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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 10 August 2010 (after morning trading hours), the Company signed a Strategic Cooperation Agreement with BCC for possible acquisition of Oil and Gas assets in Kazakhstan.

RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended with effect from 2:30 p.m. on 10 August 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 12 August 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 10 August 2010 (after morning trading hours), the Company signed a Strategic Cooperation Agreement with BCC Invest, an investment banking division of Bank CenterCredit, Almaty, Kazakhstan (“BCC”), with the following principle terms :

1. BCC would like to assist its clients, in particular oil and gas enterprises in Kazakhstan, to be listed on the Stock Exchange of Hong Kong and opening its own branch or representative office in Hong Kong. The Company is pleased to provide strong support, including provision of professional advice to BCC in order to achieve its professional and business objectives in Hong Kong;
2. Currently the Company is in negotiation of acquiring certain oil and gas assets in Kazakhstan, BCC will undertake its best endeavour to assist and support the Company with successful completion of such acquisition. In addition, BCC will recommend other energy resources projects with potential development to the Company;
3. BCC will liaise on behalf of the Company with the relevant government agencies of Kazakhstan, introduce and recommend other experts and senior executives who may be needed for the Company to achieve its business objectives in Kazakhstan;
4. BCC agrees and supports Pearl Oriental to implement its plan for oil and gas field acquisition in Kazakhstan, Pearl Oriental may choose a third party which may include but not limited to Chinese state-owned enterprises as its cooperative partner; and

5. Mr. Bakhytbek has accepted the invitation of Pearl Oriental, to visit Hong Kong before end of September 2010 to expedite the execution of the Agreement and to explore opportunities for the cooperation between BCC and the Company.

The Company's professional technical management team has a site visit to the Kazakhstan oil field which is under the negotiation for a possible acquisition, its production facilities and all other conditions are inspiring. Having BCC as the strategic cooperative partner, Pearl Oriental will not only enhance the chance of acquiring the Kazakhstan oil and gas field but also rapidly increase the scale of its energy sector when the acquisition is successful.

In addition, based on mutually beneficial cooperation, Pearl Oriental will assist BCC to introduce oil and gas enterprises in Kazakhstan to be listed on Stock Exchange of Hong Kong and/or to raise funds in the capital market. The Board states that, prior to the listing of those oil and gas Kazakhstan enterprises, the Company will not rule out the possibility of investing in advance in those oil and gas enterprises with favourable terms to become the strategic investor. The possible capital gain generates after the listing, will bring desirable return on investment to the shareholders of the Company.

Bank CenterCredit is the fourth biggest bank in Kazakhstan in which International Finance Corporation ("IFC") owns 10% equity interest. Mr Bakhytbek, founder, chairman, and major shareholder of the Bank CenterCredit, is currently the President of the Association of Kazakhstan Banks. His father was Minister of Finance of Kazakhstan under the USSR in the 80s.

If the Company enters into any acquisition agreement for the oil and gas field in Kazakhstan, the Company will make disclosure to comply with the applicable requirements under the Listing Rules, if and when appropriate.

The possible acquisition of the oil and gas field is still in the stage of negotiation, therefore relevant agreement may or may not be entered into by the Company and the assist of Kazakhstan enterprises to be listed on Stock Exchange of Hong Kong is still uncertain. 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
Wong Kwan
Chairman and Chief Executive

Hong Kong, 11 August 2010

** For identification purposes only*