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# 東方明珠創業有限公司\*

## Pearl Oriental Innovation Limited

(the "Company")

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 632)**

### UTAH GAS AND OIL FIELD

### COMPLETION OF PHASE 2 ACQUISITION

Reference is made to announcements of the Company dated 25 January 2010, 18 March 2010 and 21 June 2010 (the "Announcements") and a circular of the Company dated 24 May 2010 (the "Circular") in relation to a very substantial acquisition and a connected transaction, and special mandate to issue new shares. Terms defined in the Announcements and the Circular shall have the same meanings when used herein unless the context requires otherwise.

The Board is pleased to announce that the Company has exercised its option in respect of the Phase 2 Acquisition of the Utah Gas and Oil Field which has been completed. Cash consideration of US\$25 million has been paid for the Phase 2 Acquisition pursuant to the Agreement as disclosed in the Circular. After completion of the Phase 2 Acquisition, the Company owns 100% Ownership Interest of the Utah Gas and Oil Field which further increases the gas and oil reserve of the Company to 75 million Barrels of Oil Equivalent (BOE), and it will record more revenue when the Utah Gas and Oil Field achieves full production which will be in the best interest of the Company and its shareholders.

Management has received in early March 2011 a preliminary valuation of the Utah Gas and Oil Field prepared by an independent professional valuer. Based on that report, there will be a considerable appreciation in respect of the 30% Ownership Interest in the Utah Gas and Oil Field in comparison with the acquisition cost of US\$25 million. Accordingly, it is expected that it will improve the Group's financial position.

As at the date hereof, the Board comprises five executive Directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Dr. Lew Mon Hung, Mr. Cheung Kwok Yu, Mr. Zhou Li Yang and Mr. Johnny Yuen; one non-executive director, Mr. Baiseitov Bakhytbek; 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**

Cheung Kwok Yu

*Executive Director and Company Secretary*

Hong Kong, 11 March 2011

*\* For identification purposes only*