

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

**MAJOR TRANSACTION
RELATING TO THE PROVISION OF LOAN
AND
RESUMPTION OF TRADING**

The Board announced that on 11 October, 2009, the Lender, a wholly-owned indirect subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a loan facility of principal amount of HK\$221 million for a term of 6 months. The Loan is secured by (i) the Borrower Debenture; (ii) the Borrower Share Charge; (iii) the Redstone Debenture; (iv) the Redstone Share Charge; (v) the Shanghai Heng Yuan Pledge Agreement; (vi) the Shanghai Shang Sheng Pledge Agreement; (vii) the Yunnan Crescent Pledge Agreement; (viii) the Personal Guarantee and (ix) the Deed of Assignment and Subordination.

As the relevant Percentage Ratios for the making of the Loan under Rule 14.07 exceeds 25% but is below 100%, the granting of the Loan constitutes a major transaction for the Company and is subject to approval by Shareholders. The Company has obtained a written shareholder's approval for the Loan from Vigor Online which holds approximately 64.42% of the total issued share capital of the Company as at the date of the Loan Agreement. Accordingly, no general meeting for the Shareholders' approval of the Loan will be held. A circular containing details of the Loan will be despatched to the Shareholders as soon as practicable.

The granting of the Loan constitutes an advance to an entity pursuant to Rule 13.13 of the Listing Rules, details of which as required under Rule 13.15 of the Listing Rules have been disclosed in this announcement. The Company will apply with the disclosure requirement under Rule 13.20 of the Listing Rules so long as circumstances leading to such disclosure obligation continue to exist.

At the request of the Company, trading in the Shares were suspended with effect from 9:30 a.m. on 12 October 2009 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 2:30 p.m. on 14 October 2009.

THE LOAN AGREEMENT

Date: 11 October 2009

Lender: Join Capital Limited, a company incorporated in Hong Kong and a wholly-owned indirect subsidiary of the Company

Borrower: Sunnysino (B.V.I.) Limited, a company incorporated in the British Virgin Islands and wholly and beneficially owned by the Guarantor

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower and its ultimate beneficial owner are independent third parties not connected with the Company and connected persons of the Company. There is no prior relationship or business transaction among the Borrower, the Guarantor and the Company.

Principal terms of the Loan Agreement

Principal Amount of the Loan: HK\$221 million

Term: 6 months

Purpose: The Loan shall only be applied and used by the Borrower solely for its general working capital

Interest: 25% per annum payable on a quarterly basis

Security Documents:

- (1) the Share Charges
- (2) the Pledge Agreements
- (3) the Debentures
- (4) the Personal Guarantee
- (5) the Deed of Assignment and Subordination

The Share Charges

The Share Charges comprise of:–

- (1) the Borrower Share Charge executed by the Guarantor in favour of the Lender by way of a first legal charge over the entire issued share capital of the Borrower; and
- (2) the Redstone Share Charge executed by the Borrower in favour of the Lender by way of a first legal charge over the entire issued share capital of Redstone;

The Pledge Agreements comprise of:

- (1) the Shanghai Heng Yuan Pledge Agreement executed by the Guarantor as pledgor in favour of the Lender by way of a first legal charge over 69% of the total registered capital of Shanghai Heng Yuan. Shanghai Heng Yuan is a company incorporated in the PRC and beneficially owned by the Guarantor as to 69% and two Independent Third Parties as to 20% and 11% respectively. Shanghai Heng Yuan is principally engaged in edible oil trading and investment holding in the PRC;

- (2) the Shanghai Shang Sheng Pledge Agreement executed by the Guarantor in favour of the Lender by way of a first legal charge over 66.6% of the total registered capital of Shanghai Shang Sheng. Shanghai Shang Sheng is a company incorporated in the PRC and beneficially owned by the Guarantor as to 66.6% and two Independent Third Parties as to 16.7% each. Shanghai Shang Sheng is principally engaged in property development in the PRC; and
- (3) the Yunnan Crescent Pledge Agreement executed by Redstone in favour of the Lender by way of a first legal charge over 85% of the total registered capital of Yunnan Crescent. Yunnan Crescent is a company incorporated in the PRC and beneficially owned by Redstone as to 85% and an Independent Third Party as to 15%. Yunnan Crescent is principally engaged in gold mining business in the PRC;

Under the Share Charges and the Pledge Agreements, the Lender shall have the rights, among other things, to dispose of and/or transfer to itself the shares and interest in the registered capital of the companies charged in favour of it under the Share Charges and Pledge Agreements upon the occurrence of an event of default or upon the occurrence of any event which may lead to a default by the Borrower under the Loan Agreement. Such defaulting events include, but not limited to, the events under which (a) the Borrower fails to pay any principal, interest, or any other sum payable under the Loan Agreement or any of the Security Documents on the date on which the sum is due and payable; (b) either the Borrower, the Guarantor or Redstone fails to perform any of its obligations, undertakings and agreements under any of the Security Documents, or (c) any representation, warranty or undertaking made by the Borrower, the Guarantor or Redstone is or proves to have been untrue or inaccurate in any respect.

The Debentures

The Debentures comprise of:

- (1) the Borrower Debenture created by the Borrower in favour of the Lender by way of a first fixed and floating charge over all the undertaking, property and assets and rights of the Borrower; and
- (2) the Redstone Debenture created by Redstone in favour of the Lender by way of a first fixed and floating charge over all the undertaking, property and assets and rights of Redstone;

The Lender, as a chargee, shall have the rights, among other things, to dispose of and/or take possession of the undertaking, property and assets and rights of the Borrower and Redstone charged in favour of it under the Debentures upon the occurrence of an event of default or upon the occurrence of any event which may lead to a default by the Borrower. Such defaulting events include, but not limited to, the events under which (a) the Borrower fails to pay any principal, interest, or any other sum payable under the Loan Agreement or any of the Security Documents on the date on which the sum is due and payable; (b) either the Borrower, the Guarantor or Redstone fails to perform any of its obligations, undertakings and agreements under any of the Security Documents, or (c) any representation, warranty or undertaking made by the Borrower, the Guarantor or Redstone in any Security Documents is or proves to have been untrue or inaccurate in any respect.

The Personal Guarantee

A personal guarantee given by the Guarantor in favour of the Lender pursuant to which the Guarantor has agreed to guarantee the due performance of the obligations of the Borrower, Redstone and the Guarantor under the Security Documents. In the event that the Borrower, the Guarantor or Redstone fails to pay any sum payable by them to the Lender, as the case may be, by the time(s) and on the dates(s) specified in the Security Documents for payment, the Guarantor shall immediately on demand by the Lender pay that sum to the Lender.

The Guarantor has undertaken with the Lender that he will at any time and from time to time upon the written request of the Lender duly execute and deliver any and all such further instruments and documents as the lender may deem desirable for the purpose of obtaining the full benefit of the Personal Guarantee and of the rights and powers therein granted.

The Deed of Assignment and Subordination

A deed of assignment and subordination executed by the Guarantor, the Borrower and Redstone in favour of the Lender pursuant to which the Guarantor as assignor assigns and agrees to assign to the Lender, as a continuing security for the discharge of the repayment obligation of the Borrower under the Loan Agreement, all its rights in and to: (i) the moneys presently due or owing by the Borrower and Redstone to the Guarantor and any amount as may be lent or advanced by the Guarantor to the Borrower and Redstone hereafter from time to time (the "Subordinated Loan"); and (ii) all moneys (excluding the Subordinated Loan) which the Guarantor is now or may become entitled to receive from the Borrower and Redstone.

The Lender may declare all or any of the security created by the Deed of Assignment and Subordination immediately enforceable at any time upon the occurrence of an event of default or upon the occurrence of any event which may lead to a default by the Borrower under the Loan Agreement.

Repayment:

The Borrower shall repay the Loan in full on the last day of the 6-month period following the date on which the Loan is drawn.

Other terms:

The Borrower shall pay to the Lender a front end fee representing 2% of the total amount of the Loan drawn under the Loan Agreement.

The Borrower has covenanted and undertaken with the Vendor that it shall enter into and shall procure the entering into of such further other mortgage, charge, pledge, corporate or personal guarantee or any other securities as a continuing security as required or demanded by the Lender in its absolute and sole discretion from time to time.

The terms of the Loan Agreement and the Security Documents were arrived at after arm's length negotiations between the Lender and the Borrower. The Lender is a licensed money lender and its principal activity is provision of financial services. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender. The entire amount of the Loan is funded by borrowings from financial institutions. The terms of the Loan including the interest rate and the front end fee were determined with reference to the commercial practice and the terms of doing business of those companies engaging in money lending business in Hong Kong. The Directors consider that the transactions contemplated by the Loan Agreement is on normal commercial terms and the terms of the Loan Agreement and the Security Documents are fair and reasonable and are in the interests of the Company and its shareholders as a whole having considered the current market norm in relation to similar transactions and having taken into account the lower costs of borrowing to be paid by the Company. As such, the Company will receive monetary benefits, representing the difference between the costs of borrowing and interest to be received, in providing the Loan.

If upon the exercise of the Lender's rights under the Security Documents constitutes a notifiable transaction for the Company, the Company will comply with such disclosure requirements as required by Chapter 14 of the Listing Rules.

Information on the Group

The principal business of the Company is investment holding and through its subsidiaries engaged in securities trading and investments, provision of financial services, property investment, manufacture of paints and trading in petrochemical and related products, and strategic investment.

Information on the Borrower

The principal business of the Borrower is investment holding. Its sole assets being its investment in Redstone. Redstone is principally engaged in investment holding and is a beneficial owner of 85% interest in the registered capital of Yunnan Crescent, a company principally engaged in gold mining business in the PRC.

Reasons for provision of the Loan

The Lender is a licensed money lender and its principal activity is provision of financial services. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender and will provide interest income to the Lender.

The Loan will be recorded as loan receivable under current asset of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant Percentage Ratios for the making of the Loan exceeds 25% but is below 100%, the granting of the Loan constitutes a major transaction of the Company pursuant to Chapter 14 of the Listing Rules. The granting of the Loan is subject to approval by Shareholders. The Company has obtained a written shareholder's approval for the Loan from Vigor Online which holds approximately 64.42% of the total issued share capital of the Company as at the date of the Loan Agreement. Accordingly, no general meeting for the Shareholders' approval of the Loan will be held. As no shareholder of the Company has a material interest in the Loan which is different from other shareholders of the Company, no shareholder of the Company is required to abstain from the voting in respect of the Loan. A circular containing details of the Loan will be despatched to the Shareholders as soon as practicable.

The granting of the Loan constitutes an advance to an entity pursuant to Rule 13.13 of the Listing Rules, details of which as required under Rule 13.15 of the Listing Rules have been disclosed in this announcement. The Company will apply with the disclosure requirement under Rule 13.20 of the Listing Rules so long as circumstances leading to such disclosure obligation continue to exist.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares were suspended with effect from 9:30 a.m. on 12 October 2009 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 2:30 p.m. on 14 October 2009.

DEFINITIONS

“Board”	the board of Directors
“Borrower”	Sunnysino (B.V.I.) Limited, a company incorporated in the British Virgin Islands and wholly and beneficially owned by the Guarantor
“Borrower Debenture”	a debenture dated 11 October 2009 created by the Borrower in favour of the Lender by way of a first fixed and floating charge over all the undertaking, property and assets and rights of the Borrower
“Borrower Share Charge”	a share charge dated 11 October 2009 executed by the Guarantor in favour of the Lender by way of a first legal charge over the entire issued share capital of the Borrower
“Company”	COL Capital Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Debentures”	collectively the Borrower Debentures and the Redstone Debenture
“Deed of Assignment and Subordination”	a deed of assignment and subordination dated 11 October 2009 executed by the Guarantor, the Borrower and Redstone in favour of the Lender
“Directors”	the directors of the Company
“Guarantor”	Mr. Xu Guo Liang, an Independent Third Party
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who, together with his/her ultimate beneficial owner(s) is/are persons independent of the Company and its connected persons
“Lender”	Join Capital Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned indirect subsidiary of the Company
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan”	the secured term loan facility of principal amount of HK\$221 million granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 11 October 2009 entered into between the Lender and the Borrower relating to the granting of the Loan

“Personal Guarantee”	a personal guarantee dated 11 October 2009 given by the Guarantor in favour of the Lender to guarantee the due performance of the Borrower, Redstone and the Guarantor under the Security Documents
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“Pledge Agreements”	collectively the Shanghai Heng Yuan Pledge Agreement, the Shanghai Shang Sheng Pledge Agreement and the Yunnan Crescent Pledge Agreement
“PRC”	the People’s Republic of China
“Redstone”	Redstone Gold Limited, a company incorporated in the British Virgin Islands and wholly and beneficially owned by the Borrower
“Redstone Debenture”	a debenture dated 11 October 2009 created by the Redstone in favour of the Lender by way of a first fixed and floating charge over all the undertaking, property and assets and rights of the Redstone
“Redstone Share Charge”	a share charge dated 11 October 2009 executed by the Borrower in favour of the Lender by way of a first legal charge over the entire issued share capital of Redstone
“Shanghai Heng Yuan”	Shanghai Heng Yuan Enterprises Development Co. Ltd., a company incorporated in the PRC and beneficially owned by the Guarantor as to 69% and two Independent Third Parties as to 20% and 11% respectively

“Shanghai Heng Yuan Pledge Agreement”	a pledge agreement dated 11 October 2009 executed by the Guarantor as pledgor in favour of the Lender by way of a first legal charge over 69% of the total registered capital of Shanghai Heng Yuan
“Shanghai Shang Sheng”	Shanghai Shang Sheng Real Estate Development Co. Ltd., a company incorporated in the PRC and beneficially owned by the Guarantor as to 66.6% and two Independent Third Parties as to 16.7% each
“Shanghai Shang Sheng Pledge Agreement”	a pledge agreement dated 11 October 2009 executed by the Guarantor in favour of the Lender by way a first legal charge over 66.6% of the total registered capital of Shanghai Shang Sheng
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Share Charges”	collectively the Borrower Share Charge and the Redstone Share Charge
“Security Documents”	collectively the Share Charges, the Pledge Agreements, the Debentures, the Personal Guarantee and the Deed of Assignment and Subordination
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vigor Online”	Vigor Online Offshore Limited, a company incorporated in the British Virgin Islands and a controlling Shareholder holding 355,176,374 Shares representing approximately 64.42% of the entire issued share capital of the Company as at the date of this announcement

“Yunnan Crescent”	Yunnan Crescent Mining Co. Ltd., a company incorporated in the PRC and beneficially owned by Redstone as to 85% and an Independent Third Party as to 15%
“Yunnan Crescent Pledge Agreement”	a pledge agreement dated 11 October 2009 executed by Redstone in favour of the Lender by way a first legal charge over 85% of the total registered capital of Yunnan Crescent
“%”	per cent

On behalf of the Board
COL Capital Limited
Chong Sok Un
Chairman

Hong Kong, 14 October 2009

As at the date of this announcement, the Board comprises Ms. Chong Sok Un as Chairman, Dato' Wong Peng Chong and Mr. Kong Muk Yin as Executive Directors; and Mr. Lo Wai On, Mr. Lau Siu Ki and Mr. Zhang Jian as Independent Non-Executive Directors.