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ADDCHANCE HOLDINGS LIMITED

互益集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3344)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE POSSIBLE INVESTMENTS IN
ANTERRA ENERGY INC.**

The Board announces that on 31 July 2015 (after trading hours), the Investee entered into a non-legally binding Memorandum with the Investor in relation to the Possible Investments.

Pursuant to the Memorandum, the Investor and the Investee shall negotiate in good faith towards the other in ensuring that the Investment Agreement be entered into as soon as possible and in any event, on or before the date falling 30 days from the date of execution of the Memorandum or such later date as the parties thereto may agree.

Subject to the terms and conditions of the Investment Agreement, the Investor shall have an option of nominating up to two candidates to the Investee's Board upon Completion and the Investee's Board shall hence forth procure such nominations be put forward for the consideration of the Investee's Board and, if required, the shareholders of the Investee, in accordance with the constitutional documents of the Investee and the relevant requirements of the TSX Venture Exchange.

Subject to the terms and conditions of the Investment Agreement, the Investee shall upon Completion or as soon thereafter as practicable effect a consolidation of the Anterra Shares on the basis of every twenty (20) Anterra Shares into one (1) New Anterra Shares.

The Board wishes to emphasise that no binding agreement in relation to the Possible Investments has been entered into by the Investor and the Investee as at the date of this announcement. As such, the Possible Investments may or may not proceed. If the Possible Investments materialise, it will constitute a notifiable transaction on the part of the Company under Chapter 14 of the 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 Investments will be made by the Company in compliance with the Listing Rules as and when appropriate.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong).

The Board announces that on 31 July 2015 (after trading hours), the Investee entered into a non-legally binding Memorandum with the Investor in relation to the Possible Investments.

THE MEMORANDUM

Date: 31 July 2015 (after trading hours)

Parties: (1) Dynamic Regal Limited (an indirect wholly-owned subsidiary of the Company) as the investor; and

(2) Anterra Energy Inc. as the investee

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Investee is an Independent Third Party.

Subject matter

Pursuant to the Memorandum, subject to the terms and conditions of the Investment Agreement, the Investor shall invest:–

- (a) the Cash Investment in the Investee and subscribe for and the Investee shall allot and issue the Cash Investment Anterra Shares to the Investor with effect from Completion at the cash subscription price of CAD\$0.04; and

- (b) the Share Investment in the Investee and subscribe for and the Investee shall allot and issue the Share Investment Anterra Shares to the Investor with effect from Completion at the Anterra Shares Subscription Price.

Upon Completion, the Group will indirectly own 70% of the equity interest of the Investee.

Consideration

The aggregate consideration for the Cash Investment and the Share Investment is approximately CAD\$23,418,009 (equivalent to approximately HK\$147,533,457).

The consideration for the Cash Investment, being CAD\$10,000,000 (equivalent to approximately HK\$63,000,000) shall be satisfied by the Company in cash at Completion.

The consideration for the Share Investment, being CAD\$13,418,009 (equivalent to approximately HK\$84,533,457) shall be satisfied by the Company by way of allotment and issue of 45,693,761 Offer Shares, credited as fully paid, at the Offer Price of HK\$1.85 per Offer Share to the Investee at Completion.

The 45,693,761 Offer Shares represent (i) approximately 7.42% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 6.91% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares (assuming that there is no other change to the issued share capital of the Company).

The Offer Price (i.e. HK\$1.85) represents:

- (a) a premium of approximately 50.4% to the closing price of HK\$1.23 per Share as quoted on the Stock Exchange on 30 July 2015, being the last trading day of the Shares prior to the date of the Memorandum (the “Last Trading Day”);
- (b) a premium of approximately 36.63% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last five consecutive full trading days up to and including the Last Trading Day of HK\$1.354 per Share; and
- (c) a premium of approximately 20.2% to the net assets value per Share of approximately HK\$1.539 based on the audited consolidated net assets value attributable to the Shareholders as at 31 December 2014.

Investment Agreement

The Investor and the Investee shall negotiate in good faith towards the other in ensuring that the Investment Agreement be entered into as soon as possible and in any event, on or before the date falling 30 days from the date of execution of the Memorandum or such later date as the parties thereto may agree.

Conditions precedent of the Possible Investments

Completion of the Possible Investments is conditional upon:

- (a) all necessary consents, licenses and approvals from the shareholders, bankers, financial institutions and regulators required to be obtained on the part of the Investor and the Company in respect of the Investment Agreement and the transactions contemplated thereby having been obtained and remain in full force and effect;
- (b) all necessary consents, licences and approvals from the shareholders, bankers, financial institutions and regulators required to be obtained on the part of the Investee in respect of the Investment Agreement and the transactions contemplated thereby having been obtained and remain in full force and effect;
- (c) the Investor being satisfied with the results of the due diligence review on the Investee to be conducted by the Investor;
- (d) if necessary, the Shareholders passing at an extraordinary general meeting of an ordinary resolution approving the Investment Agreement and the transactions contemplated thereunder;
- (e) if necessary, the shareholders of the Investee passing at an extraordinary general meeting of the Investee of an ordinary resolution approving the Investment Agreement and the transactions contemplated thereunder; and
- (f) any other conditions which may be agreed by the Investor and the Investee and included in the Investment Agreement.

Appointment of directors to the Investee's Board

Subject to the terms and conditions of the Investment Agreement, the Investor shall have an option of nominating up to two candidates to the Investee's Board upon Completion and the Investee's Board shall hence forth procure such nominations be put forward for the consideration of the Investee's Board and, if required, the shareholders of the Investee, in accordance with the constitutional documents of the Investee and the relevant requirements of the TSX Venture Exchange.

Anterra Share Consolidation

Subject to the terms and conditions of the Investment Agreement, the Investee shall upon Completion or as soon thereafter as practicable effect a consolidation of the Anterra Shares on the basis of every twenty (20) Anterra Shares into one (1) New Anterra Shares.

Due diligence

The Investor shall and shall procure that its advisers and agents shall, forthwith upon the signing of the Memorandum, conduct such review of the assets, liabilities, operations and affairs of the Investee as it may consider appropriate and the Investee shall provide and procure its agents to provide such assistance as the Investor and its advisers and agents may require in connection with such review so as to enable the review to be completed on or before the date falling 30 days from the date of the Investment Agreement.

Exclusivity

In consideration of the expenses to be incurred by the Investor in the negotiation of the Memorandum and in conducting its due diligence review, the Investee will not, and will procure its directors, officers, employees, representatives and agents will not, directly or indirectly, for a period of 30 days from the date of the Memorandum (i) solicit, initiate or encourage inquiries or offers from, or (ii) initiate or continue negotiations or discussions with or furnish any information to, or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Investor and the Company with respect to the Investments or the sale, subscription, or allotment of any part thereof or any other shares of the Investee. If the Investee receives any such inquiry or offer, the Investee will promptly notify the Investor.

INFORMATION OF THE INVESTEE

The Investee is a public Canadian company listed on the TSX Venture Exchange under the stock code AE.A-V. As at the date of this announcement, the Investee is principally engaged in the exploration, development and production on the use of advanced exploration technologies including 3D imaging, horizontal drilling and multi-stage completions to systematically develop its portfolio of conventional and non-conventional oil and gas projects.

REASONS FOR THE POSSIBLE INVESTMENTS

The Group is principally engaged in the production and sale of dyed yarns, knitted sweaters and cotton yarns, the provision of dyeing services and knitting services, and the trading of cotton and yarns. Its major products include dyed yarns made of over 200 different types of cotton, cashmere, ramie, rayon, acrylic, polyester, silk, wool, nylon, linen and a mixture of the above, and knitted sweaters including cardigans and pullovers as well as socks and hosiery products.

In early 2015, the Group began its diversification developments into energy-related sector through the acquisition of the Coulman Group. As disclosed in the announcement of the Company dated 13 March 2015, the Tianfengda Group operates the natural gas business including construction of pipelines, selling and distribution of natural gas to residential, commercial and industrial users, operation of CNG and LNG fueling stations as well as installation of natural gas equipment for new clients. The Tianfengda Group also has two CNG fueling stations under operation, one LNG fueling station under construction and combined CNG and LGN fueling station under construction.

The Directors are of the view that as Anterra is an upstream oil and gas producer in Canada and owns a full oil and gas management team to source further expansion opportunities in the energy-related sector in Canada, the Possible Investment will provide the Group an opportunity to further diversify its energy-related sector as well as the oil and gas resources in Canada.

The Directors further consider that the Possible Investments will also create a new revenue stream that is of high potential and provide the Group a relatively inexpensive entry point into resource rich Canada sector.

In consideration of the above, the Directors are of the view that the terms of the Memorandum are fair and reasonable and the Possible Investments are in the interests of the Company and Shareholders as a whole.

GENERAL

The Memorandum does not constitute legally-binding commitment in respect of the Possible Investments. The Possible Investments are subject to, among others, the execution and completion of the Investment Agreement. The Board wishes to emphasise that no binding agreement in relation to the Possible Investments have been entered into by the Investor and the Investee as at the date of this announcement. As such, the Possible Investments may or may not proceed.

In the event the Possible Investments materialise, it will constitute a notifiable transaction on the part of the Company pursuant to Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Investments will be made by the Company in compliance with the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Anterra Shares”	Class A common share(s) in the share capital of the Investee prior to the Anterra Share Consolidation
“Anterra Share Consolidation”	the proposed consolidation of every twenty (20) Anterra Shares into one (1) New Anterra Share
“Anterra Shares Subscription Price”	the subscription price of CAD\$0.0148 per Share Investment Anterra Share
“Board”	the board of Directors

“BVI”	the British Virgin Islands
“Cash Investment”	the investment in the principal amount of CAD\$10 million in cash to be made by the Investor in the Investee
“Cash Investment Anterra Shares”	the placing of 250,000,000 Anterra Shares by the Investee to the Investor in consideration for the Cash Investment at the cash subscription price of CAD\$0.04 per Anterra Share
“Company”	Addchance Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Possible Investments in accordance with the terms of the Investment Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Coulman Group”	Coulman International Limited and its subsidiaries, namely Sino First Development Limited, 中基普惠(天津)有限公司 (Zhongji Puhui (Tianjin) Company Limited*), 山西天豐達貿易有限公司 (Shanxi Tianfengda Trading Company Limited*), 稷山縣天豐達燃氣有限公司 (Jishan Tianfengda Natural Gas Company Limited*), 萬榮縣天豐達燃氣有限公司 (Wanrong Tianfengda Natural Gas Company Limited*) and 芮城縣豐德燃氣有限公司 (Ruicheng Fengde Natural Gas Company Limited*). Details of which have been disclosed in the announcement of the Company dated 13 March 2015
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Independent Third Party”	third party independent of and not connected with the Company and its connected persons
“Investee”	Anterra Energy Inc., a public Canadian company listed on the TSX Venture Exchange under the stock code AE.A-V
“Investee’s Board”	the board of directors of the Investee
“Investment Agreement”	the investment agreement which may or may not be entered into between the Investor and the Investee in relation to the Possible Investments
“Investor”	Dynamic Regal Limited, a company incorporated in BVI with limited liability and is an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the non-legally binding memorandum of understanding dated 31 July 2015 and entered into between the Investor and the Investee setting out the preliminary understanding in relation to the Possible Investments
“New Anterra Share(s)”	Anterra Share(s) in the issued share capital of Anterra upon completion of the Anterra Share Consolidation
“Offer Price”	the offer price of HK\$1.85 per Offer Share
“Offer Shares”	45,693,761 Shares to be subscribed by the Investee and to be allotted and issued by the Company to settle the Share Investment
“Possible Investments”	together the Cash Investment and the Share Investment to be made by the Investor in the Investee as contemplated under the Memorandum

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Investment”	the investment in the principal amount of CAD\$13,418,009 to be made by the Investor in the Investee by the allotment and issue of the Offer Shares to the Investee at the Offer Price
“Share Investment Anterra Shares”	the allotment and issue of 909,365,947 Anterra Shares at the Anterra Shares Subscription Price by the Investee to the Investor to satisfy the consideration for the Share Investment
“Shareholder(s)”	the holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianfengda Group”	山西天豐達貿易有限公司 (Shanxi Tianfengda Trading Company Limited*) and its subsidiaries, namely 稷山縣天豐達燃氣有限公司 (Jishan Tianfengda Natural Gas Company Limited*), 萬榮縣天豐達燃氣有限公司 (Wanrong Tianfengda Natural Gas Company Limited*) and 芮城縣豐德燃氣有限公司 (Ruicheng Fengde Natural Gas Company Limited*). Details of which have been disclosed in the announcement of the Company dated 13 March 2015
“TSX Venture Exchange”	TSX Venture Exchange Inc., a company incorporated in Canada and an indirect wholly-owned subsidiary of TMX Group Limited. TSX Venture Exchange operates Canada’s premier junior listings market, which provides companies at early stages of growth with the opportunity to raise capital, and provides investors the opportunity to invest in and trade in those companies’ securities
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong

“CAD\$” Canadian dollars, the lawful currency for the time being of Canada

“%” per cent

* *English Translation or transliteration for identification purpose only*

For the purpose of this announcement, the exchange rate of CAD\$1.00 = HK\$6.3 has been used for currency translation, where applicable. Such exchange rates are for illustration purposes and do not constitute representation that any amount in CAD\$ or HK\$ have been or may be converted in such rates.

By Order of the Board
Addchance Holdings Limited
Wong Chiu Hong
Executive Director

Hong Kong, 31 July 2015

As at the date of this announcement, (i) the executive Directors are Mr. Sung Kim Ping (Chairman), Mr. Wong Chiu Hong, Mr. Tsang Fai, Mr. Lo Ping and Mr. Yeung Choi Yee; (ii) the non-executive Director is Mr. Chui Chi Yun, Robert; and (iii) the independent non-executive Directors are Ms. Huang Yunjie, Mr. Chan Shu Kin and Dr. Tse Kwok Sang.