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# 東方明珠創業有限公司\*

## Pearl Oriental Innovation Limited

(the “Company” or “Pearl Oriental”)

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 632)**

### STRATEGIC COOPERATION AGREEMENT

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On 21 July 2010 (after the trading hours), the Company signed a Strategic Cooperation Agreement with Sinopec for possible cooperation in exploration and exploitation of various gas and oilfields.

The Company is now in negotiation of acquiring an oil field project in Kazakhstan, and has discussed this project with Sinopec. If the Company enters into any acquisition agreement for the oil field and/or it has further cooperation with Sinopec, the Company will make disclosure to comply with the applicable requirements under the Listing Rules, if and when appropriate.

#### RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 22 July 2010 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 23 July 2010.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange.

#### STRATEGIC COOPERATION AGREEMENT

On 21 July 2010 (after the trading hours), the Company signed Strategic Cooperation Agreement with Sinopec International Petroleum Exploration and Production Corporation (中國石化集團國際石油勘探開發有限公司, “Sinopec International”), a wholly owned subsidiary of China Petrochemical Corporation (中國石油化工集團公司, “Sinopec”) in Beijing. Sinopec International is responsible for Sinopec’s oil and gas exploration and business development in overseas. Sinopec International welcomes Pearl Oriental to play a role through private channel to meet with Sinopec’s strategic goal of exploring new overseas projects, with the following main terms:

1. Sinopec and Pearl Oriental will utilize their respective edge to explore and identify opportunities in respect of exploration, production and mergers and acquisitions for upstream oil and gas projects;

2. Cooperation of the both parties will focus in five major strategic target regions in the world, the first phrase of cooperation will be in the area of Kazakhstan and Libya and also those countries and regions which both parties think appropriate for Pearl Oriental to be the representative;
3. Sinopec will evaluate technical and economic information in relation to the projects to be provided by Pearl Oriental, and will inform Pearl Oriental of results of such evaluation; and
4. Both parties will make decision on investing in projects based on their respective strategic consideration. If they cooperate in investments, the parties will enter into substantive cooperation agreement in respect of specific projects.

Sinopec is the most famous giant state-owned enterprise in China. It has the leading positions in oil exploitation, petrochemical, oil refining and sale. Pearl Oriental is very pleased to build up a strategic cooperative relationship with Sinopec. Pearl Oriental will utilize its own edge so as to achieve the mutual beneficial cooperation with Sinopec in respect of mergers and acquisitions in the international oil sections and follow the stated-owned enterprises' strategy of "Going-out" (走出去).

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The possible acquisition of the oil field project is still in the stage of negotiation, therefore relevant agreement may or may not be entered into by the Company. Shareholders of the Company and investors are advised to exercise caution when dealing in the Shares.

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*As at the date hereof, the Board comprises six executive Directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Dr. Lew Mon Hung, Mr. Cheung Kwok Yu, Mr. Zhou Li Yang, Mr. Zheng Yingsheng and Mr. Johnny Yuen; and three independent non-executive Directors, namely Mr. Yu Jianmeng, Mr. Fung Hing Chiu, Cyril and Mr. Lam Ka Wai, Graham.*

By Order of the Board  
**Pearl Oriental Innovation Limited**  
Dr. Lew Mon Hung  
*Deputy Chairman and Executive Director*

Hong Kong, 22 July 2010

*\* For identification purposes only*