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SINO PROSPER HOLDINGS LIMITED

中盈控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

CO-OPERATION AGREEMENT WITH CHINA EVERBRIGHT PETROLEUM EXPLOITATION & INVESTMENT AND RESUMPTION OF TRADING

CO-OPERATION AGREEMENT WITH CHINA EVERBRIGHT PETROLEUM EXPLOITATION & INVESTMENT

The Board is pleased to announce that SPAI, a wholly owned subsidiary of the Company and China Everbright Petroleum Exploitation & Investment, a wholly owned subsidiary of China Everbright Group, have entered into the Co-operation Agreement on 14 March 2006. China Everbright Petroleum Exploitation & Investment undertakes to distribute the asphalt and asphaltic rocks produced or extracted from the Buton Bitumen Mine for a tenure of 10 years from the date of the Co-operation Agreement in the Guangdong province of the PRC and SPAI agreed to supply not less than 1,000,000 metric tons of asphalt and asphaltic rocks to China Everbright Petroleum Exploitation & Investment in the first year after the commencement of the production of asphalt and asphaltic rocks from the Buton Bitumen Mine and increase the supply thereafter in accordance with the production output of the Buton Bitumen Mine.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:49 a.m. on 13 March 2006 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 15 March 2006.

References are made to the announcements of the Company dated 9 and 22 March 2005, 26 April 2005, 12 and 22 September 2005 respectively and the circular of the Company dated 13 May 2005 in relation to the bitumen extraction project in Indonesia.

CO-OPERATION AGREEMENT WITH CHINA EVERBRIGHT PETROLEUM EXPLOITATION & INVESTMENT

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Major terms of the Co-operation Agreement are summarized as follows:

- (A) The Co-operation Agreement is entered into in consideration of the grant of the Exploration Right of the Buton Bitumen Mine to the Joint Venture Company on 10 September 2005 which had been disclosed in the announcement of the Company dated 12 September 2005.
- (B) China Everbright Petroleum Exploitation & Investment will act as distribution agent of SPAI in the Guangdong province of the PRC in relation to the asphalt and asphaltic rocks supplied by SPAI. China Everbright Petroleum Exploitation & Investment will be responsible for the sale of the asphalt and asphaltic rocks in the Guangdong province and provision of the relevant product standards, quantity and pricing in the PRC market. China Everbright Petroleum Exploitation & Investment and SPAI agreed that the product standards, quantity and pricing will be determined with reference to the spot international asphalt and asphaltic rocks prices subject to contract.
- (C) The Co-operation arrangement shall be for a period of 10 years from the date of the Co-operation Agreement and SPAI agreed to supply not less than 1,000,000 metric tons of asphalt and asphaltic rocks to China Everbright Petroleum Exploitation & Investment in the first year after the commencement of the production or extraction of the asphalt and asphaltic rocks from the Buton Bitumen Mine. The quantity can be increased thereafter in accordance with the production output of the Buton Bitumen Mine.
- (D) SPAI agreed that China Everbright Petroleum Exploitation & Investment shall have the pre-emption right to purchase asphalt and asphaltic rocks from the Joint Venture Company. In return, China Everbright Petroleum Exploitation & Investment agreed that China Everbright Petroleum Exploitation & Investment shall first purchase the asphalt and asphaltic rocks supplied by the Joint Venture Company.

BACKGROUND OF CHINA EVERBRIGHT PETROLEUM EXPLOITATION & INVESTMENT

China Everbright Petroleum Exploitation & Investment is a subsidiary of China Everbright Group which is a core state-owned enterprise under the jurisdiction of the PRC government. China Everbright Group mainly focuses on the financial sector and its businesses cover banking, securities, insurance and investment management. China Everbright Group controls over sixty directly affiliated enterprises and it currently holds two Hong Kong listed subsidiaries, namely China Everbright Limited and China Everbright International Limited.

China Everbright Petroleum Exploitation & Investment invests in and operates a well-developed, vertically integrated petroleum and natural gas system. In addition to petroleum and natural gas development, storage, distribution and sales, China Everbright Petroleum Exploitation & Investment is active in petroleum related high-tech services.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, China Everbright Petroleum Exploitation & Investment and China Everbright Group are independent third parties to the Group and its connected persons (as defined in the Listing Rules).

Further announcement in respect of the Co-operation Agreement will be made by the Company pursuant to the Listing Rules should any circumstances require.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

GENERAL

The Group is principally engaged in investment in energy and resources related projects and investment in production of raw materials for power generation and construction of highways in the PRC and other countries.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Buton Bitumen Mine”	the bitumen mine on Buton Island of Indonesia
“Company”	Sino Prosper Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
“Directors”	directors (including the independent non-executive directors) of the Company
“China Everbright Petroleum Exploitation & Investment”	光大石油天然氣開發投資有限公司 (China Everbright Petroleum Exploitation & Investment Co., Ltd.), a wholly owned subsidiary of China Everbright Group
“Exploration Right”	the exploration right for general survey and prospect of the Buton Bitumen Mine
“Group”	the Company and its subsidiaries
“Joint Venture Company”	P.T. Sino Prosper Indocarbon, a limited liability company incorporated in Indonesia and owned as to 65% by SPRL, as to 25% by Mr. Sayono and as to 10% by Mr. Hariono Moeliawan
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“SPAI”	Sino Prosper Asphalt Investment Limited, a wholly owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board of
Sino Prosper Holdings Limited
Tang Yan Tian
Chief Executive Officer

Hong Kong, 14 March 2006

As at the date of this announcement, Mr. Leung Ngai Man, Mr. Yeung Kit, Mr. Wong Wa Tak and Mr. Tang Yan Tian are the executive Directors, and Mr. Chan Sing Fai, Mr. Cai Wei Lun and Mr. Leung Wai Cheung are the independent non-executive Directors.

Please also refer to the published version of this announcement in International Herald Tribune.