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CHINA UNIENERGY GROUP LIMITED

中国优质能源集团有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1573)

INSIDE INFORMATION AND POSITIVE PROFIT ALERT

This announcement is made by CHINA UNIENERGY GROUP LIMITED (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2016 (the “**Reporting Period**”), the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a significant increase in the consolidated net profit when compared to the unaudited consolidated net profit of the Group for the corresponding period in 2015, which was mainly attributable to the significant increase of revenue for the Reporting Period as compared with the corresponding period in 2015 due to (1) the increase in the average selling price for clean coal and fine coal products, after the installation and the put into use of coal preparation facilities since the last quarter of 2015, as well as the increase in the prevailing market price of coal products, and (2) the increased production capacity, and hence the sales volume, of our Weishe Coal Mine, Luozhou Coal Mine and Lasu Coal Mine which have been under joint trial run since the last quarter of 2015 and the first quarter of 2016 as a result of the technological upgrade of our mines.

The information contained in this announcement represents only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the Reporting Period, which have not been audited or reviewed by the Company's auditors and may be subject to amendments. Details of the reviewed financial information will be disclosed in the Group's interim results announcement for the Reporting Period which is expected to be published before the end of August 2016.

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

By order of the Board
CHINA UNIENERGY GROUP LIMITED

Xu Bo
Chairman

Guiyang, People's Republic of China
5 August 2016

As at the date of this announcement, the executive directors of the Company are Mr. Xu Bo, Mr. Wei Yue and Mr. Xiao Zhijun; and the independent non-executive directors of the Company are Mr. Jiang Chenglin, Mr. Choy Wing Hang William, Mr. Lee Cheuk Yin Dannis and Mr. Fu Lui.