



(Stock Code: 355)

**Letter of Intent with China Nuclear Energy Industry Corporation,  
Further Announcement in relation to the Group's Proposed Acquisition of  
the Majority Interest in a Mongolian Company  
and  
Resumption of Trading**

The Board is pleased to announce that:

1. A Letter of Intent was entered into between the Company and China Nuclear Energy Industry Corporation (中國原子能工業公司) ("CNEIC") on 10 August 2007 in relation to proposals regarding:
  - (i) the establishment of long-term co-operative alliance between the Company and CNEIC for the exploration and development of uranium resources in Mongolia and other countries;
  - (ii) the provision of technical support by CNEIC on all aspects of due diligence, prospecting and exploration and mining works on uranium mines in which the Company proposes to invest;
  - (iii) the possible joint investment with CNEIC in economically viable uranium mines and the underwriting by CNEIC of the sale of the uranium products; and
  - (iv) the granting by the Company of the Subscription Option to CNEIC.

CNEIC, a wholly-owned subsidiary of China National Nuclear Corporation (中國核工業集團公司) ("CNNC"), is the only company authorised by the Government of the PRC to carry on import and export of nuclear fuel and to supply nuclear fuel to nuclear power plants in the PRC.

CNNC is a large-scale state-owned enterprise established under the approval of the State Council of the PRC. CNNC is the main investor for and the biggest owner of all the nuclear power plants across the PRC, the supplier of nuclear power design and nuclear fuels and the most important provider of technical service for the operation of all the nuclear power plants in the PRC, and the specialised supplier of nuclear power plants and nuclear equipments and instruments in the PRC.

2. A supplemental agreement was entered into between GML and Vendors on 13 August 2007 to extend the long-stop date for the satisfaction of the conditions precedent under the Acquisition Agreement from 17 August 2007 to 17 November 2007.

**As completion of the Acquisition Agreement is subject to fulfillment of certain conditions precedent and the Letter of Intent will terminate if the Formal Agreement is not signed as therein provided, holders of the securities of the Company and the investing public should exercise caution in dealing in the securities of the Company.**

Trading in the ordinary shares and warrants of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 13 August 2007 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the trading in the ordinary shares and warrants of the Company to resume from 9:30 a.m. on 14 August 2007 following the publication of this announcement.

Reference is made to the announcements issued by the Company on 17 April 2007, 18 May 2007, 1 June 2007 and 9 August 2007 relating to, among others, the proposed acquisition of the majority interest in a Mongolian company by the Group (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as defined in the Announcements unless the context requires otherwise.

### **Letter of Intent**

The Board of Century City International Holdings Limited (the “**Company**”) is pleased to announce that the Company entered into a letter of intent with China Nuclear Energy Industry Corporation (中國原子能工業公司) (“**CNEIC**”) on 10 August 2007 (the “**Letter of Intent**”) for the establishment of long-term co-operative alliance in the development of the uranium mining business. The salient terms of the Letter of Intent are summarised as follows:

#### 1. Parties

- a) the Company; and
- b) CNEIC

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiry, CNEIC and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

CNEIC, a wholly-owned subsidiary of China National Nuclear Corporation (中國核工業集團公司) (“CNNC”), is the only company authorised by the Government of the PRC to carry on import and export of nuclear fuel and to supply nuclear fuel to nuclear power plants in the PRC.

CNNC is a large-scale state-owned enterprise established under the approval of the State Council of the PRC. CNNC performs scientific research and development, construction, operation in various fields relating to nuclear power such as nuclear electricity production, nuclear fuels and nuclear technology application. It is the main investor for and the biggest owner of all the nuclear power plants across the PRC, the supplier of nuclear power design and nuclear fuels and the most important provider of technical service for the operation of all the nuclear power plants, the specialised supplier of nuclear power plants and nuclear equipments and instruments in the PRC and the technical organisation to ensure the operation and safety of nuclear power plants in the PRC.

## 2. Long-term co-operative alliance with CNEIC

In view of the extensive experience and expertise of CNEIC and CNNC in the uranium and nuclear fuel industries, the Letter of Intent was entered into between the Company and CNEIC with a view to establishing long-term co-operative alliance for the exploration and development of uranium resources in Mongolia and other countries.

The Company will act in co-operation with CNEIC on a long-term basis, with CNEIC as its strategic business partner, for the exploration and development of uranium resources worldwide. CNEIC will provide to the Company full-range support including human resources, geological study, technical support for mining and the underwriting of the sale of the uranium products.

## 3. Provision of technical support by CNEIC

CNEIC will be given a first right to be appointed on competitive terms to provide multi-faceted technical support on all aspects of due diligence, prospecting, exploration and mining works on the uranium mines in which the Company proposes to invest, including the Exploration Area (as defined in the Company’s announcement dated 17 April 2007) (the “**Uranium Mining Projects**”).

## 4. Possible joint investments and underwriting of uranium products

CNEIC may jointly invest with the Company in economically viable Uranium Mining Projects and CNEIC (or a company nominated by CNEIC) may take up 20% equity

interest in such projects , while the remaining equity interest will be retained by the Company (the “**Joint Investment Projects**”).

The Company will be solely responsible for the initial exploration costs, but the costs for the setting up of the mining plants and facilities for the Joint Investment Projects will be funded by the Company and CNEIC in proportion to their shareholding interests.

CNEIC will be responsible for the underwriting of the sale of the uranium products to be excavated and/or produced from the Joint Investment Projects.

#### 5. Granting of the Subscription Option

In view of the contemplated long-term relationship and strategic partnership between the Company and CNEIC in developing the uranium businesses, and in order to strengthen the co-operative prospects between the Company and CNEIC, CNEIC (or a company nominated by CNEIC) (the “**Grantee**”) will be granted an option when the Formal Agreement (as defined below) has been finalized and signed, which is exercisable by the Grantee to subscribe for 1 billion new ordinary shares of the Company of HK\$0.01 each (the “**Shares**”) (which represent approximately 4.7% of the existing issued share capital and approximately 4.4% of the issued share capital of the Company as enlarged by such issue) at an exercise price of HK\$0.201 per Share, which was equivalent to a discount of approximately 10% to the volume weighted average traded price of the Shares of HK\$0.223 per Share on 10 August 2007, being the date of the Letter of Intent (the “**Subscription Option**”), subject to compliance with applicable laws and regulations. The Subscription Option will be exercisable within 2 years from the date of grant and will be subject to usual anti-dilution adjustment provisions such as new issue of the Shares (which will be finalized and prescribed in details in the Formal Agreement).

#### 6. Formal Agreement

It is agreed that within 3 months from the date of signing of the Letter of Intent, the parties will finalise and sign formal agreement in respect of the matters contemplated in the Letter of Intent (the “**Formal Agreement**”) and to comply with the necessary procedures and to obtain requisite approvals and consents. If the Formal Agreement could not be finalised and signed within the aforesaid period (or such longer period as the parties may mutually agree), the Letter of Intent will terminate.

## **Extension of the long-stop date of the Acquisition Agreement**

The Board also wishes to announce that a supplemental agreement was entered into between GML and Vendors (both terms as defined in the Company's announcement dated 17 April 2007) on 13 August 2007 to extend the long-stop date for the satisfaction of the conditions precedent under the Acquisition Agreement (as defined in the Company's announcement dated 17 April 2007) from 17 August 2007 to 17 November 2007.

## **General**

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

**As completion of the Acquisition Agreement is subject to fulfillment of certain conditions precedent and the Letter of Intent will terminate if the Formal Agreement is not signed as therein provided, holders of the securities of the Company and the investing public should exercise caution in dealing in the securities of the Company.**

Trading in the ordinary shares and warrants of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 13 August 2007 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the trading in the ordinary shares and warrants of the Company to resume from 9:30 a.m. on 14 August 2007 following the publication of this announcement.

As at the date of this announcement, the Board comprises the following members:

### ***Executive Directors:***

Mr. LO Yuk Sui  
*(Chairman and Chief Executive Officer)*  
Mr. Kenneth NG Kwai Kai  
*(Chief Operating Officer)*  
Mr. Donald FAN Tung  
Mr. Jimmy LO Chun To  
Miss LO Po Man

### ***Independent Non-Executive Directors:***

Mr. Anthony CHUANG  
Mr. NG Siu Chan  
Mr. WONG Chi Keung

By order of the Board  
**CENTURY CITY INTERNATIONAL  
HOLDINGS LIMITED**

**Eliza Lam Sau Fun**

*Secretary*

Hong Kong, 13 August 2007