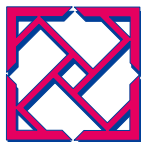


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ARTFIELD GROUP LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1229)

VERY SUBSTANTIAL ACQUISITION – ACQUISITION OF 51% EQUITY INTEREST IN STAR FORTUNE INTERNATIONAL INVESTMENT COMPANY LIMITED AND DELAY IN DESPATCH OF CIRCULAR AND RESUMPTION OF TRADING

Financial Adviser to the Company



BRIDGE PARTNERS CAPITAL LIMITED

THE ACQUISITION

The Board announces that on 30 April 2009 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) and the Company (as the Purchaser's Guarantor) entered into a conditional Sale and Purchase Agreement with the Vendor and the Vendor's Guarantor, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to acquire 51% equity interest in the Target Company at the consideration of HK\$100 million (subject to adjustment). The Acquisition is subject to the satisfaction of the conditions as set out in the paragraph headed "Conditions Precedent" below.

The Consideration of the Acquisition is to be satisfied as to (i) HK\$12 million in cash as a refundable deposit, out of which HK\$2 million shall be applied and paid from the Earnest Money, upon signing of the Sale and Purchase Agreement; (ii) HK\$60 million in cash on Completion; and (iii) HK\$28 million in cash shall be deposited into an escrow account with the Purchaser's solicitors on Completion and shall be released to the Vendor subject to the Escrow Agreement, pursuant to which (a) HK\$18 million (subject to adjustment) in cash shall be paid within 5 Business Days upon the Purchaser in receipt of the profit guarantee certificate certifying that the Profit Guarantee has been achieved and receipt of irrevocable instruction letter jointly signed by the Vendor and the Purchaser confirming

fulfillment of the Profit Guarantee; and (b) HK\$10 million in cash shall be paid within 5 Business Days upon the Purchaser in receipt of the Output Accounts and receipt of irrevocable instruction letter jointly signed by the Vendor and the Purchaser confirming fulfillment of the Performance Guarantee for the First Annual Period.

GENERAL

The Acquisition constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the Acquisition, no Shareholder is required to abstain from voting at the SGM in respect of the resolution(s) to approve the Sale and Purchase Agreement and the transaction contemplated thereunder.

A circular containing, among others, further details of the Acquisition, information required under Chapters 14 and 18 of the Listing Rules and a notice of the SGM will be despatched to the Shareholders as soon as possible. Pursuant to Rule 14.38A of the Listing Rules, the Company is required to despatch the circular containing, among other things, further information relating to the Acquisition and the accountants' report on the Target Group to the Shareholders within 21 days after the publication of this announcement, which is on or before 27 May 2009. However, as informed by the Vendor's Guarantor, the audited results of the Vendor's Guarantor and its subsidiaries (which will contain the audited financial information of the Target Group) will be published on 26 May 2009. At the date of this announcement, the audited financial information of the Target Group for the financial year ended 31 March 2009 is not yet available and it is expected to be published by the Vendor's Guarantor on 26 May 2009. In view of the above, additional time is required to finalise the financial information, including but not limited to, the unaudited pro forma financial information of the Group after the Acquisition and the accountants' report of the Target Group. An application has been made to the Stock Exchange for a waiver from strict compliance with Rule 14.38A of the Listing Rules and the circular will be despatched to the Shareholders on or before 12 June 2009.

Completion of the Acquisition and the transactions contemplated thereunder may or may not take place. Shareholders and potential investors should exercise caution when dealing in the Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 4 May 2009 pending the release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 May 2009.

Reference is made to the announcement of the Company dated 13 March 2009 in relation to the MOU entered into between the Purchaser and the Vendor concerning the possible acquisition of 51% equity interest in the Target Company.

INTRODUCTION

The Board announces that on 30 April 2009 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company) and the Company (as the Purchaser's Guarantor) entered into a conditional Sale and Purchase Agreement with the Vendor and the Vendor's Guarantor, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to acquire 51% equity interest in the Target Company at the consideration of HK\$100 million (subject to adjustment).

SALE AND PURCHASE AGREEMENT

The following is the brief summary of some of the principal terms of the Sale and Purchase Agreement:

Date: 30 April 2009

Parties:

Vendor: SFID

Purchaser: Lasting Power

Guarantors: (i) Ming Kei Energy Holdings Limited, as guarantor of the Vendor; and
(ii) the Company, as guarantor of the Purchaser

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, SFID, the Vendor's Guarantor and their respective ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

The Company came to know the Vendor through a social occasion. The Group had no prior transaction with SFID, the Vendor's Guarantor and their associates (as defined under the Listing Rules) before entering into the Sale and Purchase Agreement.

Assets to be acquired

The Sale Shares represent 51% issued share capital of the Target Company as at the date of this announcement. The Sale Shares will be acquired free from any Encumbrances and together with all rights attaching to them on or after the date of the Sale and Purchase Agreement (including all rights to any dividend or other distribution declared, made or paid after the date of the Sale and Purchase Agreement).

Further information on the Target Company and its subsidiaries are set out in the paragraph headed "Information on the Vendor, the Target Group and the Coal Mines" below.

Consideration

The Consideration for the sale and purchase of the Sale Shares is HK\$100 million (subject to adjustment as mentioned below), which shall be settled by the Purchaser from its internal resources in the following manner:

1. HK\$12 million in cash as a refundable deposit, out of which HK\$2 million shall be applied and paid from the Earnest Money, upon signing of the Sale and Purchase Agreement;
2. HK\$60 million in cash on Completion; and
3. HK\$28 million in cash shall be deposited into an escrow account with the Purchaser's solicitors (as escrow agent) on Completion and shall be released to the Vendor subject to the Escrow Agreement, pursuant to which:
 - a) HK\$18 million (subject to adjustment as mentioned below) in cash shall be paid within 5 Business Days upon the Purchaser in receipt of the profit guarantee certificate certifying that the Profit Guarantee has been achieved and receipt of irrevocable instruction letter jointly signed by the Vendor and the Purchaser confirming fulfillment of the Profit Guarantee; and
 - b) HK\$10 million in cash shall be paid within 5 Business Days upon the Purchaser in receipt of the Output Accounts and receipt of irrevocable instruction letter jointly signed by the Vendor and the Purchaser confirming fulfillment of the Performance Guarantee for the First Annual Period.

In respect of 3(a) above, in the event that the Profit Guarantee has not been achieved, the Purchaser's solicitors shall release an amount equivalent to HK\$18 million minus the Profit Shortfall to the Vendor and return an amount of Profit Shortfall to the Purchaser pursuant to the Escrow Agreement.

Basis of determination of the Consideration

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to, among other things, (i) the controlling interest in the Target Company to be held by the Company by the Acquisition; (ii) the Profit Guarantee and the Performance Guarantee provided by the Vendor and the Vendor's Guarantor, details of which are stated in the section headed "Profit Guarantee, Performance Guarantee and the adjusted Consideration" below in this announcement; (iii) a price to earnings ratio ("P/E") of the Consideration of 4.90 times to the Profit Guarantee which is comparable to other mining issuers listed on the Stock Exchange; and (iv) the internal group reorganization of the Target Group which will slightly reduce the net assets value of the Target Group and has minimal impact on the Consideration and the Acquisition.

The Directors also consider that the Consideration is determined mainly with reference to the Profit Guarantee based on Subsidiary A (which does not include the potential revenue contribution from Subsidiary B from the estimated measured coal resources and the estimated indicated coal resources of Zexu Open Pit Coal Mine (澤旭露天煤礦)). The only asset of Subsidiary B is the exploration permit of Zexu Open Pit Coal Mine (澤旭露天煤礦). At present, Subsidiary B does not generate any revenue from that coal mine. In this regard, the Profit Guarantee is related to Subsidiary A only. Therefore, despite the facts that the exploration permit of Subsidiary B will expire on 4 September 2009 and is subject to renewal, the Directors consider that the Acquisition is fair and reasonable.

Given that coal plays a vital role in the PRC's power generation industry and it is expected that its important role will continue in the future, the Directors have positive view on the future prospect of the coal mining industry in the PRC. Taking into account that the P/E ratio of 4.90 is within the range of the P/E ratios of other mining issuers listed on the Stock Exchange, and the profit and the performance of the Target Group will be guaranteed in the coming one and two years respectively, the Directors are of the view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Profit Guarantee, Performance Guarantee and the adjusted Consideration

Profit Guarantee

According to the Sale and Purchase Agreement, the Vendor and the Vendor's Guarantor jointly, severally, unconditionally and irrevocably guarantee that the audited net profit after tax of Subsidiary A attributable to the Subsidiary A's shareholder shall not be less than HK\$40 million for the period from 1 January 2009 to 31 December 2009 in accordance with the HKGAAP.

If the Final Net Profit is less than the Profit Guarantee and the Profit Guarantee is not achieved, an amount equivalent to the difference between the Profit Guarantee and the Final Net Profit times a P/E ratio of 4.90 and the percentage of equity interest in the Target Company held by the Purchaser (i.e. the Profit Shortfall) shall be set off against the remaining balance of the Consideration of HK\$28 million. The Profit Shortfall shall be calculated as follows:

$$S = (G - N) \times 4.90 \times P$$

G = Profit Guarantee

N = Final Net Profit

S = Profit Shortfall

P = Percentage of the Purchaser's equity interest in the Target Company as of Completion (i.e. 51%)

The maximum amount of the Profit Shortfall shall be HK\$28 million. The Purchaser is entitled to reduce the remaining balance of the Consideration of HK\$28 million by the amount of the Profit Shortfall and the amount of Profit Shortfall shall be returned to the Purchaser pursuant to the Escrow Agreement. For the avoidance of doubt, should Subsidiary A record a loss, the Final Net Profit shall be deemed as zero and the Consideration shall be adjusted by the amount of the Profit Shortfall.

Performance Guarantee

The Vendor and the Vendor's Guarantor jointly, severally, unconditionally and irrevocably guarantee that the volume of coal sold (based on the coal sold as stated on the value-added tax invoices) by Subsidiary A for the first twelve months ending immediately after Completion Date (i.e. the First Annual Period) and for the twelve months ending immediately after the First Annual Period shall not be less than 900,000 tonnes respectively. In the event that the Performance Guarantee is not achieved, the Vendor and the Vendor's Guarantor shall, at their own cost, jointly and severally within one month from the date of notice from the Purchaser to the Vendor, deliver to the Purchaser a quantity of middle size coal (80-150mm) (中塊煤), with quality not substantially different from that of the existing production of the Coal Mines, equivalent to the difference between the Performance Guarantee and the 12-month volume of coal sold (based on the coal sold as stated on the value-added tax invoices) sold by Subsidiary A for each of the First Annual Period and the Second Annual Period at the same location of the Coal Mines.

Taking into account of the future prospects relating to natural resources industry and the optimistic view on the future coal price and that the middle size coal is the main product of Subsidiary A in 2009, the Directors are of the view that the delivering of the middle size coal (80-150mm) (中塊煤) (in the event the Performance Guarantee is not achieved) for further sale by the Purchaser is fair and reasonable.

If there occurs, in the reasonable opinion of the Vendor, an Event of Force Majeure, which may materially and adversely affect the achievement of the Profit Guarantee and the Performance Guarantee, the Vendor may, within 14 calendar days upon notice of such Event of Force Majeure, by written notice to the Purchaser extend the Profit Guarantee period and Performance Guarantee period.

The period covered by the Profit Guarantee commences from 1 January 2009 to 31 December 2009 while the period covered by the Performance Guarantee will commence from the Completion Date up to the twenty four months ending immediately after Completion Date. Taken into consideration of the future selling price of coal is market driven and is uncertain in the coming two years, it is difficult for the parties to the Sale and Purchase Agreement to set the Profit Guarantee for a prolonged period. Therefore, the parties have agreed on the Performance Guarantee under which the Vendor will guarantee the amount of coal sale instead of the profit of Subsidiary A which will be affected by the coal price in the future. In view of the fact that both Profit Guarantee and Performance Guarantee can provide revenue guarantee to the Group, the Directors consider that both Profit Guarantee and Performance Guarantee are in the interest of the Company and the Shareholders as a whole.

Conditions Precedent

Completion is conditional upon the following conditions having been fulfilled or waived:

1. the Vendor has a good title to the Sale Shares free from Encumbrances and the Vendor is the sole registered and beneficial owner of the Sale Shares;

2. all necessary consents and approvals required to be obtained on the part of the Vendor, the Purchaser, the Vendor's Guarantor and the Purchaser's Guarantor as required under the Listing Rules or the GEM Listing Rules (as the case may be) having been obtained;
3. all approvals, consents, authorizations and licenses including but not limited to the exploration and exploitation permits necessary for the business and operation of the Target Group not having been revoked or withdrawn and are still valid and effective;
4. the Purchaser being satisfied with the results of the due diligence investigations including but not limited to the financial, accounting, legal, contractual, taxation and trading position of the Target Group and the title of the Target Group to all its assets;
5. the obtaining of a PRC legal opinion (in form and substance reasonably satisfactory to the Purchaser) from a PRC legal adviser appointed by the Purchaser in relation to, among other things, the PRC legal aspects of the Sale and Purchase Agreement and the transaction contemplated thereunder and certain matters incidental to the entering into of the Sale and Purchase Agreement and other agreements of the Acquisition;
6. the obtaining of a BVI legal opinion (in form and substance reasonably satisfactory to the Purchaser) from a BVI legal adviser appointed by the Purchaser covering matters in relation to, among other things, the BVI legal aspects of the Sale and Purchase Agreement and the transaction contemplated thereunder;
7. the obtaining of a Hong Kong legal opinion (in form and substance reasonably satisfactory to the Purchaser) from a Hong Kong legal adviser appointed by the Purchaser covering matters in relation to, among other things, the Hong Kong legal aspects of the Sale and Purchase Agreement and the transaction contemplated thereunder;
8. the Purchaser having satisfied with the independent technical report prepared by the Independent Technical Adviser (in form and substance reasonably satisfactory to the Purchaser) and that the recoverable reserves of coal in the Coal Mines are not substantially deviated from the quantity as provided by the Vendor;
9. the Vendor's and Purchaser's warranties contained in the Sale and Purchase Agreement remaining true and correct in all material respect;
10. the passing by the shareholders of the Vendor's Guarantor at an extraordinary general meeting to be convened and held of any ordinary resolutions approving, among other things, the Sale and Purchase Agreement and the transaction contemplated thereunder, the supplemental agreement to the Former Agreement (the "**Supplemental Agreement**") and the revision of the promissory note as mentioned in the Supplemental Agreement;
11. the passing by the Shareholders at the SGM of the ordinary resolution(s) approving the Sale and Purchase Agreement and the transaction contemplated thereunder;

12. the completion of the internal group reorganisation of the Target Group, which includes (i) payment of pre-acquisition dividends; (ii) waiver of the unaudited current account due to the Vendor or the Vendor's Guarantor or their respective subsidiaries by the Target Group; (iii) transfer of certain assets to other subsidiary of the Vendor's Guarantor; and (iv) making of provision for any contingent liabilities before Completion;
13. the Vendor having complied fully with the pre-completion obligations and otherwise having performed in all material respects all of the covenants and agreements required to be performed by it under the Sale and Purchase Agreement; and
14. all necessary consents being granted by third parties (including governmental or official authorities) for the sale and purchase of the Sale Shares and other transactions contemplated herein, and no statute, regulation or decision which would prohibit, restrict or materially delay the sale and purchase of the Sale Shares or the operation of the Target Group after Completion having been proposed, enacted or taken by any governmental or official authority.

The Purchaser may waive conditions 2 (in respect of the consents and approvals required to be obtained on the part of the Vendor and the Vendor's Guarantor as required under the GEM Listing Rules only), 3 to 8, 9 (in respect of the Vendor's warranties only), 13 and 14 above and conditions 1, 10, 11 and 12 above could not be waived. The Vendor may waive conditions 2 (in respect of the consents and approvals required to be obtained on the part of the Purchaser and the Purchaser's Guarantor as required under the Listing Rules only) and 9 (in respect of the Purchaser's warranties only) above. In the event that any of the conditions are not satisfied or waived on or before the 31 July 2009 (or such later date to be agreed by the parties to the Sale and Purchase Agreement in writing), neither party shall be bound to proceed with the purchase of the Sale Shares and the Vendor shall return all the moneys already paid as deposit (with interest) to the Purchaser within 3 Business Days after the Long Stop Date.

Completion

Completion of the Acquisition shall take place within 5 Business Days after all the above conditions precedent have been fulfilled and/or waived by the Purchaser or the Vendor (or such later date as agreed by the parties in writing). Upon Completion, the Target Company will be held as to 51% by the Purchaser and 49% by the Vendor and the Purchaser and the Vendor shall on Completion enter into, among others, (i) the Shareholders' Agreement, (ii) the Escrow Agreement and (iii) the Loan Facilities Agreement.

Shareholders' Agreement and Loan Facilities Agreement

It is proposed that the Shareholders' Agreement shall be entered into among the Company, the Purchaser, the Target Company, the Vendor and the Vendor's Guarantor to regulate their respective responsibilities towards the financial contributions to, management of, the business of the Target Group, of which (i) for management aspect, the board of director of each of the companies under the Target Group, will comprise three directors, two of which will be nominated by the Purchaser and one director will be nominated by the Vendor; (ii) for financial contribution, the Loan Facilities Agreement will be entered into, pursuant to which the Vendor and the Vendor's Guarantor will provide unsecured loan facilities to the Target

Group in the maximum principal amount of RMB25 million for the daily operation of the Target Group and (iii) for business aspect, the Target Group will continue to engage in coal mining business.

As at the date of this announcement, no concrete term relating to the Loan Facilities Agreement has been finalized. In any event that the transaction contemplated under the Loan Facilities Agreement will constitute any notifiable transaction under Chapter 14 of the Listing Rules, the Company will notify the Stock Exchange and publish an announcement accordingly.

Non-competition and non-solicitation

For a period of 2 years following the date of the Sale and Purchase Agreement, except for the Vendor's interest in the Target Group and as otherwise authorized by the Sale and Purchase Agreement or agreed to in writing by the Purchaser, none of the Vendor or the Vendor's Guarantor will on behalf of itself or any other person, either as principal, agent, partner, member, shareholder, employee, consultant, representative, director or officer or in any other capacity (i) directly own, manage, operate or control, or be employed by, engaged in or assist anyone to engage in, or have a financial interest in, any business in Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山) (the "**Region**") which competes with the business of the Target Company or the Target Group in the Region; or (ii) solicit or entice away any person who is or has been a customer of the Target Company or the Target Group within one year before the Completion Date.

REASONS FOR THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in marketing and trading of clocks and other office related products, lighting products and trading of metals. The Company intends to continue its current business after the Acquisition.

According to the 2008 annual report of the Group for the financial year ended 31 March 2008 (the "**2008 Annual Report**"), the Group recorded the net loss (excluding the loss from the discontinued operation of lighting products) of approximately HK\$21.47 million. Furthermore, the Group ceased the operation of marketing of energy saving lighting products in 2008. As disclosed in the composite offer document of the Company dated 20 March 2008, it is the intention of the Group to actively seek for investment opportunities in order to broaden and expand the business and operations of the Group, particularly in natural resources and/or the PRC properties areas. After considering (i) the future prospects relating to natural resources industry, (ii) the experiences of the existing management of the Target Group in mining business, and (iii) the experiences of the existing management of the Company in the areas of exploring and developing energy resources in overseas countries, the Directors believe that it is beneficial for the Group to participate in the natural resources industry. The Directors are of the view that the Acquisition provides the Group with a good opportunity to diversify into the natural resources mining business and to enjoy a potential prospective profit.

Taking into account of the above reasons, the relatively low P/E ratio of 4.90, the Profit Guarantee and the Performance Guarantee, the Directors consider that the terms of the Acquisition are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE VENDOR, THE TARGET GROUP AND THE COAL MINES

As at the date of this announcement, the Vendor is an indirect wholly-owned subsidiary of the Vendor's Guarantor (a company listed on the Growth Enterprise Market of the Stock Exchange) which, through the Vendor and the Target Group, is principally engaged in mining, sale and distribution of coals in the PRC. The Target Company acquired the entire equity interests in Subsidiary A and Subsidiary B by acquiring Ming Kei Kai Yuan through the Former Agreement and the details of which are set out in the circular of the Vendor's Guarantor dated 15 October 2007.

The Target Group is principally engaged in mining, sale and distribution of coal. The Target Company is an investment holding company with limited liabilities incorporated in BVI. As at the date of this announcement, the Target Company directly holds 100% equity interest in Ming Kei Kai Yuan, an investment holding company with limited liabilities incorporated in Hong Kong, which in turn holds 100% equity interest in Subsidiary A, which in turn holds 100% equity interest in Subsidiary B. The Target Company, through its wholly-owned subsidiaries, is the beneficial owner of the entire interest in the mining rights (採礦許可證) granted by the relevant PRC authorities to conduct mining activities in the Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and the exploration permit (礦產資源勘查許可證) granted by the relevant PRC authorities to conduct exploration activities in the Zexu Open Pit Coal Mine (澤旭露天煤礦).

Subsidiary A, a wholly foreign-owned enterprise with limited liability established in the PRC on 17 October 2006 with a registered capital of RMB30 million, is principally engaged in the operation and management of the Kaiyuan Open Pit Coal Mine (凱源露天煤礦).

Subsidiary B, a limited company established in the PRC on 5 February 2005 with a registered capital of RMB2 million, is principally engaged in the operation and management of the Zexu Open Pit Coal Mine (澤旭露天煤礦). Save for holding the exploration permit (礦產資源勘查許可證), Subsidiary B has not yet commenced production, sale and distribution of coals since its incorporation. At present, Subsidiary B does not generate any revenue from that coal mine.

Kaiyuan Open Pit Coal Mine

Kaiyuan Open Pit Coal Mine (凱源露天煤礦), situated at Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山), is presently in operation with a general mining area of 1.158 square kilometers. It is owned and operated by Subsidiary A. The mining rights (採礦許可證) of Kaiyuan Open Pit Coal Mine (凱源露天煤礦) granted by the Department of Land and Resources of Xinjiang Uygur Autonomous Region(新疆維吾爾自治區國土資源廳) to Subsidiary A to conduct mining activities in the Kaiyuan Open Pit Coal Mine (凱源露天煤礦) is valid from June 2008 until June 2018.

According to the independent technical report prepared by the Independent Technical Adviser, the estimated proved coal reserves and the estimated probable coal reserves of Kaiyuan Open Pit Coal Mine (凱源露天煤礦) was approximately 17.63 million tonnes and 4.58 million tonnes respectively as of 29 March 2009.

Zexu Open Pit Coal Mine

Zexu Open Pit Coal Mine (澤旭露天煤礦), situated at Bei Ta Mountain, Qitai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山) with an area of approximately 2.87 square kilometers, is presently in exploration stage. The exploration permit (礦產資源勘查許可證) issued by the Department of Land and Resources of Xinjiang Uygur Autonomous Region (新疆維吾爾自治區國土資源廳) allows Subsidiary B to conduct exploration work in Zexu Open Pit Coal Mine and is valid from 4 September 2008 until 4 September 2009.

The prior exploration permit which expired on 21 June 2008 has been successfully extended for one year from 4 September 2008 to 4 September 2009. The renewal of the exploration permit issued to Subsidiary B, upon its expiry on 4 September 2009, is subject to the approval of the relevant government authorities in the PRC. As advised by the management of Subsidiary B, the exploration permit can only be renewed when it is expired. Therefore, the Target Group did not submit any renewal application so far. According to the management of Subsidiary B, such application is a procedural matter subject to Subsidiary B having satisfied with the required standards and other requirements under the relevant rules and regulations and by the relevant government authorities. The Directors will file the renewal application upon the expiry date and use all reasonable endeavors to renew the exploration permit after Completion.

According to the independent technical report prepared by the Independent Technical Adviser, the estimated measured coal resources and the estimated indicated coal resources of Zexu Open Pit Coal Mine (澤旭露天煤礦) was approximately 56.58 million tonnes and 62.8 million tonnes respectively as of 29 March 2009.

The coal extracted from the Coal Mines can be used for steel production, coal-fired electricity generation, power generation and for domestic purpose. The Coal Mines are open pit coal mines, which in general are safer than the coal mines applied underground mining method as open pit mines induce less risk of occurrence of accidents, according to the management of the Target Group.

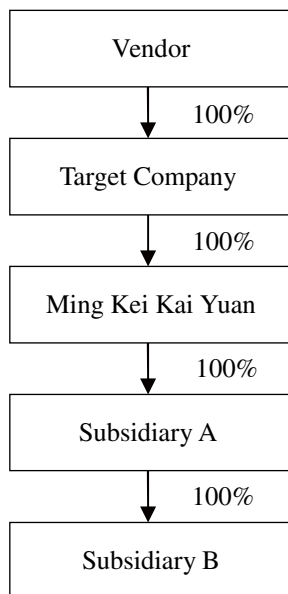
The Coal Mine Expert

An independent technical adviser, John T. Boyd Company, is an independent consultant firm exclusively serving the mining, financial, utility, power and related industries and has conducted reserve certifications, technical studies and economic evaluations, and advisory work for various listed companies all over the world. The experts that have been directly involved in the technical report are experienced geologists with appropriate professional qualifications. The Independent Technical Adviser has conducted numerous mining technical due diligence programs for several listed companies on the Stock Exchange and had experiences in preparing technical reports relating to mining including the technical report in

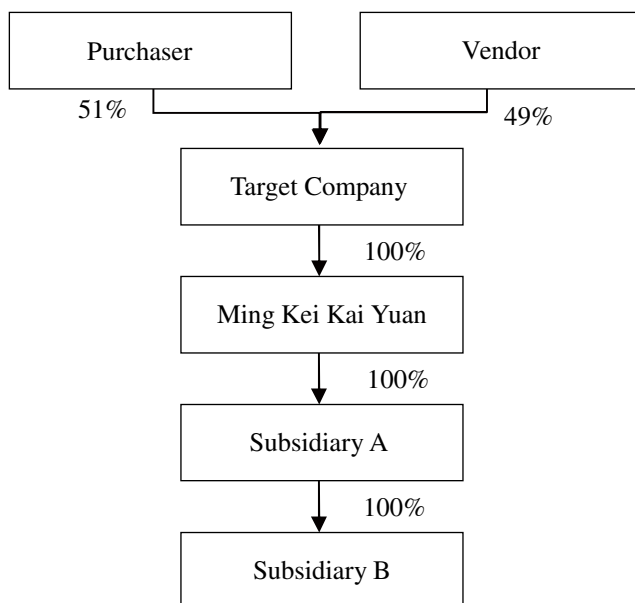
respect of the acquisition of the Coal Mines by the Vendor's Guarantor. The technical report will be included in the circular and in compliance with the requirements equivalent to which required in Rule 18.09 of the Listing Rules. The Company also confirms that it will comply with the requirements equivalent to which required in Chapter 18 of the Listing Rules.

Set out below is the shareholding structure of the Target Group immediately before and after Completion:

Immediately before Completion:



Immediately after Completion:



Financial information on the Target Group

Immediately after Completion, the Company will indirectly own 51% equity interest in the Target Company which indirectly holds the entire equity interest in Subsidiary A and Subsidiary B. The Target Company will become a 51%-owned subsidiary of the Company upon Completion and its consolidated financial results will be consolidated with those of the Group.

Set out below is the summary of financial information of the Target Group:

	For the 6 months ended 30 September 2008 (unaudited) <i>HK\$'000</i> (approximately)	For the period from 12 April 2007 (date of incorporation) to 31 March 2008 (audited) <i>HK\$'000</i> (approximately)
Revenue	26,387	35,071
Profit before taxation	5,051	51,259
Profit after taxation	5,860	53,233
	As at 30 September 2008 <i>HK\$'000</i> (approximately)	As at 31 March 2008 <i>HK\$'000</i> (approximately)
Net assets value	147,311	116,465

GENERAL

The Acquisition constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the Acquisition, no Shareholder is required to abstain from voting at the SGM in respect of the resolution(s) to approve the Sale and Purchase Agreement and the transaction contemplated thereunder.

A circular containing, among others, further details of the Acquisition, information required under Chapters 14 and 18 of the Listing Rules and a notice of the SGM will be despatched to the Shareholders as soon as possible. Pursuant to Rule 14.38A of the Listing Rules, the Company is required to despatch the circular containing, among other things, further information relating to the Acquisition and the accountants' report on the Target Group to the Shareholders within 21 days after the publication of this announcement, which is on or before 27 May 2009. However, as informed by the Vendor's Guarantor, the audited results of the Vendor's Guarantor and its subsidiaries (which will contain the audited financial information

of the Target Group) will be published on 26 May 2009. At the date of this announcement, the audited financial information of the Target Group for the financial year ended 31 March 2009 is not yet available and it is expected to be published by the Vendor's Guarantor on 26 May 2009. In view of the above, additional time is required to finalise the financial information, including but not limited to, the unaudited pro forma financial information of the Group after the Acquisition and the accountants' report of the Target Group. An application has been made to the Stock Exchange for a waiver from strict compliance with Rule 14.38A of the Listing Rules and the circular will be despatched to the Shareholders on or before 12 June 2009.

Completion of the Acquisition and the transactions contemplated thereunder may or may not take place. Shareholders and potential investors should exercise caution when dealing in the Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 4 May 2009 pending the release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 May 2009.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless otherwise states:

“Acquisition”	the acquisition of 51% equity interest in the Target Company by the Purchaser
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are open for normal banking business throughout their normal business hours (excluding Saturdays and Sundays)
“BVI”	the British Virgin Islands
“Coal Mines”	Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and Zexu Open Pit Coal Mine (澤旭露天煤礦), both are situated at Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山)
“Company” or “Purchaser’s Guarantor”	Artfield Group Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange

“Completion”	completion of the sale and purchase of the Sale Shares
“Completion Date”	within 5 Business Days after all the conditions precedent have been fulfilled or waived by the Purchaser or the Vendor (or such later date as the parties to the Sale and Purchase Agreement may agree in writing)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$100,000,000.00, being the consideration for the Sales Shares, subject to adjustment
“Director(s)”	the directors of the Company, including the independent non-executive directors
“Earnest Money”	a sum of HK\$2,000,000.00 as refundable earnest money for the proposed Acquisition deposited by the Purchaser into an escrow account with the Purchaser’s solicitors upon signing of the MOU
“Encumbrances”	shall mean any mortgage, charge, pledge, lien, equities, hypothecation or other encumbrance, priority of security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-lease back arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same
“Escrow Agreement”	the escrow agreement to be entered into on Completion, between the Purchaser, the Purchaser’s solicitors (as escrow agent) and the Vendor in respect of the escrow of the remaining balance of the Consideration, being HK\$28,000,000.00, in the escrow account with the Purchaser’s solicitors
“Event of Force Majeure”	there shall have developed, occurred, existed or come into effect any event or series of events, matters or circumstances on and/or after Completion, including an event or change in relation to or a development of an existing state of affairs concerning or relating to (i) new law or regulation or any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, which have material adverse effect on the operation of the Coal Mines; or (ii) any event of force majeure including, without limiting the generality thereof, act of God, war, riot, social or public disorder,

	civil commotion, fire, flood, explosion, epidemic, outbreak of an infectious disease, calamity, crisis, terrorism, strike or lock-out (whether or not covered by insurance) in Xinjiang Uygur Autonomous Region, the PRC, which may materially affect the operation of the Target Group
“Final Net Profit”	the audited net profit after tax of Subsidiary A attributable to the Subsidiary A’s shareholder commencing from 1 January 2009 ending 31 December 2009 in accordance with the HKGAAP
“First Annual Period”	the first 12 months ending immediately after the Completion Date
“Former Agreement”	the sale and purchase agreement dated 3 July 2007 entered into between Ming Kei International Holding Co. Limited, Mr. Wong Wai Sing, Mr. Wong Wai Ngok and the Target Company in respect of the acquisition of the entire issued share capital in Ming Kei Kai Yuan by the Target Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“HKGAAP”	accounting principles, standards, and practices generally accepted in Hong Kong, including but not limited to Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Technical Adviser”	John T. Boyd Company, an independent mining and geological consultant, being the independent technical adviser appointed by the Company in respect of the Coal Mines and being a person with experience in the mining industry
“Lasting Power” or “Purchaser”	Lasting Power Investments Limited (力恒投資有限公司), a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange

“Loan Facilities Agreement”	a loan facilities agreement in relation to the provision of unsecured loan facilities in the maximum principal amount of RMB25 million to the Target Group by the Vendor and the Vendor’s Guarantor for the daily operation of the Target Group, to be entered into between the Target Company, the Vendor and the Vendor’s Guarantor
“Long Stop Date”	31 July 2009 (or such later date to be agreed by the parties to the Sale and Purchase Agreement in writing)
“Ming Kei Kai Yuan”	Ming Kei Kai Yuan Investment Company Limited (明基凱源投資有限公司), a company incorporated in Hong Kong and legally and beneficially owned as to 100% by the Target Company
“MOU”	the memorandum of understanding entered into between the Purchaser and the Vendor on 13 March 2009 concerning the possible Acquisition
“Output Accounts”	separate statements for each of a 12-month period certifying the actual sales volume of coal sold (based on the coal sold as stated on the value-added tax invoices) by Subsidiary A for each of the First Annual Period and the Second Annual Period
“Performance Guarantee”	the performance guarantee, where the Vendor and the Vendor’s Guarantor jointly, severally, unconditionally and irrevocably guarantee to the Purchaser that the volume of coal sold (based on the coal sold as stated on the value-added tax invoices) by Subsidiary A for each of the First Annual Period and the Second Annual Period shall not be less than 900,000 tonnes
“PRC”	The People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Profit Guarantee”	the profit guarantee, where the Vendor and the Vendor’s Guarantor jointly, severally, unconditionally and irrevocably guarantee to the Purchaser that the Final Net Profit shall not be less than HK\$40 million
“Profit Shortfall”	the amount equivalent to the difference between the Profit Guarantee and the Final Net Profit times a price to earnings ratio of 4.90 and the percentage of equity interest in the Target Company held by the Purchaser

“Sale and Purchase Agreement”	the sale and purchase agreement in respect of the acquisition of 51% equity interest in the Target Company by the Purchaser
“Sale Shares”	51 shares of US\$1.00 each in the share capital of the Target Company, representing 51% equity interest in the Target Company, held by the Vendor immediately before the Completion
“Second Annual Period”	the 12 months ending immediately after the First Annual Period
“SFID” or “Vendor”	Star Fortune International Development Company Limited (星力富鑫國際發展有限公司), an indirect wholly-owned subsidiary of the Vendor’s Guarantor
“SGM”	a special general meeting of the Company to be convened to approve, amongst other things, the Sale and Purchase Agreement and the transaction contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the existing share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Shareholders’ Agreement”	a shareholders’ agreement relating to the management and organization of the Target Company to be entered into on Completion between the Purchaser, the Company, the Vendor, the Vendor’s Guarantor and the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary A”	木壘縣凱源煤炭有限責任公司 (transliterated as Mulei County Kai Yuan Company Limited), a wholly-owned foreign enterprise established in the PRC and beneficially owned as to 100% by Ming Kei Kai Yuan
“Subsidiary B”	奇台縣澤旭商貿有限責任公司 (transliterated as Qitai County Zexu Trading Company Limited), a company established in the PRC and beneficially owned as to 100% by Subsidiary A
“Target Company”	Star Fortune International Investment Company Limited (星力富鑫國際投資有限公司), a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Vendor

“Target Group”	the Target Company and its subsidiaries, and details of which are disclosed in the section headed “Information on the Vendor, the Target Group and the Coal Mines” of this announcement
“Vendor’s Guarantor”	Ming Kei Energy Holdings Limited, a company incorporated in Cayman Islands with limited liability and the issued shares of which are listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8239)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	renminbi, the lawful currency of the PRC
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board of
Artfield Group Limited
Kwan Man Fai
Executive Director

Hong Kong, 7 May 2009

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Lo Fong Hung, Mr. Wang Xiangfei and Mr. Kwan Man Fai, and three independent non-executive Directors, namely Mr. Wong Man Hin, Raymond, Mr. Lam Ka Wai, Graham and Mr. Chan Yiu Fai, Youdey.