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China CBM Group Company Limited

中國煤層氣集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8270)

RESULTS OF THE SPECIAL GENERAL MEETING

The Board announces that the resolutions as set out in the Notice were not passed by the Independent Shareholders or the Shareholders by way of poll at the SGM held on 18 April 2016.

As a result of the relevant resolutions having not been passed at the SGM, the Share Consolidation, the Open Offer and the Set-off Arrangement will not proceed accordingly. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser if they are in doubt about any of the above matters.

Reference is made to the circular incorporating the notice (the “**Notice**”) of the special general meeting (the “**SGM**”) of China CBM Group Company Limited (the “**Company**”) dated 29 March 2016 relating to, among others, the Share Consolidation, the Open Offer and the Set-off Arrangement (the “**Circular**”). Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

RESULTS OF THE SGM

At the SGM held on 18 April 2016, the proposed resolutions as set out in the Notice were taken by poll. Crowe Horwath (HK) CPA Limited was appointed as the scrutineer at the SGM for the purpose of vote-taking.

As at the date of SGM, the total number of issued shares in the Company was 1,319,484,534 Shares, which was the total number of the Shares entitling the Shareholders to attend and vote for or against or abstain from voting on the proposed resolutions set out in the notice of SGM.

Pursuant to Rule 10.39 of the GEM Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates would abstain from voting in favour of the resolutions relating to the Open Offer. As at the date of the SGM, as there are no controlling Shareholders, only the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates would be required to abstain from voting in favour of the resolutions relating to the Open Offer at the SGM.

As at the date of the SGM, Mr. Wang together with his associates are holding an aggregate of 394,239,983 Existing Shares, representing approximately 29.88% of the issued share capital of the Company. Save as disclosed above, no other Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates hold any Shares as at the date of the SGM.

As Mr. Wang is deemed to have a material interest in the Set-off Arrangement, Mr. Wang and his associates would abstain from voting at the SGM on the resolutions in relation to the Open Offer and the Set-off Arrangement and have been so abstained.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Share Consolidation and are required to abstain from voting in approving the Share Consolidation at the SGM.

Therefore, the total number of Shares held by the Independent Shareholders who were entitled to attend and vote for or against the ordinary resolutions proposed at the SGM approving the Open Offer and the Set-off Arrangement was 925,244,551.

Save for the aforesaid and to the best knowledge of the Company, as at the date of SGM, no other Shareholder has material interest in the Open Offer and the Set-off Arrangement and therefore no other Shareholder is required to abstain from voting on the proposed resolution(s) approving the Open Offer and the Set-off Arrangement at the SGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquires, there were no restrictions on any Shareholders to cast votes on the resolution at the SGM, and there were no Shares entitling the holder to attend and vote only against the resolution proposed at the SGM.

The Board announces that all the proposed resolutions set out in the Notice were not passed by the Independent Shareholders or the Shareholders by way of poll at the SGM. The poll results in respect of the resolutions were as follows:

Ordinary Resolutions	Number of Votes (%)	
	For	Against
1 To approve and confirm the Share Consolidation of every ten Existing Shares of HK\$0.01 each into one Consolidated Share of HK\$0.10 <i>(Note)</i>	0 (0%)	50,253,000 (100%)
2 To approve, confirm and ratify the Open Offer on the basis of every three Offer Shares for every one share held on the record date and the transactions contemplated thereunder <i>(Note)</i>	0 (0%)	50,253,000 (100%)
3 To approve, confirm and ratify the Set-off Arrangement and the transactions contemplated thereunder <i>(Note)</i>	0 (0%)	50,253,000 (100%)

Note: The full text of the resolutions appears in the Notice of SGM dated 29 March 2016.

As a result of the relevant resolutions having not been passed at the SGM, the Share Consolidation, the Open Offer and the Set-off Arrangement will not proceed accordingly. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser if they are in doubt about any of the above matters.

The Directors are of the view that the cessation of the Open offer and the Set-Off Arrangement though may affect the future business development of the Group will not have material adverse impact on the existing business operation of the Group and the current financial position of the Group.

By order of the Board
China CBM Group Company Limited
Wang Zhong Sheng
Chairman

Hong Kong, 18 April 2016

As at the date hereof, the executive Directors are Mr. Wang Zhong Sheng and Mr. Fu Shou Gang, 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.

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