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China Leason CBM & Shale Gas Group Company Limited **中國聯盛煤層氣頁岩氣產業集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08270)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**Meeting**”) of China Leason CBM & Shale Gas Group Company Limited (“**Company**”) will be held at Conference Room, Main Building, Lizhuang Village, Jiafeng Town, Qinshui County, Jincheng City, Shanxi Province, PRC on 9 April 2014 (Wednesday) at 9:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as special resolutions of the Company:

SPECIAL RESOLUTIONS

1. “**THAT**

- (a) subject to obtaining of all necessary governmental and regulatory consents, the change of the domicile of the Company (“**Change of Domicile**”) from the Cayman Islands to Bermuda by way of de-registration as a company under the laws of the Cayman Islands and continuation of the Company as an exempted company under the laws of Bermuda be and is hereby approved;
- (b) the memorandum of continuance, a copy of which has been produced to the Meeting marked “A” and initialled by the chairman of the Meeting (“**Chairman**”) for the purpose of identification, be and is hereby adopted in substitution for the memorandum of association of the Company, effective from the date that the memorandum of continuance is approved and registered by the Registrar of Companies in Bermuda;
- (c) conditional upon the continuance of the Company into Bermuda as an exempted company under the laws of Bermuda, the bye-laws of the Company, a copy of which has been produced to the Meeting marked “B” and initialled by the Chairman for the purpose of identification, be and is hereby adopted in substitution for the articles of association of the Company, effective from the date that the memorandum of continuance is registered by the Registrar of Companies in Bermuda;
- (d) conditional upon the continuance of the Company into Bermuda as an exempted company under the laws of Bermuda, the maximum number of the directors of the Company (“**Directors**”) shall, for the time being, be fixed at 20 and the Directors be and are hereby authorised to fill any vacancies on the board of Directors and to appoint additional Directors up to the maximum number determined herein or such other maximum number as may be determined from time to time by members of the Company in general meeting and to appoint alternate Directors at their discretion; and
- (e) the Directors be and are hereby authorised to undertake all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to or in connection with the Change of Domicile.”

2. “**THAT** subject to the passing of special resolution numbered 1 above:
- (a) the entire amounts standing to the credit of the share premium account of the Company as at the day of passing this resolution in the amount of HK\$1,548,093,456 be cancelled and transferred to an account of the Company designated as the contributed surplus account of the Company (“**Cancellation of Share Premium Account**”);
 - (b) the account designated as the contributed surplus account of the Company shall be the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (“**Contributed Surplus Account**”) effective upon the Change of Domicile (as defined in special resolution numbered 1) and the amounts standing to the credit of such designated account shall continue to stand to the credit of the Contributed Surplus Account effective upon the Change of Domicile; and
 - (c) the Directors be and are hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to or in connection with the Cancellation of Share Premium Account.”
3. “**THAT** subject to the passing of special resolution numbered 1 above and conditional upon the Change of Domicile becoming effective and the Listing Division granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reorganisation (as defined below), with effect from the 19th day (if it is not a business day, the immediately following business day) after the effective date of the Change of Domicile (“**Effective Date**”):
- (a) every ten (10) issued shares of HK\$0.01 each in the existing share capital of the Company be consolidated (“**Share Consolidation**”) into one (1) issued share of HK\$0.10 each (“**Consolidated Shares**”);
 - (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation;
 - (c) the par value of each of the then issued Consolidated Shares of the Company be and is hereby reduced from HK\$0.10 each to HK\$0.01 each (“**New Shares**”) by cancelling the capital paid-up thereon to the extent of HK\$0.09 on each of the then issued Consolidated Shares, such that the issued share capital of between HK\$95,126,036.88 and HK\$98,337,944.28 (assuming exercise of all outstanding options) will be reduced by an amount of between HK\$85,613,433.2 and HK\$88,504,149.86 to an amount of between HK\$9,512,603.68 and HK\$9,833,794.42 comprising 951,260,368 and 983,379,442 New Shares of HK\$0.01 each (together with sub-paragraph (b) above are hereinafter referred to as “**Capital Reduction**”, together with the Share Consolidation, the “**Capital Reorganisation**”);
 - (d) the credits arising from the Capital Reduction be transferred to the Contributed Surplus Account and the Directors be and are hereby authorised to use the amount then standing to the credit of the Contributed Surplus Account in any manner as may be permitted under the bye-laws of the Company and all applicable laws including, without limitation, (i) eliminating or setting off the accumulated losses of the Company as at the Effective Date; (ii) eliminating or setting off other accumulated losses of the Company as may arise from time to time; and/or (iii) paying dividend or making any other distribution out of the Contributed Surplus Account from time to time without further authorisation from the shareholders of the Company and all such actions in relation thereto be approved, ratified and confirmed; and

- (e) the Directors be and are hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to or in connection with the Capital Reorganisation involving the Share Consolidation and the Capital Reduction and to aggregate all fractional New Shares and sell them for the benefits of the Company.”
4. “**THAT** subject to the passing of special resolutions numbered 1 and 3 above, and conditional upon: (i) the Change of Domicile (as defined in special resolution numbered 1) and the Capital Reorganisation (as defined in special resolution numbered 3) becoming effective; and (ii) the entry of “China CBM Group Company Limited” as the new English name and the entry of “中國煤層氣集團有限公司” as the new secondary name in Chinese of the Company in the register maintained by the Registrar of Companies in Bermuda and the issue of a certificate of incorporation on change of name and a certificate of secondary name by the Registrar of Companies in Bermuda, the English name of the Company be changed from “China Leason CBM & Shale Gas Group Company Limited” to “China CBM Group Company Limited” and the Chinese name of the Company from “中國聯盛煤層氣頁岩氣產業集團有限公司” to “中國煤層氣集團有限公司” with effect from the date of registration as set out in the certificate of incorporation on change of name and the certificate of secondary name issued by the Registrar of Companies in Bermuda; and the Directors be and are hereby authorised to do all such acts and things and execute all such documents or make such arrangements as they may consider necessary or expedient to give effect to or in connection with the aforesaid change of name of the Company.”

By Order of the Board
China Leason CBM & Shale Gas Group Company Limited
WANG ZHONG SHENG
Chairman

Hong Kong, 17 March 2014

Registered office:

Cricket Square,
Hutchins Drive,
P.O. Box 2681,
Grand Cayman, KY-1-1111,
Cayman Islands

Principal place of business in Hong Kong:

Room 910B, 9/F,
East Wing,
Tsim Sha Tsui Centre,
66 Mody Road,
Tsim Sha Tsui East,
Kowloon, Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend in his stead. A proxy need not be a member of the Company.
 2. A proxy form of the Meeting is enclosed. If the appointer is a corporation, the proxy form must be made under its common seal or under the hand of an officer or attorney duly authorised on its behalf.
 3. Where there are joint registered holders of any share, any one of such persons may vote at the Meeting (or any adjournment thereof), either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
 4. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at * 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
 5. Completion and delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the Meeting or at any adjournment thereof (as the case may be) and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- * The address of Tricor Tengis Limited will be changed to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014.

As at the date hereof, the executive directors of the Company (the "Directors") are Mr. Wang Zhong Sheng, Mr. Shi Liang, Mr. Fu Shou Gang and Mr. Kwok Shun Tim and the independent non-executive Directors are Mr. Luo Wei Kun, Ms. Pang Yuk Fong and Mr. Wang Zhi He.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting.