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**Up Energy Development Group Limited**  
優派能源發展集團有限公司  
**UP ENERGY DEVELOPMENT  
GROUP LIMITED**  
優派能源發展集團有限公司\*  
(incorporated in the Bermuda  
with limited liability)  
(Stock Code: 307)



**KAISUN ENERGY GROUP LIMITED**  
凱順能源集團有限公司\*  
(incorporated in the Cayman Islands  
with limited liability)  
(Stock Code: 8203)

**JOINT ANNOUNCEMENT ON  
TERMINATION OF THE PROPOSED TRANSACTION BETWEEN  
UP ENERGY DEVELOPMENT GROUP LIMITED AND  
KAISUN ENERGY GROUP LIMITED**

Reference is made to the announcements made by Up Energy Development Group Limited dated 8 January 2013 and Kaisun Energy Group Limited (the “Company”) dated 10 January 2013 and by Kaisun Energy Group Limited on 18 October 2013 in relation to the Very Substantial Disposal involving Disposal of interest in Kaftar Hona Deposit (“proposed transaction”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement dated 10 January 2013 unless defined otherwise.

As disclosed in the Announcement dated 18 October, 2013, Completion is conditional upon, among other things, the fulfilment or waiver (as the case may be) of the conditions precedent on or before the Long Stop Date, which was extended to 30 June, 2015.

After due consideration and careful assessment by both parties, we are of the view that due to the current uncertainties in the region, such large scale mining development in Kafta Hona Deposit may not bring sufficient economic benefit to justify the carrying out of the proposed transaction at this point in time given the drilling season will have to start immediately. Hence, both parties agree to terminate this proposed transaction and there is no claim against each other.

By order of the Board  
**Up Energy Development Group Limited**  
**Qin Jun**  
Chairman

By order of the Board  
**Kaisun Energy Group Limited**  
**CHAN Nap Kee, Joseph**  
Chairman

Hong Kong, 18 July, 2014

*As of the date of this announcement, the executive Directors of Up Energy Development Group Limited are Mr. Qin Jun, Mr. Jiang Hongwen and Mr. Wang Chuan whilst the independent non-executive directors are Mr. Chau Sing Yim, David, Mr. Li Bao Guo, Mr. Lien Jown Jing, Vincent and Dr. Shen Shiao- Ming.*

*As of the date of this announcement, the executive Directors of Kaisun Energy Group Limited are Mr. Chan Nap Kee Joseph, Dr. Chow Pok Yu Augustine and Mr. Yang Yongcheng. The independent non-executive Directors are Mr. Liew Swee Yean, Mr. Siu Siu Ling Robert, Dr. Wong Yun Kuen and Mr. Anderson Brian Ralph.*

*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 or deceptive; (2) there are no other matters the omission of which would make any statement in this announcement misleading or deceptive.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the Company's website at [www.kaisunenergy.com](http://www.kaisunenergy.com).*

*\* for identification purpose only*