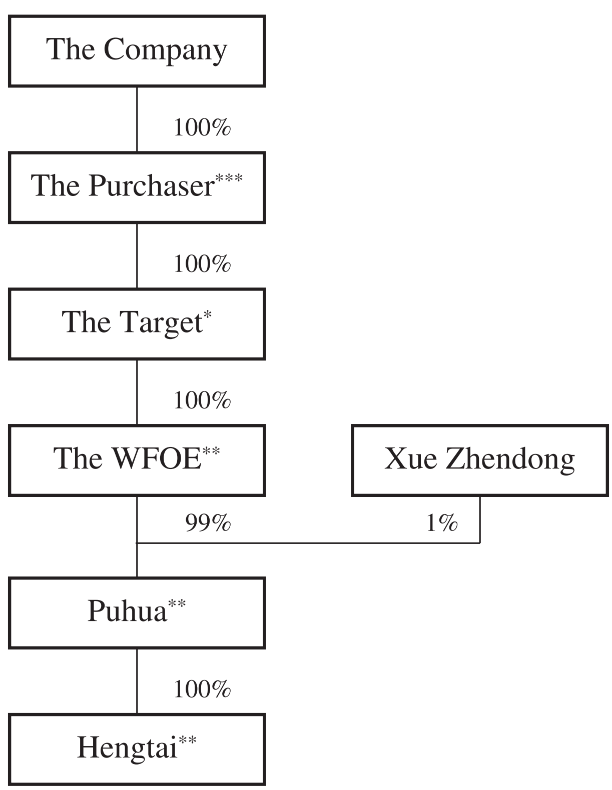


Structure of the Target Group
immediately after the completion of the Reorganisation and before the Completion



* *incorporated in Cayman Islands*
** *incorporated in PRC*

Structure of the Target Group
immediately after the Completion



* *incorporated in Cayman Islands*
** *incorporated in PRC*
*** *incorporated in British Virgin Islands*

The Nianpanliang Project and the Coal Mines

The Nianpanliang Project comprises three areas. The northern area is designated as Coal Mine No.1, and the southern area is designated as Coal Mine No.2. Coal Mines Nos. 1 and 2 cover an area of about 3.6 sq. km. and 3.4 sq. km, respectively. A third area, designated as Coal Mine No.3, occupies the area between the Mines Nos. 1 and 2. Mining rights for the Mine No.3 are presently under application by the Target Group. The Coal Mine No. 1, Coal Mine No. 2 are owned by Hengtai. Hengtai is applying for the grant of the relevant mining right licence for Coal Mine No. 3 from relevant government authority. As at the date of this announcement, Hengtai is not the owner of Coal Mine No. 3 until the relevant mining right licence is granted by the relevant government authority. Completion is not conditional upon the obtaining of the relevant mining right license for Coal Mine No. 3.

Coal Mine No. 1 is currently under construction, which commenced in October 2006. Completion of construction is projected for July 2008. Construction of the Coal Mine No.2 has not yet commenced as at the date of this announcement.

It is expected that upon obtaining the necessary mining rights, the Coal Mine No. 3 will be integrated into Coal Mine Nos. 1 and 2 due to its smaller sizes.

The Target Group has mining rights in Coal Mine No.1 and Coal Mine No.2 for thirteen years. The mining rights of both Coal Mine No.1 and Coal Mine No.2 Mines specify an output capacity of 1.2 Mtpa. Certificate numbers for the existing mining rights are:

Mining Right Area	Mining Right Certificate No.	Authorized Output Capacity (Mtpa)	Authorized Mining Elevation (m)	Mining Method	Area (km^2)	(Month/Year) Mining Right Permit Grant Date	Mining Right Validity
Coal Mine No. 1	1500000730039	1.2	1,400-1,160	Underground	3.556	2/2007	2/2020
Coal Mine No. 2	1500000730038	1.2	1,400-1,170	Underground	3.3911	2/2007	2/2020

The Vendor, WFOE and Puhua have undertaken to use their best endeavours, amongst other things, to procure (i) Target Group be granted by the relevant regulatory authorities with mining rights for Coal Mine No. 3; (ii) the approval for the proposed expansion of the authorized output capacities of Coal Mine No. 1 and Coal Mine No. 2 from 1.2 Mtpa each to respectively 3.0 Mtpa and 2.4 Mtpa be granted to the Target Group by the relevant regulatory authorities; (iii) approval for the proposed expansion of the business scope of Hengtai to include coal mining and coal excavation be granted to the Target Group by the relevant regulatory authorities. The Target has no capital commitment in the Nianpanliang Project.

According to the feasibility research report by Coal Mine Design and Research Institute of Inner Mongolia Autonomous Region (內蒙古自治區煤礦設計研究院) dated December 2007, Coal Mine No. 1 has coal resources estimated to be 95,160,000 tonnes. In accordance with the Ministry of Land and Resources Confirmation on Appraisement of the Mining Rights coded Guo Tu Zi Kuang Ren Zi (2005) No. 328 issued on 20 June 2005, Coal Mine No. 1 has recoverable reserves to be used of about 50,400,000 tonnes. According to a report by John T. Boyd Company dated January 2008 addressed to Puhua, the recoverable coal reserves of Coal Mine No. 1 is 30,090,000 tonnes.

According to the feasibility research report by Coal Mine Design and Research Institute of Inner Mongolia Autonomous Region (內蒙古自治區煤礦設計研究院) dated December 2007, Coal Mine No. 2 has coal resources estimated to be 95,160,000 tonnes. In accordance with the Ministry of Land

and Resources Confirmation on Appraisement of the Mining Rights coded Guo Tu Zi Kuang Ren Zi (2005) No. 327 issued on 20 June 2005, Coal Mine No. 2 has recoverable reserves to be used of about 50,400,000 tonnes. According to a report by John T. Boyd Company dated January 2008 addressed to Puhua, the recoverable coal reserves of Coal Mine No. 2 is 38,790,000 tonnes.

Coal resources means a concentration or occurrence of coal of intrinsic economic interest in or on the Earth's crust in such form and quantity that there are reasonable prospects for eventual economic extraction and the location, quantity, quality, geological characteristics and continuity of a coal resource are known, estimated or interpreted from specific geological evidence and knowledge. Recoverable reserves relates to the portion of demonstrated resources that can be recovered economically with the application of extraction technology available currently or in foreseeable future.

The coals are classified as bituminous non-caking long flame coal under the Chinese classification (CY Long Flame designation), and highly suited for the steam coal market.

The Company notes that there are differences in the amount of recoverable reserves as determined by different experts and the Company has taken into account the different recoverable reserves disclosed in this announcement in negotiating for the Agreement. The consideration was arrived at after arm's length negotiation between the Vendor and the Purchaser. The Directors consider that the difference in recoverable reserves might be due to the methodology and standards used by different experts. The Purchaser will engage its own technical adviser to evaluate the coal mine reserves of Coal Mine No. 1 and Coal Mine No. 2 in the form and substance satisfactory to the Purchaser. Further, it is also a condition precedent of the Completion that the Purchaser has to be satisfied with the results of its due diligence review to be conducted over, amongst other, the assets of the Target Group. Further details regarding Coal Mine No. 1, Coal Mine No. 2 and Coal Mine No. 3 will be included in the technical report on the Nianpanliang Project to be contained in the circular to be despatched to the Shareholders.

RISK FACTORS

Set out below are some of the risk factors which may be associated with the Acquisition and the Subscription:

The coal reserve are estimates and may be inaccurate

The coal reserve data, are estimates that were made by the PRC authorities applying its own methodology. These reserve estimates may be inaccurate and may differ materially from the actual production results. There are inherent uncertainties in estimating reserves, including many factors, assumptions and variables that are beyond the Company's control. The actual volume of reserves, rates of production and coal characteristics may be different from the estimates.

Potential accidents in the mining process

The Company cannot be assured that accidents will not occur at the Nianpanliang Project even sufficient safety and precautionary measures have been taken by the Group. The occurrence of accidents may result in substantial disruptions of the coal mining operations and financial losses, damage to the Company's reputation, lawsuits and other compensatory claims and payouts, fines, penalties and mandatory suspension of production.

Renewal of mining rights

The renewal of the mining rights issued to the Target Group upon its expiry is subject to the approval of the relevant government authorities in the PRC. However, in the event that the mining rights issued to the Target Group cannot be renewed accordingly, the Target Group will lose its mining rights which may in turn materially and adversely affect the operations of the Target Group.

Coal reserves decline upon continuous exploitation

As the estimated total coal reserve would decline upon continuous exploitation, the Company cannot guarantee an acquisition of new coal reserves, the development of new coal mining projects and expansion of existing coal mining operations in the future.

Increase in competition in the PRC coal mining industries

Competition in the coal industry is based on many factors, including among others, price, production capacity, coal quality and characteristics, transportation capability and costs, blending capability and brand name.

The Company cannot assure the increase competition in the future, including competition from new competitors who may emerge as a result of the consolidation of the coal mining industries in the PRC, will not have a material adverse effect on the Company's results of operations and financial condition after the completion of the Proposed Acquisition.

Risk associated with operating new business in Inner Mongolia Autonomous Region

The Company is entering into a new business in Inner Mongolia Autonomous Region, where the Company does not have any business. There can be risk on changes in the business environment that reduces the profitability of conducting business in Inner Mongolia Autonomous Region. The change of political and economic conditions in Inner Mongolia Autonomous Region may adversely affect the Company.

REASONS FOR THE ACQUISITION AND SUBSCRIPTION

The Group is principally engaged in organizing trade exhibitions, publishing industrial magazines and providing printing and design services. For each of the two years ended 31 March 2006 and 2007, the Group recorded audited profit before tax of approximately HK$9.9 million and HK$30.1 million respectively and the audited profit attributable to equity holders of the Company of HK$8.1 million and HK$19.8 million, respectively. The audited equity attributable to the equity holders of the Company as at 31 March 2007 is approximately HK$32.9 million.

The Directors have always been actively and consistently seeking new investment opportunities of the Group, irrespective of whether these opportunities fall within the Company's principal business activities, in order to increase the value of the Company and improve the Shareholders' return.

The Directors are of the opinion that as coal being one of the main natural energy resources in the world, and following the rapid demand as compared with the limited supply of coal in the recent years, mining, sale and distribution of coal business is in a growing trend with immense potential. In view of the above and the Profit Guarantee provided by the Vendor, the Directors consider that the Acquisition and the Subscription provide an excellent opportunity for the development of future business of the Group, broadens its revenue base, and maintains a stable income stream for the Group. The Directors consider that the Acquisition represents a good opportunity for the Group to diversify the existing business into a new line of business with significant growth potential.

The Vendor and the management team of the Target Group have been engaged in mining, sale and distribution of coal for over 16 years. Although the Company has no previous experience in managing business related to mining, sale and distribution of coal, the Company will retain the existing management team of the Target Group, including the Vendor, to manage the business related to mining, sale and distribution of coal after Completion. The Company intends to further recruit experts for the Group's mining operation after Completion. The Vendor will not be appointed as director of the Company and will not be entitled to appoint directors to the board of directors of the Company as a result of the Transactions. The composition of the board of directors of the Company will not be changed as a result of the Transactions.

The Company will continue its existing business. It is the intention of the Directors to diversify the Company's businesses. The existing business and the new business of coal mining will be operated side by side.

For the aforesaid reasons, the Directors believe that the Acquisition and Subscription would further enhance the future growth of the Group and will maximise the returns to the Shareholders.

Taking into account the benefits of the Acquisition and Subscription, the Board is of the view that the terms of the Acquisition and Subscription are fair and reasonable and the Acquisition and Subscription are in the interests of the Company and the Shareholders as a whole.

EXEMPT CONNECTED TRANSACTION INVOLVING PROVISION OF FINANCIAL ASSISTANCE

THE LOAN AGREEMENT

Date: 18 April 2008

Parties:

Borrower: Purchaser

Lender: Linden

Guarantor: The Company

On 18 April 2008, Linden entered into the Loan Agreement with the Purchaser pursuant to which Linden agreed to make available to the Purchaser loan facility in the principal sum of US$12,500,000 (the "**Loan**"). Interest on the Loan shall accrue at the rate which is six per cent. (6%) per annum on the outstanding principal amount of the loan drawn, accrued daily on a 365-day year basis. The Purchaser shall repay the Loan in full in one lump sum together with all interest accrued thereon and all other monies payable under the Loan Agreement in one lump sum upon repayment. The Loan shall have a maturity of 3 months which may be extended to four months extension subject to agreement between the parties hereto. The proceeds of the Loan shall be used solely as to finance the acquisition of the entire share capital of the Target. Upon completion of the Reorganisation, the Target will indirectly hold the entire equity interests in Coal Mine No. 1 and Coal Mine No. 2. Immediately upon the issue of the Senior Convertible Bonds or immediately upon the completion of the Agreement or immediately upon the termination of the Agreement (whichever is the earliest), the Purchaser must repay the Loan and pay all accrued interest in full.

GUARANTEE

As security of the performance of the Purchaser's obligations under the Loan Agreement, the Company has executed a guarantee in favour of Linden on 18 April 2008 as principal obligor in full and complete payment by the Purchaser for all sum payable upon the Loan under the Loan Agreement. The Guarantee does not extend to cover the Excluded Assets.

Linden is wholly-owned by Linden Capital L. P., an exempted limited partnership established under the laws of the Bermuda, which is engaged in the business of investing globally in securities and other financial instruments. Linden Capital L. P. intends Linden to be a special purpose vehicle whose business is provision of the Loan, subscribing for the Senior Convertible Bonds and engaging in other related activities.

Since Linden Capital L.P. holds 50% interest in TLX, which is a substantial Shareholder of the Company, the Loan constitutes a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As Linden provides financial assistance to the Company on normal commercial terms and no security over the assets of the Company is granted, the Loan constitutes an exempted connected transaction on the part of the Company under Rule 20.65(4) of the GEM Listing Rules and is exempted from reporting, announcement and independent shareholders' approval requirements of Chapter 20 of the GEM Listing Rules.

PROPOSED ISSUE OF SENIOR CONVERTIBLE BONDS INVOLVING CONNECTED TRANSACTION

As part of the Fund Raising Exercise, the Company will issue the Senior Convertible Bonds up to HK$572 million (equivalent to approximately RMB515 million) to (1) Linden or its affiliates as to approximately 40% of the total issue, (2) China Merchants or its affiliates as to approximately 20% of the total issue, and (3) investor(s) to be determined by CLSA, which has been appointed as placing agent (on a best efforts basis) for the Company, as to the remainder (i.e. 40%) of the total issue. The Company has entered into a non-binding term sheet on 18 April 2008 with Linden and China Merchants which sets out the indicative terms of the Senior Convertible Bonds. The maximum number of Senior CB Conversion Shares to be allotted and issued upon the exercise of the conversion rights attached to the Senior Convertible Bonds in full based on the Conversion Price is 3,690,322,580, representing 416.68% of the issued share capital of the Company and 80.65% of the enlarged issued share capital of the Company. However, holders of the Senior Convertible Bonds are restricted from converting their Senior Convertible Bonds under certain circumstances as set out under the paragraph headed "Conversion Right and Price" below.

The principal indicative terms are as follow:

Issuer:	The Company
Investors:	(1) Linden or its affiliates as to approximately 40% of the total issue, (2) China Merchants or its affiliates as to approximately 20% of the total issue, and (3) investor(s) to be determined by CLSA Limited, which has been appointed as placement agent (on a best efforts basis) for the Company, as to the remainder (i.e. 40%) of the total issue. The parties actually making the investment may be affiliates of the Investors. Except Linden, the Investors and their respective ultimate beneficial owners are and will be third parties independent of the Company and its connected persons.
Security Trustee/Escrow Agent:	To be designated by the Investors or their affiliates
Securities Offered and Investment Size:	Up to HK$572 million (equivalent to approximately RMB515 million). Upon exercise of the conversion rights attached thereto by holders of the Senior Convertible Bonds, the Senior Convertible Bonds are convertible into the Senior CB Conversion Shares.
Currency:	denominated in Hong Kong Dollars
Denomination:	HK$1,000,000 per Note
Closing Date:	Two Business Days following satisfaction of the conditions
Transferability:	No restrictions on sale or transferability of Senior Convertible Bonds, subject to limitations under applicable laws and regulations, including the GEM Listing Rules
Use of Proceeds:	The gross proceeds from the issue of Senior Convertible Bonds will be approximately RMB515 million, of which RMB500 million, which will be used as Subscription Consideration and towards the subscription by the Purchaser for the Subscription Shares representing approximately 54.64% of the Target issued share capital outstanding as enlarged by the Subscription, which in turn shall be used for (1) repayment of the bridging loan provided by Linden and China Merchants, in the amount of approximately US$20 million (equivalent to approximately RMB140 million), which was used to pay the Deposit for the Acquisition, and the interest accrued thereon; (2) payment of the balance of consideration payable by Puhua under the Acquisition Agreement B in the sum of RMB126,317,000; and (3) repayment of the then existing liabilities of Puhua's Group of approximately RMB218,683,000 million as at the completion date of the Acquisition and the balance of approximately RMB15 million to be applied towards other expenses incurred by the Company, or reimbursable by the Company to the Investors, for the Acquisition including a structuring fee to the Investors as well as working capital for the Company and its subsidiaries.
Issue Price:	100%

Maturity Date: The Senior Convertible Bonds will be redeemed by the Company in cash on the fifth anniversary of the closing date.

Coupon: The yield to maturity is 8% per annum; no interest is payable until maturity or earlier redemption or prepayment.

Conversion Rights and Price: The Senior Convertible Bonds will be convertible, at any time commencing on the six-month anniversary of the closing date, at the option of the Bondholder until maturity, into the Senior CB Conversion Shares, which will rank pari passu in all respect with the Shares then in issue on the conversion date, but will not be convertible by any holder (a) if and to the extent the total number of voting shares held by the holder and persons acting in concert with such holder after such conversion would be 30% or more of the enlarged issued share capital of the Company or such other percentage so as to trigger a new mandatory general offer, or (b) if and to the extent such conversion would cause the Company's public float to drop below the minimum levels required by the GEM Listing Rules. The Senior Convertible Bonds shall rank senior in right and priority of conversion and subscription rights under all other existing and future convertible securities and notes and subscription options of the Company (excluding employee share scheme adopted by the Company in compliance with the applicable rules of the Stock Exchange.

The initial conversion price ("**Conversion Price**") will be HK$0.155 per Senior CB Conversion Share subject to adjustments from, among other things, subdivisions, consolidation or reclassification of the Shares, capital distributions, bonus issues, rights issues and other dilutive events with broad-based anti-dilution protection, including full ratchet for equity/equity-linked securities issued at below effective conversion price of the Senior Convertible Bonds. The Company will make an announcement when there is any adjustment to the Conversion Price and the adjustment shall be certified either by the auditors of the Company or by an approved merchant bank. The Senior CB Conversion Shares will be issued under a special mandate proposed to be sought from the shareholders at an extraordinary general meeting of the Company.

Guarantors of the Convertible Notes: The Purchaser, the Target, WFOE, Puhua and Hengtai will guarantee the Senior Convertible Bonds (to the extent that is legally feasible under the relevant laws governing such entities). All guarantees will be on a senior, unsubordinated basis.

Collateral Security for Convertible Notes: The payment obligations of the Company under the Senior Convertible Bonds will be secured by:

1. a first fixed charge of all the equity interests in the Purchaser, the Target, WFOE, Puhua and Hengtai (to the extent that is legally feasible under the relevant laws governing such entities);

2. a first fixed charge of all of the current and future assets the Purchaser, the Target, WFOE, Puhua and Hengtai (to the extent that is legally feasible under the relevant laws governing such entities); and

3. a first floating charge of the undertaking and all the property, assets and rights, both present and future, of the Purchaser, the Target, WFOE, Puhua and Hengtai (to the extent that is legally feasible under the relevant laws governing such entities), whatsoever and wheresoever if and insofar as not otherwise effectively charged by way of first fixed charge under sub-paragraphs 1-2 above.

Ranking: The Senior Convertible Bonds and the collateral security will be direct, unconditional unsubordinated debt of the Company and each of the Purchaser, the Target, WFOE, Puhua and Hengtai, respectively, senior in right and priority of payment to all present and future, direct, unsubordinated and unconditional debt of the Company and each of the Purchaser, the Target, WFOE, Puhua and Hengtai.

Liquidation Preference: Upon liquidation, Bondholders shall receive in preference to holders of other existing and future convertible securities, other creditors of the Company, holders of Preferred Shares and the Shares, to the extent permissible under applicable laws, up to an amount equal to 100% of the original subscription amount of HK$572 million (equivalent to approximately RMB515 million) and any unpaid interest accrued on the outstanding Senior Convertible Bonds.

Negative Covenants: Customary negative covenants

Preemptive Rights All of the Investors have preemptive rights (pro rata to their investment in the Senior Convertible Bonds) over future issuance of equity or equity-linked securities if such issuance is related to acquisitions or other transactions sourced or facilitated by any of the Investors.

Negative pledge The Company shall procure no encumbrances to subsist or be created over any part of the undertakings, assets and revenues, present or future to secure any investment securities represented by bonds, debentures, notes or other investment securities which for the time being or are intended to be or capable of being quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

Investor Put Option: At any time from the first day of the second calendar year of the closing date (i.e. 1 January 2009), each of the Bondholders will have the right (severally and independent of the other Bondholders) to put all or any part of the Senior Convertible Bonds to the Vendor at the price equal to the face amount of such Senior Convertible Bonds plus a yield of 20% per annum ("**Put Option**"). The Put Option to be granted by the Vendor will be secured by the pledge of all of the shares of the Shares and Preferred Shares issued to the Vendor in connection with the Acquisition to the Investors, which share certificates forthwith upon their issuance will be held in escrow for the purpose of this security by the Company as escrow agent under the Agreement.

Investors Redemption Rights: Customary redemption rights shall be given to the Investors.

Company Call Option:	After the third anniversary of the closing date, provided that the price of the Company's stock is equal to at least 200% of the Conversion Price for at least 40 out of the 50 trading days immediately preceding the decision to call the Senior Convertible Bonds, the Company will have the right to purchase the outstanding Senior Convertible Bonds at par plus 8% per annum accrued to the date of the such purchase.
Warranties:	Customary warranties and representations in relation to the assets, liabilities, business operations and prospects of the Company and its subsidiaries, and specific warranties, representations in the same terms given by the warrantors of the Agreement relating to the Acquisition in each case as at the date the Agreement is signed, up to closing of the subscription of the Senior Convertible Bonds. Warranties and representations also from the Purchaser, the Vendor, the Target and the PRC Subsidiaries.
Escrow Arrangements:	On closing, the proceeds of the offering will be placed into an escrow account pending completion of the Acquisition, to the reasonable satisfaction of the Investors, of all conditions required for the Acquisition other than the payment of the purchase price.
Listing:	No application will be made for the listing of the Senior Convertible Bonds. Application will be made to the Listing Committee of The Stock Exchange for the listing of, and permission to deal in, the Senior CB Conversion Shares on the GEM or the Main Board (as the case may be).
Governing Law:	Hong Kong law
Conditions Precedent to Closing:	Satisfaction of all conditions for Completion (excluding the completion of the Fund Raising Exercise to the extent relating to the issue of the Senior Convertible Bonds, and the completion of the Reorganization); to the satisfaction of all of the Bondholders and other customary conditions precedents to closing for this type of financing, including internal approval of the Investors, approval of independent shareholders of the Company, listing approval for the Senior CB Conversion Shares and due diligence (satisfactory to the Investors) of the Company and the target entities of the Acquisition, shall be set forth in the Agreement.
Negative undertakings prior to closing:	1. Customary negative undertakings in relation to the operations of the Company and its subsidiaries, including the Group, in relation to their operations;

2. A specific undertaking that the Purchaser will not, and will procure that neither of the Vendor nor any one of the Target Group companies will amend, agree to amend, waive, grant any consent or exercise any discretion in relation to the terms of or the rights and obligations of the Company, the Vendor or any of the Target Group companies under the Acquisition Agreement, Acquisition Agreement A and Acquisition Agreement B (including the release of the deposit moneys, if any, and confirmation or waiver of the satisfactory fulfillment of any conditions precedent) or otherwise terminate any of the Acquisition Agreement, Acquisition Agreement A or Acquisition Agreement B without the written consent of all of the Investors, such consent shall not be unreasonably withheld or delayed.

Additional Undertaking: The Company shall use its best endeavours to transfer its listing status from the GEM to the Main Board of the Stock Exchange subject to the applicable rules and requirements of the Stock Exchange.

Fees and Expenses: Upon closing, the Company shall bear all reasonable third-party and out of pocket expenses of the Investors, including any expenses relating to the Acquisition and the lending transaction which funded the deposit for the Acquisition.

Specific mandate for the allotment and issue of the Senior CB Conversion Shares will be sought from the Shareholders at the EGM.

As at the date of this announcement, no binding agreement has been reached between the Company and the Investors or the Placing Agent in relation to the issue and the terms of the Senior Convertible Bonds and the Company will make further announcement on this possible connected transaction if there is any new development in relation thereto. There is no fixed long-stop date provided in the terms sheet. However, the Company shall use reasonable endeavors to enter into a binding agreement in relation to the issue of the Senior Convertible Bonds prior to the dispatch of the circular relating to the transactions referred to in this announcement. The Company will make a separate announcement when a binding agreement is entered into in relation to the issue of the Senior Convertible Bonds.

Reason For The Proposed Issue Of the Senior Convertible Bonds

The proposed issue of the Senior Convertible Bonds is principally to finance the Subscription. A detailed breakdown of the application of gross proceeds of the issue of the Senior Convertible Bonds is as follows:

1.	Repayment of bridging loan provided by China Merchants	RMB52,500,000 *(note 1)*
2.	Repayment of bridging loan provided by Linden	RMB87,500,000 *(note 1)*
3.	Balance of the Subscription Consideration	RMB360,000,000 *(note 2)*
4.	General working capital for the Company and other expense incurred by the Company, or reimbursable by the Company to the Investors, for the Acquisition	RMB15,000,000
	Total	RMB515,000,000

Note 1: An interest of 6% per annum is payable on the principal amount

Note 2: Of the amount of RMB360,000,000, RMB126,317,000 will be applied towards the payment of balance of consideration payable by Puhua under Acquisition Agreement B and RMB218,683,000 will be applied towards paying down Puhua's Group's liabilities.

According to the indicative terms, the Senior Convertible Bonds, if issued, will rank senior to the Preferred Shares. The Investors shall have pre-emptive rights over future issue of equity or equity-linked securities if such issuance is related to acquisitions or other transactions sourced or facilitated by any of the Investors. The Company will comply with the relevant requirements of the GEM Listing Rules for any future issuance of securities arising from the said pre-emptive rights. As at the date of this announcement, the pre-emptive rights of the Investors have not arisen and there is no agreement between the Company and the Investors on the framework of such pre-emptive rights except that the entitlement of the Investors will be on a pro-rata basis as disclosed in this announcement.

The Company intends to transfer its listing status from GEM to the Main Board of the Stock Exchange but there is no timetable for such transfer as at the date of this announcement. The Company will make further announcement if there is further progress in relation to the transfer of the listing status and the extent of ranking or seniority of the Senior Convertible Bonds upon liquidation will be set out in the circular to be dispatched to Shareholders.

The effect on the shareholding structure of the Company as a result of allotment and issue of the Senior CB Conversion Shares is set out under the section headed "CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY" below.

GRANT OF OPTION IN RELATION TO PROFIT GUARANTEE AND SERVICE AGREEMENTS

(a) Profit Guarantee

Reason and conditions for the grant of Vendor's Options

As incentive for the Vendor to meet the Profit Guarantee, it is a term of the Agreement that the Purchaser shall procure the Company to grant to the Vendor the Vendor's Options at Completion. The exercise of the subscription rights attached to the Vendor's Options is conditional upon the fulfillment of the Profit Guarantee by the Vendor. The grant of the Vendor's Options does not involve the creation of a new class of securities which would otherwise require shareholders' approval under the Company's constitutional documents, the relevant laws and regulations. Exercise of each Vendor's Option would entitle the Vendor to subscribe for one Vendor's Option Share at an exercise price of HK$0.155.

The grant of Vendor's Option is conditional upon:

(1) completion of the Acquisition in accordance with the Agreement;

(2) the granting by the GEM Listing Committee of the listing of and permission to deal in the Shares pursuant to the exercise of the Vendor's Options;

(3) the approval of the Stock Exchange for the grant of the Vendor's Options under Rule 21.02 of the GEM Listing Rules;

(4) the passing by the shareholders of the Company at the EGM of an ordinary resolution to approve the grant of the Vendor's Options and the allotment and issue of the Shares pursuant to the exercise of the Vendor's Options; and

(5) the obtaining of all necessary licenses, consents, approvals, authorizations, permissions, waivers, orders or exemptions from government or regulatory authorities or third parties which are necessary in connection with the grant of the Vendor's Options and allotment and issue of the Shares pursuant to the exercise of the Vendor's Options.

Adjustment and anti-dilution mechanism for the Vendor's Options

The exercise price of the Vendor's Options shall be subject to adjustment in the event of any alternation in the capital structure of the Company by reason of capitalization of profits or reserves, rights issue or other offer of securities to the Shareholders (including any securities convertible into share capital or warrants or options to subscribe for any share capital of the Company (but excluding the Senior Convertible Bonds, the Preferred Shares, the Finder 1's Options and Finder 2's Options), consolidation, sub-division or reduction of share capital of the Company. Upon the occurrence of the aforesaid (except capitalization of profits or reserves), the Company shall instruct the auditors for time being to certify in writing:

(1) the number or nominal amount of Vendor's Options Shares to which any Vendor's Option(s) relates (insofar as it is/they are unexercised); and/or

(2) the exercise price

and an adjustment as so certified by the auditors shall be made, provided that:

(1) any such adjustment must give the Vendor as nearly the same proportion of the equity capital as possible (but in no event higher) as that to which that person was previously entitled;

(2) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;

(3) the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and

(4) no adjustment should be made to the advantage of the Vendor without specific prior approval of the Shareholders.

The Vendor's Options is exercisable within three years from the date of the determination of the 2009 Actual Profit by the Company's auditor and in any event not more than five years from the date of grant. Pursuant to the terms of the Vendor's Options, the Vendor will not convert the Vendor's Options to the extent the total number of voting shares held by the Vendor and persons acting in concert with the Vendor after such conversion would be 30% or more of the enlarged issued share capital of the Company or such other percentage so as to trigger a new mandatory general offer, or, such conversion would cause the Company's public float to drop below the below the minimum levels required by the GEM Listing Rules. The conversion rights attached to the Vendor's Options are subordinated to and after the conversion rights attached to the Senior Convertible Bonds.

As at the date of this announcement, the Company has a total of 885,640,000 Shares in issue. Except for the options granted by the Company under a share option scheme under Chapter 23 of the GEM Listing Rules, there is no other warrants as defined in Chapter 21 of the GEM Listing Rules issued by the Company. Upon the exercise of all the Vendor's Options, a total of 113,100,140 Vendor's Options Shares will be allotted and issued, representing 12.77% of the number of shares of the Company in issue as at the date of this announcement or 11.32% as enlarged.

(b) Service Agreements

Background

On 26 May 2008, the Company has entered into with each of the Finder 1 and Finder 2 the Service Agreement I and Service Agreement II respectively pursuant to which the Company agrees to appoint the Finder 1 and Finder 2 as its agents in consideration of each of them having successfully introduced to the Company the business opportunities as contemplated under the Agreement and for procuring the completion of the Agreement in accordance with the terms and conditions therein. As remuneration for the services rendered and to be rendered under the Service Agreement I and Service Agreement II, the Company will grant the Finder 1's Options to Finder 1 and the Finder 2's Options to Finder 2. Specific mandate for the allotment and issue of the Vendor's Options Shares, Finder 1's Options Shares and Finder 2's Options Shares will be sought from the Shareholders at the EGM. The grant of the Finder 1's Options and Finder 2's Options do not involve the creation of a new class of securities which would otherwise require shareholders' approval under the Company's constitutional documents, the relevant laws and regulations.

Date of Service Agreement I and Service Agreement II

26 May 2008

Parties in Service Agreement I

(i) The Company

(ii) Clement Elite International Limited

Parties in Service Agreement II

(i) The Company

(ii) Adjust Times Global Limited

To the best of the Director's knowledge, information and belief and having made all reasonable enquiries, Clement Elite International Limited, Adjust Times Global Limited and their respective ultimate beneficial owner are Independent Third Parties.

Duties of the Finder 1 and Finder 2 under the respective Service Agreements I and II

The terms of the Service Agreement I and Service Agreement II are the same save for the number of Options to be granted thereunder. The duties of Finder 1 and Finder 2 under the Service Agreement I and Service Agreement II respectively are:

(1) procure the completion of the Acquisition in accordance with the terms and conditions of the Agreement;

(2) assist the Company in conducting the due diligence exercise on the subject matters of the Acquisition;

(3) all such duties as the Company may reasonably require the agent to perform in connection with the Agreement.

Conditions for the grant of Finder 1's Options and Finder 2's Options

The grant of each of the Finder 1's Options and Finder 2's Options is conditional upon the fulfillment of the following conditions.

(1) completion of the Acquisition in accordance with the terms of the Agreement;

(2) the granting of the listing of and permission to deal in the Finder 1's Options Shares and the Finder 2's Options Shares to be allotted and issued upon the exercise of the Finder 1's Options and Finder 2's Options respectively having been obtained;

(3) if necessary, the Stock Exchange approving the grant of the Finder 1's Options and the Finder 2's Options (or the Company not having received any objection from the Stock Exchange in respect of the grant of the Finder 1's Options and the Finder 2's Options); and

(4) the passing by the Shareholders at the EGM of an ordinary resolution to approve the Service Agreement I and the Service Agreement II, and the transactions contemplated thereby including but the not limited to the grant of the Finder 1's Options and Finder 2's Options and the allotment and issue of the Finder 1's Options Shares and Finder 2's Options Shares; and

(5) the obtaining of all necessary licences, consents, approvals, authorizations, permissions, waivers, orders or exemptions from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Service Agreement I, Service Agreement II, the grant of Finder 1's Options, Finder 2's Options and the allotment and issue of the Finder 1's Options Shares and Finder 2's Options Shares.

Both the Finder 1's Options and Finder 2's Options are subject to a 18 months of lock-up period from the date of the grant and exercisable within 22 months thereafter. Exercise of each Finder 1's Option or Finder 2's Option would entitle Finder 1 and Finder 2 to subscribe for one Finder 1's Option Share and one Finder 2's Option Share respectively at an exercise price of HK$0.155.

The maximum of the Shares to be allotted and issued pursuant to the exercise of the Finder 1's Options in full will be 21,342,620 Shares, representing 2.41% of the number of shares of the Company in issue as at the date of this announcement or 2.35% as enlarged. As at the date of this announcement, the Company has a total of 885,640,000 Shares in issue. Except for the options granted by the Company under a share option scheme under Chapter 23 of the GEM Listing Rules, there is no other warrants as defined in Chapter 21 of the GEM Listing Rules issued by the Company. Since the grant of the Finder 1's Options is conditional upon the completion of the Acquisition, which will include the grant of the Vendor's Options, upon the exercise of all Vendor's Options and the Finder 1's Options, a total of 134,442,760 Shares will be allotted and issued, representing approximately 15.18% of the issued equity capital of the Company as at the date of this announcement.

The maximum of the Shares to be allotted and issued pursuant to the exercise of the Finder 2's Options in full will be 42,685,240 Shares, representing 4.82% of the number of shares of the Company in issue as at the date of this announcement or 4.60% as enlarged. As at the date of this announcement, the Company has a total of 885,640,000 Shares in issue. Except for the options granted by the Company under a share option scheme under Chapter 23 of the GEM Listing Rules, there is no other warrants as defined in Chapter 21 of the GEM Listing Rules issued by the Company. Since the grant of the Finder 2's Options is conditional upon the completion of the Acquisition, which will include the grant of the Vendor's Options, upon the exercise of all Vendor's Options and the Finder 2's Options, a total of 155,785,380 Shares will be allotted and issued, representing approximately 17.59% of the issued equity capital of the Company as at the date of this announcement.

Upon the full exercise of the Vendor's Options, Finder 1's Options and Finder 2's Options, a total of 177,128,000 Shares will be allotted and issued, representing 20% of the issued share capital of the Company as at the date of this announcement.

Adjustment and anti-dilution mechanism Finder 1's Options and Finder 2's Options

The exercise price of the each of the Finder 1's Options and Finder 2's Options shall be subject to adjustment in the event of any alternation in the capital structure of the Company by reason of capitalization of profits or reserves, rights issue or other offer of securities to the Shareholders (including any securities convertible into share capital or warrants or options to subscribe for any share capital of the Company, consolidation, sub-division or reduction of share capital of the Company. Upon the occurrence of the aforesaid (except capitalization of profits or reserves), the Company shall instruct the auditors for time being to certify in writing:

(1) the number or nominal amount of Finder 1's Options Shares or Finder 2's Options Shares to which any Finder 1's Option(s) or Finder 2's Option(s) relates (insofar as it is/they are unexercised); and/or

(2) the exercise price

and an adjustment as so certified by the auditors shall be made, provided that:

(1) any such adjustment must give the Finder 1 or Finder 2 as nearly the same proportion of the equity capital as possible (but in no event higher) as that to which that person was previously entitled;

(2) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;

(3) the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and

(4) no adjustment should be made to the advantage of the Finder 1 or Finder 2without specific prior approval of the Shareholders.

Reasons for the Service Agreement I and Service Agreement II

The Service Agreement I and Service Agreement II was entered into in consideration of the Finder 1 and Finder 2 having successfully introduced to the Company the business opportunities as contemplated under the Agreement and the duties to be performed by each of the them. The Directors consider that the introduction to the Company's of the business opportunities under the Agreement provides the Company access to the natural resources industry, which is essential for the Group's expansion and diversification plan. The Directors consider that the terms of the Service Agreement are normal commercial terms with respect to the consideration to be paid by the Company under the Agreement. The Directors also consider that the terms of the Service Agreement I and Service Agreement II are fair and reasonable and that the entering into the Service Agreement I and Service Agreement II are in the interests of the Company and Shareholders as a whole.

The exercise price for the Vendor's Options, Finder 1's Options and Finder 2's Options is determined after arm's length negotiation with reference to the Profit Guarantee and recent closing prices of the Shares. The Vendor's Options Shares, Finder 1's Options Shares and Finder 2's Options Shares shall be issued pursuant to a specific mandate to be sought at the EGM.

The exercise price of HK$0.155 per Share represents:

(i) a discount of approximately 55.71% to the closing price of HK$0.35 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 54.01% to the average closing price of HK$0.337 per Share for the last five trading days up to and including the Last Trading Day;

(iii) a discount of approximately 52.96% to the average closing price of HK$0.3295 per Share for the last 10 trading days up to and including the Last Trading Day; and

(iv) a discount of approximately 44.64% to the average closing price of HK$0.28 per Share for the last 30 trading days up to and including the Last Trading Day.

The Vendor's Options Shares, the Finder 1's Options Shares and the Finder 2's Options Shares will rank pari passu in all respect among themselves and with the then issued Shares, including the right to receive all future dividends and distributions which may be declared, made or paid by the Company on or after the respective dates of allotment an issue of the Vendor's Options Shares, the Finder 1's Options Shares and the Finder 2's Options Shares.

The Company will apply to the GEM Listing Committee for the listing of, and permission to deal in the Vendor's Options Shares, the Finder 1's Options Shares and the Finder 2's Options Shares.

In regard of Finder 1 and Finder 2, in addition to the Finder 1's Options and Finder 2's Options, each of them is also entitled to a cash payment at 0.334% of RMB515 million (i.e. RMB1,720,100) for Finder 1 and 0.666% of RMB515 million for Finder 2 (i.e. RMB3,429,900) pursuant to respectively a mandate letter dated 26 May 2008 entered into between Finder 1 and the Company and a mandate letter dated 26 May 2008 entered into between Finder 2 and the Company. The said cash payment is conditional upon the completion of the Agreement. According to the said mandate letters, in the event that the Company enter into other transactions with the Vendor within 2 years from 26 May 2008, each of the Finder will also be entitled to a commission equivalent to 1% of the transaction value of such other transactions.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the allotment and issue of the Senior CB Conversion Shares upon full exercise of the conversion rights; and (iii) immediately after the allotment and issue of the Vendor Conversion Shares and the Senior CB Conversion Shares upon full exercise of the conversion rights (iv) immediately after the allotment and issue of the Vendor Conversion Shares (at a Conversion Notional Value of HK$460,599,334), the Senior CB Conversion Shares and the Vendor's Options Shares upon full exercise of the conversion rights and subscription rights and (v) immediately after the allotment and issue of the Vendor Conversion Shares, the Senior CB Conversion Shares the Vendor's Options Shares, Finder 1's Options Shares and Finder 2's Options Shares upon full exercise of the conversion rights and subscription rights are as follows:

Shareholder	**As at the date of this announcement**		**Immediately after allotment and issue of the Senior CB Conversion Shares**		**Immediately after the allotment and issue of the Senior CB Conversion Shares and Vendor Conversion Shares**		**Immediately after the allotment and issue of the Vendor Conversion Shares, the Senior CB Conversion Shares and the Vendor's Options Shares**		**Immediately after the allotment and issue of the Vendor Conversion Shares, the Senior CB Conversion Shares, the Vendor's Options Shares, the Finder 1's Options Shares and Finder 2's Options Shares**	
	No. of Shares	*Approx. %*	*No. of Shares*	*Approx. %*	*No. of Shares*	*Approx.%*	*No. of Shares*	*Approx.%*	*No. of Shares*	*Approx.%*
TLX	502,000,000	56.68	502,000,000	10.97	502,000,000	6.65	502,000,000	6.55	502,000,000	6.49
Linden	0	0	1,476,129,032 *(Note 1)*	32.26	1,476,129,032 *(Note 1)*	19.56	1,476,129,032 *(Note 1)*	19.27	1,476,129,032 *(Note 1)*	19.08
Sub-total	502,000,000	56.68	1,978,129,032	43.23	1,978,129,032	26.21	1,978,129,032	25.82	1,978,129,032	25.57
The Vendor	0	0	0		2,971,608,606 *(Note 2)*	39.37	3,084,708,746 *(Note 3)*	40.27	3,084,708,746	39.88
China Merchants	0	0	738,064,516 *(Note 1)*	16.13	738,064,516 *(Note 1)*	9.77	738,064,516 *(Note 1)*	9.63	738,064,516 *(Note 1)*	9.54
The Investors (excluding Linden and China Merchants)	0	0	1,476,129,032 *(Note 1)*	32.26	1,476,129,032 *(Note 1)*	19.56	1,476,129,032 *(Note 1)*	19.27	1,476,129,032 *(Note 1)*	19.08
Finder 1	0	0	0	0	0	0	0	0	21,342,620	0.28
Finder 2	0	0	0	0	0	0	0	0	42,685,240	0.55
Public Shareholders	383,640,000	43.32	383,640,000	8.38	383,640,000	5.08	383,640,000	5.01	393,940,000 *(Note 4)*	5.09
Total	885,640,000	100	4,575,962,580	100	7,547,571,186	100	7,660,671,326	100	7,734,999,186	100

Note 1: For the purpose of illustration only. Pursuant to the indicative terms of the Senior Convertible Bonds, holder of the Senior Convertible Bonds, including Linden, will not convert the Senior Convertible Bonds to the extent the total number of voting shares held by such Senior Convertible Bonds holder and persons acting in concert with such holder after such conversion would be 30% or more of the enlarged issued share capital of the Company or such other percentage so as to trigger a new mandatory general offer, or, such conversion would cause the Company's public float to drop below the below the minimum levels required by the GEM Listing Rules. Since under the terms of the non-binding term sheet, conversion of the Senior Convertible Bonds by Investors (including Linden) is subject to a 30% limit, conversion of the Senior Convertible Bonds by the Investors (including Linden) will not result in a change in control as defined in the Takeovers Code.

Note 2: For the purpose of illustration only. Pursuant to the terms of the Preferred Shares, holder of the Preferred Shares will not convert the Preferred Shares to the extent the total number of voting shares held by such Preferred Shares holder and persons acting in concert with such holder after such conversion would be 30% or more of the enlarged issued share capital of the Company or such other percentage so as to trigger a new mandatory general offer, or, such conversion would cause the Company's public float to drop below the below the minimum levels required by the GEM Listing Rules. The conversion right attached to the Preferred Shares are subordinated to and after the conversion rights attached to the Senior Convertible Bonds. Since under the terms of the Preferred Shares, conversion of the Preferred Shares is subject to a 30% limit, conversion of the Preferred Shares by the Vendor will not result in a change in control as defined in the Takeovers Code.

Note 3: For the purpose of illustration only. Pursuant to the terms of the Vendor's Options, the Vendor will not convert the Vendor's Options to the extent the total number of voting shares held by such Vendor's Options and persons acting in concert with such holder after such conversion would be 30% or more of the enlarged issued share capital of the Company or such other percentage so as to trigger a new mandatory general offer, or, such conversion would cause the Company's public float to drop below the below the minimum levels required by the GEM Listing Rules. The conversion right attached to the Vendor's Options are subordinated to and after the conversion rights attached to the Senior Convertible Bonds.

Note 4: As at the date of the announcement, there are 10,300,000 outstanding share options granted by the Company.

MONTHLY ANNOUNCEMENT

Subject to the Completion, the Company will make a monthly announcement (the "Monthly Announcement") on the website of the Stock Exchange and the website of the Company for so long as the Senior Convertible Bonds and/or Preferred Shares are outstanding. Such Monthly Announcement will be made on or before the fifth Business Day following the end of each calendar month and will include the following information in table form:

(i) whether there has been any conversion of the Senior Convertible Bonds or Preferred Shares during the relevant month. If yes, the relevant Monthly Announcement will set out details of the conversion(s), including the conversion date, the number of new Shares which fall to be issued and the conversion price or Conversion Rate for each conversion. If there is no conversion during the relevant month, a negative statement to that effect will be made;

(ii) the outstanding principal amount of the Senior Convertible Bonds or the number of Preferred Shares after conversion(s), if any;

(iii) the total number of new Shares issued pursuant to other transactions during the relevant month, including the Shares issued pursuant to the exercise of options under any share option scheme(s) of the Company; the Vendor's Options, Finder 1's Options and Finder 2's Options;

(iv) the total issued share capital of the Company as at the commencement of the first day and the last date of the relevant month; and

(v) in addition to the Monthly Announcement, if the cumulative amount of the conversion Shares issued pursuant to the conversion of the Senior Convertible Bonds and/or Preferred Shares reaches 5% of the issued share capital of the Company as disclosed in the last Monthly Announcement or any subsequent announcement made by the Company in respect of the Senior Convertible Bonds and/or Preferred Shares (as the case may be) (and thereafter in a multiple of such 5% threshold), the Company will make an announcement on the website of the Stock Exchange and the website of the Company including details as stated in (i) to (iv) above for the period commencing from the date of the last Monthly Announcement or any subsequent announcement made by the Company in respect of the Senior Convertible Bonds and/or the Preferred Shares (as the case may be) up to the date on which the total amount of the Shares issued pursuant to the conversion amounted to 5% of the issued share capital of the Company as disclosed in the last Monthly Announcement or any subsequent announcement made by the Company in respect of the Senior Convertible Bonds and/or Preferred Shares (as the case may be).

(vi) If the Company forms a view that any issue of shares upon conversion of the Senior Convertible Bonds and/or the Preferred Shares will trigger the disclosure requirement under Rule 17.10 of the GEM Listing Rules, the Company will make such disclosure regardless of the issue of any announcement in relation to the Senior Convertible Bonds and/or Preferred Shares as mentioned in (i) to (v) above.

IMPLICATION UNDER THE GEM LISTING RULES

The Acquisition and the Subscription constitute a very substantial acquisition on the part of the Company under Chapter 19 of the GEM Listing Rules. Accordingly, the Agreement and the transactions contemplated thereunder are subject to the approval of the Shareholders at the EGM. The Acquisition is conditional upon, amongst others, the completion of the Fund Raising Exercise, which will include the issue of the Senior Convertible Bonds to, amongst others, Linden, Linden may be regarded as having a material interest in the Agreement. Accordingly, Linden and its associates (including TLX, which is owned as to 50% by Linden Capital L. P., the holding company of Linden) will abstain from voting on the resolution to approve the Agreement and the transactions contemplated thereunder.

EGM

The EGM will be convened at which resolution will be proposed to seek the approval of the Shareholders for the Agreement and the transactions contemplated thereby, including but not limited to (1) the amendment to the Articles of Association to approve the creation of the Preferred Shares; (2) the allotment and issue of the Preferred Shares to the Vendor or its nominees at the Issue Price credited as fully paid; (3) the issue of the Senior Convertible Bonds to the Investors; and (4) the increase of the authorised share capital of the Company to HK$180,000,000 by the creation of an additional 13,000,000,000 Shares and an additional 3,000,000,000 Preferred Shares; (5) the grant of the Vendor's Option; (6) the grant of the Finder 1's Options; (7) the grant of the Finder 2's Options; (8) the allotment and issue of the Senior CB Conversion Shares; (9) the Vendor's Conversion Shares; (10) Finder 1's Options Shares; and (11) Finder 2's Options Shares.

GENERAL INFORMATION

A circular containing, among other matters, further details of the Acquisition, the Subscription, the Agreement and the transactions contemplated thereby, and the issue of the Senior Convertible Bonds and a notice to convene the EGM, will be despatched to the Shareholders in compliance with the GEM Listing Rules.

The completion of the Acquisition is conditional upon, amongst other things, the completion of the Fund Raising Exercise which includes the issue of the Senior Convertible Bonds. The issue of the Senior Convertible Bonds may or may not proceed. In the meantime, investors and shareholders are advised to exercise extreme caution when dealing in the Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 21 April 2008 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in Shares with effect from 9:30 a.m. on 28 May 2008.

TERMS USED IN THIS ANNOUNCEMENT

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"2008 Actual Profit"	the actual audited net profit after tax and extraordinary or exceptional items of the Target Group for the financial years ending 31 December 2008
"2008 Guaranteed Profit"	RMB75,000,000
"2009 Actual Profit"	the actual audited net profit after tax and extraordinary or exceptional items of the Target Group for the financial years ending 31 December 2009
"2009 Guaranteed Profit"	RMB325,000,000
"Acquisition"	the acquisition of the Sale Shares and subscription for the Subscription Shares by the Purchaser pursuant to the terms and conditions of the Agreement
"Acquisition Agreement A"	an acquisition agreement to be entered into between the WFOE as purchaser and Zhang Wei and Xue Zhendong as vendors prior to the completion of the Reorganisation in relation to the acquisition by the WFOE of 99% of the equity interests in Puhua for a total consideration of approximately RMB26,133,000 which shall be on terms and conditions to the satisfaction of the Purchaser
"Acquisition Agreement B"	an agreement dated 17 April 2008 entered into between Puhua as purchaser and Zhang Hongliang as vendor in relation to the acquisition by Puhua of the 100% equity interests in Hengtai for a total consideration of RMB391,317,000, of which RMB265,000,000 has been paid by Puhua
"Agreement"	the agreement dated 18 April 2008 and entered into among the Purchaser and the Warrantors in respect of the Acquisition and the Subscription and as amended and supplemented by the Supplemental Agreement
"Articles of Association"	the articles of association of the Company for the time being in force
"associates"	has the meaning ascribed thereto in the GEM Listing Rules
"Board"	the board of Directors

"Bondholder(s)"	the holder(s) of the Senior Convertible Bonds
"Business Day"	any day (other than a Saturday or Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"China Merchants"	CMTF Private Equity One, a company incorporated in Cayman Islands and having its registered office at Walkers SPV Limited, Walkers House, 87 Mary Street, Grand Cayman, KY1-9002. Cayman Islands, being one of the Investors
"CLSA"	CLSA Equity Capital Markets Limited, financial adviser to the Company
"Coal Mine No. 1"	the mining area of approximately 3.6 sq. km situating the northernmost area within the Nianpanliang Project, measuring 1.8 km from east to west and 2.1 km from south to north, in respect of which Mining Right License No. 1 was granted by Neimeng DLA
"Coal Mine No. 2"	the mining area of approximately 3.4 sq. km situating the southernmost area within the Nianpanliang Project, measuring 1.9 km from east to west and 1.8 km from south to north, in respect of which Mining Right License No. 2 was granted by Neimeng DLA
"Coal Mine No. 3"	the mining area of approximately 0.9 sq. km situating the northernmost area within the Nianpanliang Project, situating between Coal Mine No. 1 and Coal Mine No. 2 and measuring 1.4 km from east to west and 0.6 km from south to north
"Company"	Info Communication Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
"Completion"	completion of the sale and purchase of the Sale Shares and subscription for the Subscription Shares in accordance with the terms and conditions of the Agreement
"Completion Date"	the date of Completion, being the date falling two business days after all the conditions of the Agreement have been fulfilled
"Connected Person(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Consideration"	together, the Sale Consideration and the Subscription Consideration
"Conversion Notional Value"	HK$460,599,334, being the conversion notional value for the purpose of the Conversion Rate subject to adjustment

"Conversion Rate"	initially each Preferred Share shall be converted into one Holdings Share, subject to adjustment pursuant to whereby each Preferred Share shall be converted to such number of Holdings Share(s) as equal to $$\frac{\text{Conversion Notional Value/HK\$0.155}}{2{,}971{,}608{,}606}$$ provided always that the figure calculated by the above formula shall round down to three decimal places
"Deposit"	the deposit of US$20,000,000 (equivalent to RMB140,000,000 at an agreed exchange rate of US$1:RMB7) paid by the Purchaser to the Target as deposit and part payment of the Subscription Consideration
"Directors"	directors of the Company
"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Agreement and the transactions contemplated thereby, including but not limited to (1) the amendment to the Articles of Association to approve the creation of the Preferred Shares; (2) the allotment and issue of the Preferred Shares to the Vendor or its nominees at the Issue Price credited as fully paid; (3) the issue of the Senior Convertible Bonds to the Investors; and (4) if necessary, the increase of the authorised share capital of the Company to HK$180,000,000 by the creation of an additional 13,000,000,000 Shares and an additional 3,000,000,000 Preferred Shares; (5) the grant of the Vendor's Option; (6) the grant of the Finder 1's Options; (7) the grant of the Finder 2's Options; (8) the allotment and issue of the Senior CB Conversion Shares; (9) the Vendor's Conversion Shares; (10) Finder 1's Options Shares; and (11) Finder 2's Options Shares
"Excluded Assets"	means the Company's direct or indirect, entire shareholding, equity interests, rights and benefits in (1) Infosky Group Limited ("Infosky"); (2) Chan Chao International Co. Limited ("Chan Chao"); (3) all the subsidiaries of Infosky and Chan Chao as at the date of the Guarantee; and (4) all assets which are owned by any of the companies mentioned in (1), (2) and (3) above as at the date of the Guarantee
"Finder 1"	Clement Elite International Limited, a company incorporated in the BVI and having its business address in Hong Kong at 1701, Tower Two, Lippo Centre, 89 Queensway, Hong Kong
"Finder 1's Options"	21,342,620 Options
"Finder 1's Options Shares"	the Shares to be allotted and issued upon the exercise of the Finder 1's Options

"Finder 2"	Adjust Times Global Limited, a company incorporated in the BVI and having its registered office at Palm Grove House, P.O.Box 438, Road Town, Tortola, British Virgin Islands
"Finder 2's Options"	42,685,240 Options
"Finder 2's Options Shares"	the Shares to be allotted and issued upon the exercise of the Finder 2's Options
"Fund Raising Exercise"	the fund raising exercise to be conducted by the Company for financing the transactions contemplated under the Acquisition Agreement A and the Acquisition Agreement B which shall include the issue of the Senior Convertible Bonds but shall exclude a rights issue or an open offer
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"Guarantee"	the guarantee dated 18 April 2008 given by the Company in favour of Linden
"Hengtai"	Eerduosi Hengtai Coal Company Limited (鄂爾多斯恒泰煤炭有限公司), a company incorporated in the PRC with limited liability and will upon completion of the Reorganisation, be wholly owned by Puhua
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Shareholders"	the shareholders of the Company other than TLX and its associates
"Independent Third Party/ies"	third party/ies and their ultimate beneficial owner(s) which is/are independent of the Company and its Connected Persons
"Investors"	collectively, Linden, China Merchants and other investors to be determined by CLSA, as placement agent for the Company
"Issue Price"	the issue price of HK$0.155 per Preferred Share
"Last Trading Day"	18 April 2008, being the last trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
"Linden"	Linden Ventures III (BVI) Ltd, a company incorporated in the British Virgin Islands, being one of the Investors
"Loan"	the loan facility for principal sum of US$12,500,000 to be advanced by Linden to the Purchaser pursuant to the Loan Agreement

"Loan Agreement"	the agreement dated 18 April 2008 entered into between the Purchaser and Linden pursuant to which Linden will advance the Loan to the Purchaser
Mr. Wong	Wong Siu Min, the ultimate controller of Linden Capital L. P. which in turn beneficially owns 50% of the entire interest of TLX
Ms. Zhang	Zhang Ze Mei, the beneficial owner of 50% the entire interest of TLX
"Neimeng DLA"	Neimeng Department of Land and Resources (內蒙國土資源廳)
"Nianpanliang Project"	an area covering approximately 10.1 sq. km (1,012 hectares) measuring approximately 3.0 km from east to west and 5.5 km from north south and of approximately 3 km northeast of Dongsheng Town of Ordox City on the eastern edge of the Maowusu Desert of Inner Mongolia
"Option"	the right to subscribe for one Share at an exercise price of HK$0.155
"Placing Agent"	CLSA Limited
"PRC"	the People's Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Preferred Share Class Creation"	the proposed creation of a new class of Preferred Shares and reclassification of the existing share capital of the Company into the Shares and the Preferred Shares
"Preferred Shares"	a new class of the share capital of the Company of nominal value HK$0.01 each to be created, carrying rights to convert into the Vendor Conversion Shares at the Conversion Rate, the principal terms of which are set out in the section headed "Principal terms of the Preferred Shares" in this announcement
"Puhua"	Shanxi Puhua Deqin Metallurgy Technology Co., Ltd. (山西普華德勤冶金科技有限公司), a company incorporated in the PRC with limited liability and will upon completion of the Reorganisation, be owned as to 99% of its equity interests in by the WFOE
"Puhua's Group"	together, Puhua and Hengtai
"Purchaser"	Billion Station Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company and the purchaser and the subscriber under the Agreement

"Profit Guarantee"	the profit guarantee given by the Vendor in relation to the audited net profit after tax and extraordinary or exceptional items of the Target Group for the financial years ending 31 December 2008 and 31 December 2009 at the sum of RMB75,000,000 and RMB325,000,000 respectively
"Reorganisation"	the reorganization to be conducted by members of the Target Group pursuant to which (i) the WFOE as a wholly owned subsidiary of the Target will acquire 99% of the equity interests in Puhua pursuant to Acquisition Agreement A; and (ii) Puhua will acquire 100% equity interests in Hengtai pursuant to Acquisition Agreement B, and in such manner as the Purchaser may approve
"Sale Consideration"	the consideration of RMB415,000,000 (equivalent to HK$460,599,334 at an agreed exchange rate of HK$1: RMB0.901) and payable by the Purchaser to the Vendor for the sale and purchase of the Sale Shares
"Sale Shares"	50,000 ordinary shares of US$1.00 each in the issued share capital of the Target, representing the entire issued share capital of the Target as at the date of this announcement
"Senior CB Conversion Shares"	the Shares to be issued upon the exercise of the conversion rights attaching to the Senior Convertible Bonds
"Senior Convertible Bonds"	the convertible bonds in the principal amount of RMB515 million to be issued by the Company to the Investors as part of the Fund Raising Exercise, the principal indicative terms of which are set out in the section headed "PROPOSED ISSUE OF SENIOR CONVERTIBLE BONDS INVOLVING CONNECTED TRANSACTION" in this announcement
"Service Agreement I"	the service agreement dated 26 May 2008 entered into between the Company and Finder 1 pursuant to which the Company agrees to appoint Finder 1 as its agent
"Service Agreement II"	the service agreement dated 26 May 2008 entered into between the Company and Finder 2 pursuant to which the Company agrees to appoint Finder 2 as its agent
"Share(s) or Holding Share(s)"	existing ordinary share(s) of HK$0.01 each in the share capital of the Company
"Share Mortgage"	the first fixed legal mortgage to be executed by the Vendor in favour of the Purchaser in respect of the Sale Shares
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Subscription"	the subscription for the Subscription Shares by the Purchaser pursuant to the terms and conditions of the Agreement
"Subscription Consideration"	the consideration of RMB500,000,000 and payable by the Purchaser to the Target for the subscription of the Subscription Shares
"Subscription Shares"	the 60,241 new shares of US$1.00 each in the capital of the Target to be subscribed for by the Purchaser pursuant to the Agreement
"Supplemental Agreement"	the agreement dated 26 May 2008 supplemental to the Agreement and entered into among the Purchaser and the Warrantors
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Target"	Triumph Fund A Limited, a company incorporated in the Cayman Islands, and at as the date of this announcement, subject to the Share Mortgage, wholly and beneficially owned by the Vendor
"Target Group"	together with the Target, the WFOE, Puhua and Hengtai
"TLX"	TLX Holdings Limited, a company incorporated in the British Virgin Islands and a substantial shareholder of the Company
"Transactions"	together the Acquisition, the Subscription, the issue of the Senior Convertible Bonds, the grant of Vendor's Options, Finder 1's Options and Finder 2's Options
"Vendor"	Mr. Zhao Ming, being the vendor under the Agreement
"Vendor's Conversion Shares"	new Shares which may fall to be issued by the Company upon the exercise of the conversion rights attached to the Preferred Shares at the Conversion Rate then in effect
"Vendor's Options"	113,100,140 Options
"Vendor's Option Shares"	the Shares to be allotted and issue to the Vendor upon the exercise of the subscription rights attached to the Vendor's Options
"Warrantors"	collectively, the Vendor, the Target, WFOE and Puhua
"WFOE"	Shanxi Hengchuang Industrial Co., Ltd. (山西恒創實業有限公司), a company incorporated in the PRC with limited liability and a wholly owned subsidiary of the Target
"HK$"	Hong Kong dollars
"RMB"	Renminbi, the lawful currency of the PRC
"US$"	United States dollars, the lawful currency of the United States of America

"km"	kilometers
"Mtpa"	million tones per annum
"sq. km."	square kilometers
"%"	per cent.

By order of the Board
Info Communication Holdings Limited
Chui Bing Sun
Chairman

Hong Kong, 27 May 2008

As at the date of this announcement, the executive Directors are Mr. Chui Bing Sun, Mr. Lee Chi Shing, Caesar, Mr. Cheng Kwok Lai and Mr. Kwok Kam Tim and the independent non-executive Directors are Mr. Kwok Kwan Hung, Mr, Chan Wai Man and Mr. Leung Chi Kong.

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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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 "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its publication.