



KAISUN ENERGY GROUP LIMITED

凱順能源集團有限公司*

(Stock Code: 8203)

VERY SUBSTANTIAL DISPOSAL PROPOSED DISPOSAL OF THE COMPANY'S INTEREST IN KAFTAR HONA DEPOSIT

The board (the "Board") of the directors (the "Directors") of Kaisun Energy Group Limited (the "Company") is pleased to announce that further to the MOU dated 5 July, 2012 and on 19 December 2012, the Seller, the Buyer, the Company and Up Energy entered into the SPA pursuant to which the Seller has conditionally agreed to sell, and the Buyer has conditionally agreed to dispose the Company's 52% indirect equity interest in Kamarob at a consideration of HK\$394,648,800, being half cash and half shares of Up Energy Limited.

Kamarob is the holder of the relevant licenses to conduct geological exploration and coal mining in Kafta Hona anthracite deposit in Tajikistan.

Mr. Joseph Chan, Chairman of Kaisun Energy, said "We are pleased with the signing of the Sale and Purchase Agreement (SPA). The Disposal represents an opportunity for the Company to liquidate its investment in the Kafta Hona Deposit at a reasonable price yielding an investment return for the Shareholders within a shorter time span. Cash from the Disposal could also give the Company the ability to seize investment opportunity as and when it arises and in the meantime allows the Company to focus the Group's resources on the exploitation activities at the two remaining mines in Tajikistan."

Up Energy, the Buyer's parent company, is listed on the Main Board of the Stock Exchange (stock code: 307). It is one of the largest non-state owned coking coal operators in Xinjiang. Xinjiang and Tajikistan are in close geographical proximity to each other. The Company is in the early stage of extending its coal trading operation in Xinjiang. The Disposal will result in the Company becoming a shareholder of Up Energy. The Company's shareholding in Up Energy will lay the foundation for the strategic co-operative efforts between them and the Company's coal trading operation in Xinjiang can be expected to benefit as a result.

Details of the announcement can be found in the related announcement dated 10 January, 2012 on "<http://www.kaisunenergy.com>" under "Announcements" section.

About Kaisun Energy

Kaisun Energy Group Limited is an investment holding company listed on the Growth Enterprise Market ("GEM") board of the Hong Kong Stock Exchange of Hong Kong Limited ("Stock Exchange") (stock code: 8203). Currently, it owns mining rights and interests in three mines in Tajikistan: the Kafta Hona Deposit, the Zeddi coal deposit and the Mienadu coal deposit. It also engages in the business of mining, processing and sale of coal.