

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



東方明珠石油有限公司*
Pearl Oriental Oil Limited

(the “Company”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

UPDATE ON SETTLEMENT AGREEMENT

Reference is made to the Company’s announcements dated 2 August 2010, 24 February 2011, 13 July 2011 and 13 March 2012 in relation to a settlement agreement dated 31 July 2010 and the disposal of equity interests in China Coal Energy Holdings Limited.

The Board is pleased to announce that the Company has already received the final payment of consideration for the Disposal of HK\$50,925,000 (after third parties’ interest) from Mr. Zhang Jingyuan.

UPDATE ON SETTLEMENT AGREEMENT

Reference is made to the Company’s announcements dated 2 August 2010, 24 February 2011, 13 July 2011 and 13 March 2012 in relation to a settlement agreement dated 31 July 2010 and the disposal of equity interests in China Coal Energy Holdings Limited.

The Board is pleased to announce that the Company has already received the final payment of consideration for the Disposal of HK\$50,925,000 (after third parties’ interest) (the “Net Proceeds”) from Mr. Zhang Jingyuan. It is expected that the Net Proceeds will be reflected in and beneficial to the financial results of the Group for the first half of year 2012.

It is intended that the Net Proceeds will be applied for potential acquisitions of oil fields in order to enlarge the Group’s portfolio of oil & gas assets.

As at the date hereof, the Board comprises three executive directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Dr. Lew Mon Hung and Mr. Cheung Kwok Yu; two non-executive directors, namely Mr. Baiseitov Bakhytbek and Mr. Chen Ping; and three independent non-executive directors, namely Mr. Wang Tong Sai, Mr. Yu Jianmeng and Mr. Lam Ka Wai, Graham.

By Order of the Board
Pearl Oriental Oil Limited
Cheung Kwok Yu
Executive Director and Company Secretary

Hong Kong, 28 June 2012

** For identification purposes only*