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INTCERA
Intcera High Tech Group Limited
大陶精密科技集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8041)

Website: <http://www.intcera.com.hk>

**RULE 17.10 ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING
IN RESPECT OF THE POSSIBLE ACQUISITION OF
NOT LESS THAN 51% INTEREST IN COPPER, LEAD
AND ZINC MINE IN SHAANXI, THE PRC**

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

The Board announces that on 13 June 2008, the Company entered into the non-legally binding MOU with the Vendors in relation to the Possible Acquisition.

The Target is incorporated in the British Virgin Islands and is principally engaged in investment holding and expects to hold approximately 60% of a copper, lead and zinc mine in Shaanxi Province of the PRC.

Based on the information provided by the Vendors as at 13 June 2008, the copper, lead and zinc mine has an approximately 0.25 million tonnes reserves of copper, lead and zinc altogether.

Tsingda intends to guarantee the Company that the audited Net Profits of the Company for the financial years ending 31 December 2009 and 2010 shall not be less than HK\$250 Million per annum.

The consideration for the Possible Acquisition, may be payable in cash, by allotting and issuing new Shares, by issuing convertible bonds carrying rights to convert in Shares, or by issuing promissory notes to the Vendors.

* *for identification purpose only*

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it will constitute a very substantial acquisition transaction on the part of the Company. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event any Formal Agreement has been signed.

This announcement is made by Intcera High Tech Group Limited (the “Company”) pursuant to Rule 17.10 of the GEM Listing Rules.

The Board announces that the Company entered into the non-legally binding MOU with the Vendors in relation to the Possible Acquisition.

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION

Date: 13 June 2008

Parties: the Company; and

the Vendors,

- i) Tsingda Daring Mining Group Company Limited, its ultimate beneficial owners being third parties independent of the Company and its connected persons; and
- ii) Get Profit Holdings Limited, its ultimate beneficial owners being third parties independent of the Company and its connected persons.

The Target is incorporated in the British Virgin Islands and is principally engaged in investment holding. It expects to hold approximately 60% of a copper, lead and zinc mine in Shaanxi Province of the PRC.

Based on the information provided by the Vendors as at 13 June 2008, the copper, lead and zinc mine has an approximately 0.25 million tonnes reserves of copper, lead and zinc altogether.

The Vendors intend to sell the Company intends to purchase, the entire registered capital of the Target.

Major terms of the MOU

Under the MOU, it is proposed that the Company will acquire 100% of the issued share capital of the Target. Upon signing of the MOU, the Company shall conduct due diligence on the assets, liabilities, operations and affairs of the Target and its subsidiaries.

Profit guarantee

Tsingda intends to guarantee the Company that the audited net profit of the Target for the years ending 31 December 2009 and 31 December 2010, which is prepared in accordance with International Financial Reporting Standards, would not be less than HK\$250 million per annum.

Under the MOU, both the Company and the Vendors will proceed to the negotiation for a legally-binding Formal Agreement within 90 days from the date of the MOU (or such later date to be agreed by the parties thereto). It is also agreed that the Vendors will not, directly or indirectly, for a period of 90 days commencing from the date of the MOU, negotiate with any other party for the Possible Acquisition.

The consideration for the Possible Acquisition will be determined by further negotiation between the Vendors and the Company. The consideration may be satisfied by the Company in cash, by allotting and issuing new Shares, by issuing convertible bonds carrying rights to convert in Shares, or by issuing promissory notes to the Vendors. The exact payment method will be subject to further negotiations between the Vendors and the Company.

The MOU does not constitute legally-binding commitment on the part of the Company in respect of the Possible Acquisition. The Possible Acquisition will be subject to the execution and completion of the Formal Agreement.

If the Formal Agreement is entered into, it is expected that the Possible Acquisition will constitute a very substantial acquisition transaction on the part of the Company pursuant to the GEM Listing Rules. In this regard, the Company will comply with the reporting, disclosure and/or shareholders' approval requirements under the GEM Listing Rules as and when appropriate.

The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialized, it will constitute a very substantial acquisition transaction on the part of the Company pursuant to the GEM Listing Rules. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event the Formal Agreement has been signed.

Reasons for the Possible Acquisition and General

The Group is principally engaged in the manufacturing of ferrules, producing and selling of optical fiber, patch code and patch panel. In order to seek for more business opportunities and to maximize return to the Company and the Shareholders in the long run, the Company has decided to enter into the MOU with the Vendors to explore the possibility of co-operation.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Intcera High Tech Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Acquisition
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Get Profit”	Get Profit Holdings Limited
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“MOU”	the non-legally binding memorandum of understanding dated 13 June 2008 entered into between the Company and the Vendors setting out the preliminary understanding in relation to the Possible Acquisition
“Possible Acquisition”	the possible acquisition by the Company from the Vendors of in aggregate 100% of the issued share capital of the Target as contemplated under the MOU

“PRC”	the People’s Republic of China
“Shares”	shares of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Windance Investments Limited, a company incorporated in the British Virgin Islands, and as at the date of this announcement, owned as to 51% by Tsingda and as to 49% by Get Profit
“Tsingda”	Tsingda Daring Mining Group Company Limited
“Vendors”	Tsingda and Get Profit

By Order of the Board
Intcera High Tech Group Limited
Lau Chi Yuen, Joseph
Chairman

Hong Kong, 13 June 2008

As at the date of this announcement, the Board comprises three (3) executive directors, namely, Mr. Lau Chi Yuen, Joseph (Chairman), Mr. Cheng Qing Bo and Mr. Tung Tai Yung, and three (3) independent non-executive directors, namely Dr. Lee Chung Mong, John, Mr. Tam Wing Kin and Mr. Fung Chan Man, Alex.

This announcement, for which the directors of the Company 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 of the Company, 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 at www.hkgem.com for at least 7 days from the date of its publication.