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UNITED ENERGY GROUP LIMITED

聯合能源集團有限公司

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

(Stock Code: 467)

GRANT OF SHARE OPTION

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors of United Energy Group Limited (the “**Company**”) announces that on 17 May 2011, the Company has granted share options (“**Share Options**”) to subscribe for a total of 10,000,000 ordinary shares of HK\$ 0.01 each of our Company (“**Shares**”) under our share option scheme adopted on 11 May 2006. The following are the details of the grant:

1. Date of grant	17 May 2011
2. Exercise price	HK\$1.15 per Share
3. Number of underlying Shares involved	10,000,000
4. Closing price of Shares on date of grant	HK\$1.15 per Share
5. Validity period as follows:	
<i>Vesting Schedule</i>	<i>% of Shares over which the Share Options are exercisable</i>
+ on or before 16 May 2012	Nil
From 17 May 2012 to 16 May 2013	30%
From 17 May 2013 to 16 May 2014	20%
From 17 May 2014 to 16 May 2015	20%
From 17 May 2015 to 16 May 2016	Free for execute

As at the date of this announcement and save as disclosed in this announcement, none of the grantee in this grant is a director, chief executive or substantial shareholder of the Company, nor an associate (as defined under the Listing Rules) of any of them.

By order of the Board
United Energy Group Limited
Zhang Hong Wei
Director

Hong Kong, 17 May 2011

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Hong Wei (chairman), Mr. Zhu Jun and Ms. Zhang Meiyong, non-executive director is Mr. Ho King Fung, Eric, independent non-executive directors are Mr. Chau Siu Wai, Mr. San Fung and Mr. Zhu Chengwu.