

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.

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 (the “**Board**”) of United Energy Group Limited (the “**Company**”) announces that on 29 August 2012, the Company has granted share options (“**Share Options**”) to subscribe for a total of 18,000,000 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: 29 August 2012
2. Exercise price: HK\$1.20 per Share
3. Number of underlying Shares involved: 18,000,000 Shares
4. Details of grantees:

<u>Name of grantees</u>	<u>Number of Share Options granted</u>
Song Yu – Chief Operation Officer	2,000,000
Employees	<u>16,000,000</u>
Total	<u>18,000,000</u>
5. Closing price of Shares on date of grant: HK\$1.16 per Share
6. Average closing price of the Shares for the five business days immediately preceding the date of grant: HK\$ 1.17 per Share
7. Validity period:

The Share Options are valid for a period of 10 years from 29 August 2012 to 28 August 2022 (both date inclusive) to be vested and/or exercised in the following manner:

<i>Vesting Schedule</i>	<i>% of Shares over which the Share Options are exercisable</i>
On or before 28 August 2013	Nil
From 29 August 2013 to 28 August 2014	30%
From 29 August 2014 to 28 August 2015	20%
From 29 August 2015 to 28 August 2016	20%
From 29 August 2016 to 28 August 2017 and thereafter	Free for execute

As at the date of this announcement and save as disclosed in this announcement, none of the grantees in this grant are 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
Chairman

Hong Kong, 29 August 2012

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