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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)

(1) CLARIFICATION OF PRESS REPORTS; (2) UNUSUAL MOVEMENT IN PRICE AND TRADING VOLUME

Clarification of Press Reports

The board (the “Board”) of directors of United Energy Group Limited (the “Company”) has noted reports published on 19 September 2011 on ETNet of an interview with the Company and possible acquisitions in the oil and natural gas section. As stated in the Company's announcement dated 31 August 2011, the Company is currently assessing a number of opportunities. These include two possible targets with respect to which the Company is in exploratory discussions. Based on preliminary assessments by the Company, if these discussions were to lead to an agreement for acquisition by the Group, the size of the acquisition is likely not to be less than the Group's recently completed acquisition in Pakistan (the consideration for which was approximately US\$750 million as set out in the Company's announcement dated 16 September 2011). **Whilst the Board wishes to be in a position to announce a further transaction before the end of this year, as at the date of this announcement, no agreement for acquisition of or investment in any assets or companies has been entered into between the parties concerned, nor has any agreement been reached on the price of any such possible acquisitions. The transactions contemplated under these preliminary assessments may or may not be consummated. Shareholders and investors should exercise caution when dealing in the shares of the Company.**

Unusual Movement in Price and Trading Volume

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

The Board has noted the recent increases in the trading price and volume of the shares (the “Shares”) of the Company. Apart from the Share purchases referred to below which may have an effect on trading price and volume, the Board is not aware of any reasons for such increases.

The Company has been notified that the chairman of the Company, Mr. Zhang Hong Wei, has on 19 September 2011, through a wholly-owned subsidiary, purchased an aggregate of 23,434,000 Shares at HK\$1.00 per Share.

The Company refers also to the two announcements it published on 18 September 2011 in relation to (1) the completion of the very substantial acquisition of business and assets

(further details of which can be found in the circular of the Company dated 24 June 2011); and (2) the adoption of a share matching scheme for the purposes of granting Shares to the participating employees of the scheme.

Save as disclosed in this announcement, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement

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

Hong Kong, 19 September 2011

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