

MEMORANDUM OF UNDERSTANDING CN ASIA CORPORATION BHD ("CN ASIA" OR "COMPANY") MEMORANDUM OF UNDERSTANDING - FRAMEWORK AGREEMENT IN RELATION TO THE PROPOSED PRODUCTION OF LIQUIFIED PETROLEUM GAS ("LPG") AND CONDENSATE FROM THE NATURAL GAS SUPPLIED BY THE RAKUSHECHNOYE OIL/GAS FIELD

CN ASIA CORPORATION BHD

Type	Announcement
Subject	MEMORANDUM OF UNDERSTANDING
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MEMORANDUM OF UNDERSTANDING - FRAMEWORK AGREEMENT IN RELATION TO THE PROPOSED PRODUCTION OF LIQUIFIED PETROLEUM GAS ("LPG") AND CONDENSATE FROM THE NATURAL GAS SUPPLIED BY THE RAKUSHECHNOYE OIL/GAS FIELD

Unless otherwise defined in this announcement, all terms used herein shall have the same meaning as those defined in the announcement dated 24 June 2014.

Further to the announcement dated 22 September 2014 in relation to the Framework Agreement for the Proposed LPG Production, the Company wishes to announce the following additional information pursuant to Chapter 9.19 of the Main Market Listing Requirements:

1. Reasons for the termination/lapse

CNASIA Capital and KenMakmur ("the Parties") had conjunctively agreed not to extend the timeframe for the execution of the Proposed Production of LPG which therefore resulted in the lapse of the Framework Agreement as the Parties were unable to proceed further with the Proposed LPG Production.

2. Whether CN Asia will be pursuing or taking any legal action (where applicable)

Since the Framework Agreement has not been extended by the Parties, the Company will not be pursuing or taking any legal action against KenMakmur.

3. Financial impact (if any) to CN Asia pursuant to the termination/lapse in terms of the effect on earnings per share and net asset per share

The lapse of the Framework Agreement will not have any effect on the earnings per share and net asset per share of CN Asia.

This announcement is dated 23 September 2014.