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CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

MEMORANDUM OF UNDERSTANDING IN RELATION TO A POSSIBLE ACQUISITION

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

THE MOU

On 24 March 2010 (after trading hours), the Company (as the Purchaser) entered into the MOU with the Vendor in relation to a possible acquisition of the entire interest in the Target Company. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties.

Pursuant to the MOU, the purchase price of the Possible Acquisition (the “**Purchase Price**”) will be determined and shall be with reference to the valuation price of the valuation report regarding the Mines (as defined below) to be issued by an independent valuer being engaged by the Company.

The Purchase Price shall be satisfied in the following manner:

- (i) Subject to the performance of a preliminary due diligence review to the satisfaction of the Purchaser in an absolute discretion basis, a refundable cash deposit (the “**Deposit**”) in the amount of HK\$50,000,000 shall be paid by the Purchaser to the Vendor; and
- (ii) The remaining balance of the Purchase Price shall be satisfied by the allotment and issue of new consideration Shares and/or by the issue of convertible bonds (which are convertible into new Shares), by the Company.

The Vendor shall charge the entire share capital of the Target Company to the Purchaser upon payment of the Deposit. After the signing of the MOU, the Company will conduct preliminary due diligence review in relation to the Possible Acquisition.

The MOU shall remain in effect for a term of three months from the date of the MOU (the “**Term**”) or such longer period as may be agreed. The Vendor also agreed that, inter alia, they or their respective affiliates shall not, for the three-month period (the “**Exclusivity Period**”) commencing on the date upon signing of the MOU, enter into any negotiation, arrangement or agreement (whether subject to conditions or otherwise) similar or relating to the Possible Acquisition with any other party (the “**Exclusivity**”), and the Purchaser shall have the right to extend the Exclusivity Period for a further three months by notifying the Vendor in writing no later than two days prior to the expiration of the Exclusivity Period.

Save for the Purchase Price and the Deposit as contained therein, the MOU is not legally binding or enforceable.

The Company shall comply with the relevant disclosure requirement under the Listing Rules regarding the Possible Acquisition at all times.

The Board wishes to emphasise that the Possible Acquisition is subject to, among other things, the signing of a formal agreement for the sale and purchase of the Target Company, the terms and conditions of which are yet to be agreed. As the Possible Acquisition may or may not proceed, investors and Shareholders are advised to exercise caution when dealing in the Shares. Further announcement in respect of the Possible Acquisition will be made by the Company should any formal agreement be entered into as and when appropriate in accordance with the Listing Rules.

Information on the Target Company and its subsidiaries

The Target Company directly and indirectly interests in the entire registered capital of (i) 東匯原科技(深圳)有限公司 (Dong Hui Yuan Technology (Shenzhen) Co., Ltd.*), a company incorporated in the PRC with limited liability; (ii) 上海躍寶商貿有限公司 (Shanghai Bao Yue Trade Co., Ltd.*), a company incorporated in the PRC with limited liability; (iii) 北京海創天元貿易有限公司 (Beijing Hai Chong Tianyuan Trading Co., Ltd.*), a company incorporated in the PRC with limited liability (the “**Beijing Company**”); and (iv) 克什克騰旗大地礦業有限責任公司 (Keshi Ketengqi Great Land Mine Industries Company Limited*) (the “**Mining Company**”) is incorporated in the PRC with limited liability and it is owned as to 60% by 上海吉譯實業有限公司 (Shanghai Jiyi Shiye Limited Company*) and 40% by the Beijing Company.

As at the date of this announcement, the Company, through 上海吉譯實業有限公司, is effectively interest in 51% of the registered capital of the Mining Company, please refer to the circular of the Company dated 30 June 2009 regarding the acquisition of the Mining Company by the Company in 2009 for further details.

DEFINITIONS

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

“Board”	the board of Directors
“Company” or “Purchaser”	China Properties Investment Holdings Limited (中國置業投資控股有限公司*), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties and their ultimate beneficial owner(s) which are independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 24 March 2010 entered into by the Company and the Vendor in relation to the Possible Acquisition
“Possible Acquisition”	the possible acquisition of the entire interest in World Petroleum Inc. by the Purchaser from the Vendors
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	Sinowood Holdings Limited, a company incorporated in Hong Kong with limited liability
“Vendor”	Star Lucky Group Limited, a company incorporated in the British Virgin Islands with limited liability
“%”	per cent.

By order of the Board
China Properties Investment Holdings Limited
Au Tat On
Executive Director

Hong Kong, 24 March 2010

As at the date of this announcement, the executive Directors are Ms. Yu Wai Fong and Mr. Au Tat On, and the independent non-executive Directors are Mr. Lam Man Yui, Mr. Lai Wai Yin, Wilson and Ms. Cao Jie Min.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange and the website of the Company for at least 7 days from the date of its posting.

* *For identification purpose only*