



福山國際能源集團有限公司

**FUSHAN INTERNATIONAL ENERGY GROUP LIMITED**

*(Incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)*

**(Stock Code: 639)**

**ANNOUNCEMENT PURSUANT TO  
RULE 13.18 OF THE LISTING RULES**

In accordance with Rule 13.18 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the board (the "Board") of directors (the "Directors") of Fushan International Energy Group Limited (the "Company") announces certain details of a loan agreement (the "Loan Agreement") entered into between Jade Green Investments Limited ("Jade Green") (a wholly owned subsidiary of the Company) and, among other parties, BOCI Leveraged & Structured Finance Limited as arranger on 21 July 2008.

The Board announces that on [21] July 2008, Jade Green entered into the Loan Agreement in respect of RMB equivalent US\$153,800,000 term loan facility.

Under the Loan Agreement, an event of default will arise upon the occurrence of, among other things, a change of control which occurs if, among other things, (i) after completion of the conditional sale and purchase agreement (the "Agreement") dated 9 May 2008 between the Company, Jade Green, Mr. Wong Lik Ping ("Mr. Wong") (being the controlling shareholder, executive Director and Chairman of the Company), Fortune Dragon Group Limited (the "Seller") and Mr. Xing Libin (details of which are set out in the announcement of the Company dated 21 May 2008), (A) Mr. Wong ceases to be the legal and beneficial owner of at least 3% of the entire issued share capital of the Company; (B) China Merit Limited ("China Merit") (a company wholly and beneficially owned by Mr. Wong) ceases to be the legal and beneficial owner of at least 27% of the entire issued share capital of the Company; or (C) Mr. Wong and China Merit cease to be the respective legal and beneficial owners of at least 30% in aggregate of the entire issued share capital of the Company or, to the extent that their aggregate shareholdings in the Company fall below 30% following the placement of shares in the Company to raise funds for the purpose of funding the payment by the Company of the guarantee cash amount to the Seller, in an amount not exceeding HK\$500,000,000, in accordance with the Agreement, Mr. Wong and China Merit cease to be, collectively, the single largest group of shareholders of the Company; or (ii) Mr. Wong ceases to be the beneficial owner of 100% of the issued share capital of China Merit.

The final maturity date of the Loan Agreement is the date falling 14 months after the first drawdown date of the Loan Agreement.

By order of the Board  
**Fushan International Energy Group Limited**  
**SO KWOK HOO**  
*Executive Director*

Hong Kong, 22 July 2008

*As at the date of this announcement, the Board comprises Mr. Wong Lik Ping, Mr. So Kwok Hoo, and Mr. Xue Kang as executive Directors, Mr. Li King Luk as a non-executive Director, Mr. Kee Wah Sze, Mr. Choi Wai Yin and Mr. Chan Pat Lam as independent non-executive Directors.*