



Monthly Return of Equity Issuer on Movements in Securities

For the month ended (dd/mm/yyyy) : 31 / 05 / 2012

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer China Leason CBM & Shale Gas Group Company Limited

Date Submitted 06 / 06 / 2012

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code : <u>8270</u> Description : <u>Ordinary Shares</u>			
	No. of ordinary shares	Par value <i>(State currency)</i>	Authorised share capital <i>(State currency)</i>
Balance at close of preceding month	<u>10,000,000,000</u>	<u>HK\$0.01 each</u>	<u>HK\$100,000,000.00</u>
Increase/(decrease)	<u> </u>	<u> </u>	<u> </u>
Balance at close of the month	<u>10,000,000,000</u>	<u>HK\$0.01 each</u>	<u>HK\$100,000,000.00</u>
(2) Stock code : <u>NIL</u> Description : <u>NIL</u>			
	No. of ordinary shares	Par value <i>(State currency)</i>	Authorised share capital <i>(State currency)</i>
Balance at close of preceding month	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
Increase/(decrease)	<u>NIL</u>	<u> </u>	<u>NIL</u>
Balance at close of the month	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

2. Preference Shares

Stock code :	<u>NIL</u>	Description :	<u>NIL</u>
	No. of preference shares	Par value (<i>State currency</i>)	Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
Increase/(decrease)	<u>NIL</u>		<u>NIL</u>
Balance at close of the month	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

3. Other Classes of Shares

Stock code :	<u>NIL</u>	Description :	<u>NIL</u>
	No. of other classes of shares	Par value (<i>State currency</i>)	Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
Increase/(decrease)	<u>NIL</u>		<u>NIL</u>
Balance at close of the month	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

Total authorised share capital at the end of the month (*State currency*) :

HK\$100,000,000.00

II. Movements in Issued Share Capital

	No. of ordinary shares		No of preference shares	No. of other classes of shares
	(1)	(2)		
Balance at close of preceding month	<u>3,942,505,023</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
Increase/ (decrease) during the month	<u>Nil</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
Balance at close of the month	<u>3,942,505,023</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable	Movement during the month				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Granted	Exercised	Cancelled	Lapsed		
1. Exercise price <u>HK\$ 0.495</u> Share Option Scheme Shareholders approved <u>(18 / 5 / 2011)</u> <u>(Remarks 1)</u> shares <u>(Note 1)</u>	0	0	0	5,890,000	0	233,815,000 <i>(Remarks 2)</i>
2. <u>(/ /)</u> shares <u>(Note 1)</u>	N/A	N/A	N/A	N/A	N/A	N/A
3. <u>(/ /)</u> shares <u>(Note 1)</u>	N/A	N/A	N/A	N/A	N/A	N/A
			Total A. (Ordinary shares)		<u>0</u>	N/A
			(Preference shares)		<u>N/A</u>	N/A
			(Other class)		<u>N/A</u>	N/A
Total funds raised during the month from exercise of options (State currency)			<u>NIL</u>			

Warrants to Issue Shares of the Issuer which are to be Listed

Description of warrants (Date of expiry - dd/mm/yyyy)	Currency of nominal value	Nominal value at close of preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. _____ _____ (/ /) Stock code (if listed) _____ Class of shares issuable (<i>Note 1</i>) _____ Subscription price _____ EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /)	N/A	N/A	N/A	N/A	N/A	N/A
2. _____ _____ (/ /) Stock code (if listed) _____ Class of shares issuable (<i>Note 1</i>) _____ Subscription price _____ EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /)	N/A	N/A	N/A	N/A	N/A	N/A
3. _____ _____ (/ /) Stock code (if listed) _____ Class of shares issuable (<i>Note 1</i>) _____ Subscription price _____ EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /)	N/A	N/A	N/A	N/A	N/A	N/A
4. _____ _____ (/ /) Stock code (if listed) _____ Class of shares issuable (<i>Note 1</i>) _____ Subscription price _____ EGM approval date (if applicable) (dd/mm/yyyy) _____ (/ /)	N/A	N/A	N/A	N/A	N/A	N/A
				Total B. (Ordinary shares)	N/A	
				(Preference shares)	N/A	
				(Other class)	N/A	

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed)

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Ordinary Shares <i>Note: Convertible Bonds in an aggregate principal amount of HK\$499,000,000 convertible to 1,919,230,769 conversion shares were issued on 12 July 2011 (Note)</i>	HK\$	291,000,000	NIL	HK\$291,000,000	NIL	1,119,230,769
Stock code (if listed)	N/A					
Class of shares issuable (<i>Note 1</i>)	Ordinary Shares					
Subscription price	HK\$0.26					
EGM approval date (if applicable) (dd/mm/yyyy)	(20/06/2011)					
2.	N/A	N/A	N/A	N/A	N/A	N/A
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
3.	N/A	N/A	N/A	N/A	N/A	N/A
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
4.	N/A	N/A	N/A	N/A	N/A	N/A
Stock code (if listed)						
Class of shares issuable (<i>Note 1</i>)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
				Total C. (Ordinary shares)	N/A	
				(Preference shares)	N/A	
				(Other class)	N/A	

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable:	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Note (A)		
(/ /)		
Ordinary shares (Note 1)	N/A	N/A
2.		
(/ /)		
shares (Note 1)	N/A	N/A
3.		
(/ /)		
shares (Note 1)	N/A	N/A
Total D. (Ordinary shares)	N/A	
(Preference shares)	N/A	
(Other class)	N/A	

Note (A) : On 6 April 2011, the Issuer (as purchaser) entered into an acquisition agreement with Mr. Wang Zhong Sheng (as vendor) (“the Acquisition Agreement”) pursuant to which the Issuer conditionally agreed to acquire and the Vendor conditionally agreed to sell the 100% issued share capital of Wealthy Talent Global Investments Limited for a consideration of RMB 420,000,000. The consideration shall be satisfied upon completion of the acquisition by the Issuer by the issue of the convertible bonds to the Vendor or its nominee(s) which shall be a company controlled by him. Based on the conversion price of HK\$0.26 per conversion share (subject to adjustments) and assuming full conversion, 1,919,230,769 conversion shares will be allotted and issued. Pursuant to the Listing Rules, the Acquisition Agreement constituted a major and connected transaction of the Issuer and was approved by the independent shareholders of the Issuer at the extraordinary general meeting held on 20 June 2011.

For details of the Acquisition Agreement, please refer to the announcement of the Issuer dated 6 April 2011 and the circular of the Issuer dated 30 May 2011. The acquisition contemplated under the Acquisition Agreement has been completed on 12 July 2011. As at 31 May 2012, 800,000,000 conversion shares were allotted and issued by the Issuer.

Other Movements in Issued Share Capital

Other Movements in Issued Share Capital				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
Type of Issue					
1. Rights issue	At price : State currency _____	Class of shares issuable _____ (Note 1)	Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	<u>NIL</u>	<u>NIL</u>
2. Open offer	At price : State currency _____	Class of shares issuable _____ (Note 1)	Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	<u>NIL</u>	<u>NIL</u>
3. Placing	At price : State currency _____	Class of shares issuable _____ (Note 1)	Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	<u>NIL</u>	<u>NIL</u>
4. Bonus issue		Class of shares issuable _____ (Note 1)	Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	<u>NIL</u>	<u>NIL</u>

For Main Board and GEM listed issuers

Type of Issue	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
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5. Scrip dividend	At price : State currency _____	Class of shares issuable _____ (Note 1)	Issue and allotment date : (dd/mm/yyyy) (/ /)	EGM approval date: (dd/mm/yyyy) (/ /)	NIL	NIL
6. Repurchase of shares		Class of shares repurchased (Note 1) _____	Cancellation date : (dd/mm/yyyy) (/ /)	EGM approval date: (dd/mm/yyyy) (/ /)	NIL	NIL
7. Redemption of shares		Class of shares redeemed (Note 1) _____	Redemption date : (dd/mm/yyyy) (/ /)	EGM approval date: (dd/mm/yyyy) (/ /)	NIL	NIL
8. Consideration issue	At price : State currency _____	Class of shares issuable _____ (Note 1)	Issue and allotment date : (dd/mm/yyyy) (/ /)	EGM approval date: (dd/mm/yyyy) (/ /)	NIL	NIL

For Main Board and GEM listed issuers

Type of Issue		No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
9. Capital reorganisation	Class of shares issuable _____ <i>(Note 1)</i> Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	NIL	NIL
10. Other (Please specify)	At price : State currency _____ Class of shares issuable _____ <i>(Note 1)</i> Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	NIL	NIL
Total E. (Ordinary shares)		NIL	
(Preference shares)		NIL	
(Other class)		NIL	

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1) <u>NIL</u>
	(2) <u>NIL</u>
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):	<u>NIL</u>
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):	<u>NIL</u>
<i>(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)</i>	

Remarks (if any):

1. The share options which were granted on 30 May 2011 under the Share Option Scheme adopted by the Issuer on 18 May 2011 are under the vesting periods as set out in the announcement of the Issuer dated 30 May 2011.
 2. No. of new shares of issuer which may be issued as at close of the month represents the sum of (1) 215,220,000 Share Options that are exercisable from the date of acceptance of the Offer (the "Date of Grant") up to 10 years from the Date of Offer and (2) 50% of 43,080,000 Share Options that are exercisable at any time after the expiry of 1 year from the Date of Grant up to 2 years from the Date of Grant after deducting the 5,890,000 Share Options lapsed since the Date of Grant.
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Submitted by: LUI CHI KEUNG

Title: SECRETARY
(Director, Secretary or other duly authorised officer)

Notes :

1. *State the class of shares (e.g. ordinary, preference or other).*
2. *If there is insufficient space, please append the prescribed continuation sheet.*