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UNITED ENERGY GROUP LIMITED

(聯合能源集團有限公司)

(Incorporated in Cayman Islands and continued in Bermuda with limited liability)

(STOCK CODE: 467)

UNUSUAL PRICE AND VOLUME MOVEMENTS

This announcement is made at the request of The Stock Exchange of Hong Kong Limited.

The board of directors ("**Board**") of United Energy Group Limited ("**Company**") noted today's increase in the price and turnover of the shares of the Company and wish to state that it is not aware of any reasons for such movements save for the potential investment transactions set out below.

With reference to the announcement made by the Company on 30 May 2008, in which it was disclosed that the Company was engaged in discussions with a number of parties regarding potential investment transactions (the "**Potential Transactions**"), the Company confirms that it is now at a relatively advanced stage of negotiations in respect of one of the Potential Transactions (the "**Advanced Stage Potential Transaction**").

Such negotiations are ongoing and no definitive terms have been agreed in relation to the Advanced Stage Potential Transaction. In the event that the Advanced Stage Potential Transaction proceeds, it may constitute a notifiable transaction under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

The Advanced Stage Potential Transaction may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

Further announcements in respect of the Potential Transactions and the Advanced Stage Potential Transaction will be issued by the Company in compliance with the Listing Rules as and when appropriate.

By Order of the Board
United Energy Group Limited
Zhang Meiyong
Director

Hong Kong, 10 June 2008

As at the date of this announcement, the executive Directors are Mr. Zhang Hongwei, Mr. Zhu Jun and Ms Zhang Meiyong, and the independent non-executive Directors are Mr. Chau Siu Wai, Mr. San Fung and Mr. Zhu Chengwu.