



28th December 2011

FORTUNE OIL PLC
(“Fortune Oil” or the “Company”)

Strategic investment

Fortune Oil (LSE: FTO.L) focuses on oil, natural gas and resource supply operations and investments, primarily in China. Fortune Oil is listed on the Main Market of the London Stock Exchange.

Fortune Oil is pleased to announce the following strategic investment.

Fortune Oil plc ("Fortune") has acquired 94,040,000 shares, representing 2.15%, in China Gas Holdings Ltd ("CGH"; 0384.HK), a company listed on the Hong Kong Stock Exchange. The total cost of the purchase was £24.2 million which was financed from the Company's existing cash reserves. This investment is part of a strategic plan for the Company. A further announcement is expected to be made adding further developments in the near future.

CGH is the largest independent natural gas company in China in term of city network, serving more than 150 cities. It engages principally in the investment, operation and management of city gas pipeline infrastructure, the distribution of natural gas and LPG to residential, commercial and industrial users, construction and operation of oil stations and gas stations, and development and application of natural gas and LPG related technologies in China.

CHG reported a profit of HK\$781.3 million for the financial year ended 31 March 2011 and a profit of HK\$443.6 million for the six-month period ended 30 September 2011.

Background on Fortune Oil

Fortune Oil is a leading independent energy company engaged in the investment and operations of oil and natural gas supply projects in China. With over 20 years of operating history in China, Fortune Oil has acquired a unique portfolio of high quality oil and natural gas projects across the country and has formed a strong partnership with domestic and international market leaders. Fortune Oil recently started an expansion outside China securing resource projects. Fortune Oil is listed on the Main Market of the London Stock Exchange with its operational headquarters in Hong Kong.

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