This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any Shares in the Company.

NEW TIMES GROUP HOLDINGS LIMITED

（新時代集團控股有限公司）*

(incorporated in Bermuda with limited liability)

(Stock Code: 166)

VERY SUBSTANTIAL ACQUISITION AND RESUMPTION OF TRADING

Financial adviser to New Times Group Holdings Limited

OPTIMA CAPITAL

Optima Capital Limited

THE ACQUISITION

The Board announces that on 10 October 2007, the Company, entered into the conditional Framework Agreement with the Vendors. Under the Framework Agreement, the Company agreed to acquire from the Vendors the entire issued share capital of the Target at the Consideration in the sum of HK$10 billion. The Target is interested in 51% of the entire issued share capital of High Luck which in turn, at Completion, will be the beneficial and registered owner of 60% interest in each of the Tartagal Concession and the Morillo Concession.

The Consideration is to be satisfied at Completion by (i) as to a total of HK$408,229,138 by way of the issue and allotment of 272,152,758 Consideration Shares at an issue price of HK$1.50 per Share to the Vendors or their nominees; (ii) as to a total of HK$9,361,770,862 by the issue of the Convertible Notes by the Company to the Vendors or their nominees; and (iii) as a total of HK$230,000,000 by the issue of the Promissory Note by the Company to the Vendors or their nominees.

The Acquisition constitutes a very substantial acquisition for the Company under the Listing Rules. The Framework Agreement is conditional upon, among other things, the approval by the Shareholders at the SGM. As no Shareholder has any material interest in the Acquisition, no Shareholder is required to abstain from voting in the SGM in respect of the resolution to approve the Acquisition.

In addition, the Company will comply with Rule 18.09 of the Listing Rules, where applicable, including the incorporation of the Technical Report in the circular to be despatched to the Shareholders.

A circular containing further details of the Acquisition, including other matters in compliance with Rule 18.09 of the Listing Rules, will be despatched to the Shareholders as soon as practicable.

* *For identification purposes only*

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 3:24 p.m. on 8 October 2007 pending the release 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 9:30 a.m. on 26 October 2007.

ACQUISITION

On 10 October 2007, the Company entered into the conditional Framework Agreement to acquire certain interests in oilfields in Argentina. Details of the Acquisition are set out below:

Parties:

(1)	Vendor 1	:	Mr. Chan Koon Wa
(2)	Vendor 2	:	Mr. Wong Cheung Yiu
(3)	Purchaser	:	the Company
(4)	Target	:	Jade Honest Limited

Vendor 1 is a Hong Kong merchant who has extensive experience in international trading and investment activities; and Vendor 2 is a Hong Kong merchant who is well experienced in international trading, corporate and project management, and investment activities. To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendors are third parties independent of the Company and its connected persons. There is no prior transaction and relationship between the Vendors and the Company.

Assets to be acquired

The Framework Agreement serves as a framework to govern the action that the parties shall take, including further due diligence to be done by the Company and the execution of the Intended Contract. Pursuant to the Agreement, the Vendors will enter into Intended Contract with the Company. The Intended Contract is now being prepared and is expected to be signed on or before 31 October 2007. The Framework Agreement is binding on the Company, the Vendors and the Target, and shall have full force and effect unless and until replaced by the Intended Contract. If the Intended Contract is not entered into, the parties will proceed with the transactions in accordance with the terms and conditions of the Framework Agreement.

Under the Framework Agreement, the Company conditionally agreed to acquire from the Vendors 2,700 shares of the Target representing the entire issued share capital of the Target at the Consideration in the sum of HK$10 billion. The Target is interested in 51% of the entire issued share capital of High Luck which in turn, at Completion, will be the beneficial and registered owner of 60% interest in each of the Tartagal Concession and the Morillo Concession.

Further information on the Target and the Concessions are set out in the paragraph headed "Information on the Target Group" below.

Consideration

The Consideration of HK$10 billion is to be satisfied in the following manner:

Vendor 1

(a) HK$135,940,303 payable to the Vendor 1 upon Completion and satisfied by the Company to issue and allot the 90,626,868 Consideration Shares to the Vendor 1 and/or its nominee;

(b) HK$3,117,469,697 payable to the Vendor 1 upon Completion and satisfied by the Company to issue the Convertible Notes in favour of the Vendor 1 and/or its nominee; and

(c) HK$76,590,000 payable to the Vendor 1 upon Completion and satisfied by the Company to issue Promissory Note, or cash or a combination of both to the Vendor 1 and/or its nominee.

Vendor 2

(a) HK$272,288,835 payable to the Vendor 2 upon Completion and satisfied by the Company to issue and allot the 181,525,890 Consideration Shares to the Vendor 2 and/or its nominee;

(b) HK$6,244,301,165 payable to the Vendor 2 upon Completion and satisfied by the Company to issue the Convertible Notes in favour of the Vendor 2 and/or its nominee; and

(c) HK$153,410,000 payable to the Vendor 2 upon Completion and satisfied by the Company to issue Promissory Note, or cash or a combination of both to the Vendor 2 and/or its nominee.

The Consideration to be satisfied at Completion represents (i) as to a total of HK$408,229,138 by way of the issue and allotment of 272,152,758 Consideration Shares at an issue price of HK$1.50 per Share to the Vendors or their nominees; (ii) as to a total of HK$9,361,770,862 by the issue of the Convertible Notes by the Company to the Vendors or their nominees; and (iii) as a total of HK$230,000,000 by the issue of the Promissory Notes by the Company to the Vendors or their nominees.

The market value of the Consideration Shares is equivalent to approximately HK$263,988,175 based on the closing price of HK$0.97 on the last trading date prior to the release of this announcement, being 8 October 2007. Upon full conversion of the Convertible Note to be issued to Vendor 1, 2,078,313,131 Conversion Shares will be issued to Vendor 1. Upon full conversion of the Convertible Note to be issued to Vendor 2, 4,162,867,443 Conversion Shares will be issued to Vendor 2.

The total Consideration of HK$10 billion was determined after arm's length negotiations between the Company and the Vendors, and taking into consideration of (i) approximately 810 million tons of oil (being the estimated reserve of oil based on the report prepared by CNPC and BGP dated August 2007 in relation to the estimate resource potential in Tartagal block); (ii) the estimated percentage of minimum reserve that can be extracted from the oilfields of approximately 30%; (iii) approximately 7.3 barrels (being the international standard of estimated number of barrels per ton of oil); (iv) approximately US$55 per barrel (being a prudent estimation with reference to market price of oil per barrel); and (v) 30.6% of the effective interest in the Concessions to be held by the Company. The Directors have also considered the indicative valuation prepared by BMI based on the findings of the report prepared by

CNPC and BGP as mentioned above. The preliminary estimation of BMI was based on a market approach method and the estimated value of the Concessions is not less than US$15 billion (equivalent to approximately HK$117.0 billion). The personnel in charge in the valuation have extensive experience in valuing similar assets or companies engaged in similar business activities, i.e. oilfields. It is a condition precedent of the Framework Agreement that the aggregate value of Concessions shall be not less than US$15 billion (equivalent to approximately HK$117.0 billion). The valuation report of the Concessions will be included in the circular of the Company. The Directors consider that the Consideration is fair and reasonable.

The parties have agreed that allotment of the Consideration Shares, issue of the Convertible Notes and delivery of the Promissory Notes will take place at Completion. According to terms of the Convertible Notes and the Promissory Notes, the sequence in which the consideration is to be paid can be seen as (1) payment by way of allotment and issue of Consideration Shares at Completion; (2) payment by way of the issuance of Convertible Notes and if no conversion shall have take place payment will be due on the fifth anniversary of date of Completion; and (3) payment by way of issuance of the Promissory Notes which will be due on the third anniversary of date of Completion.

The Consideration Shares represent approximately 41% of the existing issued share capital of the Company and approximately 29% of the enlarged issued share capital of the Company. The Conversion Shares represent approximately 937% of the existing issued share capital of the Company and approximately 87% of the enlarged issued share capital of the Company. The total of Consideration Shares and the Conversion Shares represent approximately 978% of the existing issued share capital of the Company and approximately 91% of the enlarged issued share capital of the Company.

The Consideration represents a discount of 72.06% to the effective interests of 30.6% to be held by the Group in the indicative minimum aggregate valuation of the Tartagal Concession and Morillo Concession amounting to approximately US$15 billion (equivalent to approximately HK$117.0 billion) as mentioned above.

Principal terms of the Convertible Note(s)

Total principal amount	:	HK$9,361,770,862
Denomination	:	HK$7,500,000 for each note
Maturity date	:	Fifth anniversary date of the Convertible Note(s)
Interest	:	Interest free
Conversion price	:	HK$1.50 per Share
Transferability	:	Freely transferable
		The Company undertakes to the Stock Exchange that it will promptly notify the Stock Exchange upon becoming aware of any dealings in the Convertible Notes by any connected persons of the Company.

Conversion restriction	:	The Noteholder shall not have the right to convert the whole or part of the principal amount of the Convertible Note(s) into Shares to the extent that immediately after such conversion the Noteholder together with parties acting in concert with it, taken together will, directly or indirectly, control or be interested in 30% or more of the voting rights of the Company which the Noteholder would be obliged to make a general offer under Takeovers Code in force from time to time.
Conversion period	:	Any time before maturity
Adjustment	:	Subject to usual adjustment provisions customary for convertibles notes of similar kind. The adjustment events will arise as a result of certain change in the share capital of the Company including consolidation or sub-division of shares, capitalisation of profits or reserves, capital distributions in cash or specie or subsequent issue of securities in the Company.

The Conversion Shares will rank *pari passu* in all respects with all the Shares in issue at the date on which the conversion rights attaching to the Convertible Notes are exercised.

Issue price of Consideration Shares and conversion price of Conversion Shares

The issue price of the Consideration Shares and the initial conversion price of the Conversion Shares are the same at HK$1.50 per Share and have been determined after arm's length negotiations between the Company and the Vendors taking account of the prevailing market prices of the Shares. The issue price of HK$1.50 per Consideration Share and the initial conversion price of the Convertible Notes of HK$1.50 per Conversion Share represent:–

(i) a premium of approximately 54.6% over the closing price of the Shares of HK$0.97 per Share as quoted on the Stock Exchange on 8 October 2007, being the last trading day of the Shares prior to the suspension in trading of Shares and pending the release of this announcement;

(ii) a premium of approximately 82.9% over the average of the closing prices of the Shares of HK$0.82 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 8 October 2007; and

(iii) a premium of approximately 93.5% to the average of the closing prices of the Shares of HK$0.775 per Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including 8 October 2007.

The Directors consider that the proposed issue price and conversion price are fair and reasonable so far as the Company and the Shareholders are concerned.

Principal terms of the Promissory Note(s)

Denomination	:	HK$10,000,000 for each note
Maturity date	:	Third anniversary date of the Promissory Note(s)
Interest	:	5% per annum payable semi-annually
Repayment	:	The Promissory Note(s) may be repaid at any time at amount not less than and at integral part HK$10,000,000
Transferability	:	Freely transferable

Conditions precedent

Completion of the Acquisition is subject to the following conditions precedent:

(1) having obtained the approval by the Shareholders of the Framework Agreement or the Intended Contract (if executed) and the transactions contemplated thereunder (including but not limited to (i) the purchase of the Sale Interests; (ii) the issue and allotment of the Consideration Shares to Vendor 1 and Vendor 2 and/or their respective nominees; (iii) the issue of the Convertible Notes to Vendor 1 and Vendor 2 and/or their respective nominees; and (iv) the issue and allotment of the Conversion Shares upon the exercise of the conversion rights under the Convertible Notes as required by the Listing Rules);

(2) having complied to the satisfaction of the Stock Exchange and where applicable, the SFC with all requirements under the Listing Rules and, where applicable, the Takeovers Code in relation to the issue and allotment of the Consideration Shares, the issue of the Convertible Notes and the issue and allotment of the Conversion Shares upon the exercise of the conversion rights under the Convertible Notes and other transactions contemplated herein;

(3) the Shares remaining listed and traded on the Main Board of the Stock Exchange at all times from the date of the Framework Agreement up to (and including) the completion of the transactions contemplated therein, save for any temporary suspension not exceeding twelve consecutive Business Days, or such longer period as may be required by the SFC or the Stock Exchange in connection with the review and approval of the documents relating to the Framework Agreement by the SFC or the Stock Exchange prior to their release or publication, and no indication being received prior to Completion from the SFC or the Stock Exchange to the effect that the listing of the Shares on the Main Board of the Stock Exchange shall or may be withdrawn or objected to;

(4) having obtained any necessary waiver, consent, approval, licence, authorization, permission, order and exemption (if required) from the relevant governmental or regulatory authorities or other third parties which are necessary in connection with the execution and performance of the Framework Agreement or the Intended Contract (if executed) and any of the transactions contemplated under the Framework Agreement or the Intended Contract, including but not limited to (where required) the Bermuda Monetary Authority granting its permission to the issue and allotment of the Consideration Shares, the issue of the Convertible Notes and the issue and allotment of the Conversion Shares upon the exercise of the conversion rights under the Convertible Notes;

(5) where required, the Listing Committee of the Stock Exchange having approved the issuance of the Convertible Notes;

(6) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Consideration Shares and the Conversion Shares (in each case, either unconditionally or subject only to conditions which the Vendors have no reasonable objection);

(7) Vendor 1 and Vendor 2 having delivered to the Company a legal opinion in a form and substance acceptable to the Company prepared by BVI lawyers acceptable to the Company confirming the shareholding structure of the Target;

(8) the Company having obtained an official valuation report in a form and substance acceptable to the Company prepared and issued by a firm of independent valuers nominated by the Company showing the value of the Tartagal Concession and Morilla Concession being not less than US$15 billion (this condition has not specified the valuer to be appointed by the Company and the aforesaid valuation report will be included in the circular to be despatched to the Shareholders);

(9) the audited accounts of the Target Group showing as at the date of Completion, the Target Group having a positive net asset value and there being no liabilities, whether actual or contingent;

(10) Vendor 1 and Vendor 2 having delivered to the Company a legal opinion in a form and substance acceptable to the Company prepared by an Argentina legal adviser acceptable to the Company on the legality, validity and enforceability of under the Concessions and the rights thereunder including but not limited to ownership, including but not limited to High Luck being a beneficial owner of 60% interests in the Concessions and the related exploitation rights;

(11) a technical report in a form and substance acceptable to the Company having been prepared and issued by a firm of independent technical consultants showing that the total crude oil and natural gas reserves in the Tartagal Concession and the Morillo Concession with no material deviation to the valuation report;

(12) all the Vendors' warranties being true and correct in all material respects as at Completion by reference to the facts and circumstances subsisting at that date; and

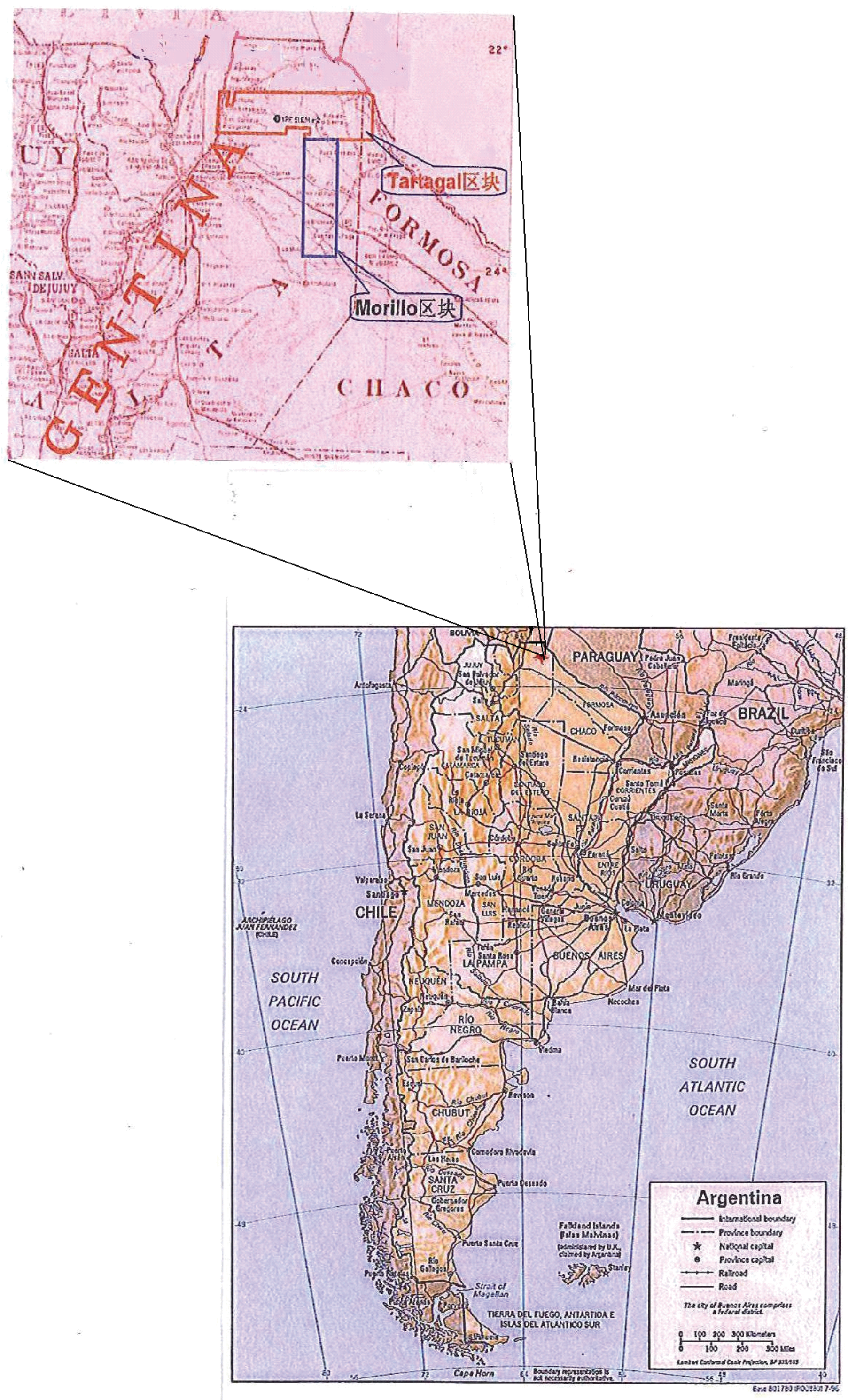
(13) the Company being satisfied with the results of its legal and financial due diligence in respect of the Target Group by notifying the Vendors in writing.

Information on the Target Group

The Target is an investment holding company incorporated in BVI and whose entire issued share capital is ultimately beneficially owned by the Vendors. The Target, which is interested in 51% of the issued share capital of High Luck which in turn, at Completion, will be the beneficial and registered owner of 60% interest in each of the Tartagal Concession and the Morillo Concession.

The Tartagal Concession and Morillo Concession cover a total area of approximately 7,065 and 3,518 square kilometers respectively and are situated in the province of Salta in northern Argentina, bordering with Chile in the west and Bolivia in the north. Some of Argentina's main oilfields and refineries lie in the province with an oil pipeline running to San Lorenzo on the River Parana. The Tartagal block and the Morillo block are located in Chaco-Saltena plate, in the south of Tonono and Jollin blocks, the north of Argentina which belong to Santa Cruz-Tariga petroleum province, Parandean belt. The Morillo block is contiguous to the Tartagal block which is located in the South of the Tartagal block. Based on the information provided by the Vendors, both the Tartagal block and Morillo block are accessible through with national highways.

As far as the Company is aware, there has been a report issued by CNPC and BGP dated August 2007 in relation to the estimate resource potential in Tartagal block. The Company is also being informed by the Vendors that only limited information on Morillo blocks is available as evaluation work on Morillo block is being carried out at present and is yet to be finalised. Set out below is the location of the Tartagal and Morillo blocks.



Based on the information provided by the Vendors and pursuant to the Legal Opinion, the Tartagal Concession and Morillo Concession are the concession of the exploration permits and potential exploitation permits for oil and developments of hydrocarbons in the province of Salta in northern Argentina covering a total surface area of approximately 7,065 and 3,518 square kilometers respectively. The Tartagal Concession was granted by the Provincial Government Decree N° 3391/2006 dated 29 December 2006; and the Morillo Concession was granted by the Provincial Government Decree N° 3388/2006 dated 29 December 2006 to the Consortium. Pursuant to the Legal Opinion, the aforesaid decrees are legal, valid and enforceable. The exploration permits granted are valid for an initial period of 4 years and an additional extension of aggregate 9 years may be obtained for. The holder of an exploration permit has the right to obtain an exploitation permit. The granting of the exploitation permit is a pure administrative procedure. The exploitation permit has a term of 25 years, with a possibility of a 10-year extension. Based on the Legal Opinion and discussions with relevant personnel, the Board does not foresee any major difficulties in respect of the transfer of ownership by the Consortium to High Luck and the renewal of the Concessions in the future.

The Concessions are currently held by the Consortium as to 70% by JHP and as to 30% by Oxipetrol. On 20 September 2007, High Luck and the Consortium entered into an assignment agreement pursuant to which, the Consortium has agreed to assign 60% interests in the Concessions to High Luck subject to the notification to the Argentina government requesting authorization of the assignment to High Luck. The Company was advised that such notification will be made in due course. Pursuant to the Legal Opinion, the aforesaid authorization is an administrative procedure and there is no term provided by the regulations for such procedures but it is reasonable to foresee that it may take from 15 days to 90 days. It is a condition precedent to Completion in the Framework Agreement and also in the Intended Contract, if executed, that High Luck has to become the holder of 60% interest in each of the Tartagal Concession and Morillo Concession; therefore the Acquisition will not proceed if High Luck fails to become the holder of 60% interest in the Tartagal Concession and Morillo Concession. Upon completion of the assignment, High Luck, Oxipetrol and JHP will be interested in 60%, 30% and 10% of the Concessions.

As advised by the Vendors, JHP was incorporated in the PRC and is an integrated petroleum engineering services provider in China, focusing on petroleum engineering services including drilling, well logging, downhole operation and oilfield construction engineering. Oxipetrol was incorporated in Argentina, which is an investment holding company engaged in the business of exploration and exploitation of oil and gas. To the best of the Directors' knowledge, JHP, Oxipetrol and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Tartagal and Morillo sites are currently not in operation of exploration or exploitation. However, exploration work had been carried out on or before the 1980s by Yacimientos Petroliferos Fiscales (translated as "Fiscal Petroleum Fields" in English which is only for identification purpose only) which was a formerly state-owned enterprise, of which, 23 wells had been drilled in the zone of Tartagal block and one of them was succeeded in finding out oil. Based on the report issued by CNPC and BGP dated August 2007 in relation to the estimate resource potential in Tartagal block, by reviewing (i) geologic setting and characteristics in Argentina; (ii) geologic setting of basin where the Tartagal block is located; (iii) geologic setting and evaluation of Tartagal block; (iv) the results of previous drillings, the estimated reserve of oil resource is approximately 0.81 billion tons, dissolved gas resource reserve is approximately 277.2 BCF and gas reserve is approximately 317.5 BCF. Recoverable reserve of oil is approximately 0.24 billion tons (representing the estimate of percentage of quoted reserve of oil by specialist) and dissolved gas is 83.2 BCF on 30% recover ratio (representing the estimate of percentage of quoted reserve of dissolved gas by specialist) and recoverable reserve of gas is 222.3 BCF on 70% recovery ratio (representing the estimate of percentage of quoted reserve of gas by specialist).

CNPC is one of the largest state-owned petroleum corporations in the PRC and is a world-leading integrated energy corporation with businesses covering oil and gas upstream and downstream operations, oilfield services, engineering and construction, petroleum material and equipment manufacturing and supply. The report was conducted by a team of professionals who are certified technicians and are experienced in evaluating the potential reserve of natural resources.

In September 2007, the oilfield project at Tartagal and Morillo were introduced to the Company by Mr. Li in a business occasion and subsequently, Mr. Li referred a Hong Kong company which is specialized in Greater China investments to the Company with contacts of the Vendors. Mr. Li has over 40 years of experience in oil and natural gas exploration and exploitation. Mr. Li was also the project leader of the reports prepared by CNPC and BGP dated August 2007 in relation to the estimate resource potential in Tartagal block. The Company then invited Mr. Li to be the representative of the Company to explore such business opportunities on the project. Prior to the entering into the Framework Agreement, two representatives of the Company (including Mr. Li) met with the relevant engineers of the projects and government officials in Argentina to discuss the feasibilities of the Company to pursue such opportunities. The Company has also considered the Legal Opinion regarding a preliminary review on the legality of the Concessions. As at the date of this announcement, the Company finds the results of due diligence satisfactory. The Company, in conjunction with the team, is performing further due diligence on the Acquisition including appointment of technical adviser to prepare a technical report in compliance with Chapter 18 of the Listing Rules. The team of professionals is also arranging a trip to Argentina to conduct further due diligence work including site visiting and meeting up with Argentina lawyers.

On 22 October 2007, Mr. Li was appointed as the Director. Mr. Li will be responsible for exploration, drilling, exploitation and management works upon the Completion. In addition to Mr. Li, the Company has identified a number of industry experts including geologists, engineers, ex-government senior official of the PRC etc. whom will be recruited by the Company as soon as practicable.

Furthermore, the Group is identifying suitable petroleum companies to pursue the exploration. Based on the preliminary initial exploration plan, the exploration of the Tartagal and Morillo blocks will be implemented in three phases. The first phase will commence as soon as the Acquisition completes and will primarily focus on (i) the collection and analysis of seismic data; (ii) geology evaluation and exploration projection; and (iii) definition and confirmation of exploration target location. The second phase will focus on detailed seismic exploration which is expected to be completed by November 2008. The third phase will focus on well drilling which is expected to be completed by the end of 2010. Based on the above initial exploration plan, the total investment for exploration is approximately US$140.5 million (equivalent to approximately HK$1,095.9 million). Further announcement will be made in respect of the status of the each phase as mentioned.

Subject to the progress and results of the exploration, the Company will design on the exploitation plan in later stage of the exploration. Further announcement will be made in respect of the exploitation plan.

The main responsibilities of High Luck in the oilfield project are to (i) obtain 100% funding for investments and expenses during the exploration stage; (ii) place certain drilling equipments in Salta; (iii) provide personnel for exploration of the Tartagal and Morillo blocks; and (iv) prepare work plan and progress reports of the exploration. The main responsibilities of Oxipetrol are to (i) obtain offices in Tartagal, and also in Salta if necessary, for High Luck; (ii) establish contact with the government authorities in Argentina; (iii) cooperate and assist in environmental and social matters; and (iv) provide funding in accordance with its 30% interests in exploitation stage. The main responsibilities of JHP are to (i) provide any necessary support in the restructuring of the Consortium; and (ii) to provide any technical assistance when necessary.

It is intended that any profit generated in the oilfield project will be first applied to repay the funding provided by High Luck during the exploration stage. The production profit sharing after the aforesaid repayment will be based on the equity interest of each of High Luck, JHP and Oxipetrol in the Concessions. It is also intended that the funding requirement at the exploitation stage will be based on the equity interest ratio of each of High Luck, JHP and Oxipetrol in the Concessions. Taking into account the responsibilities of the respective parties in the oilfield project, the Directors consider such arrangement fair and reasonable.

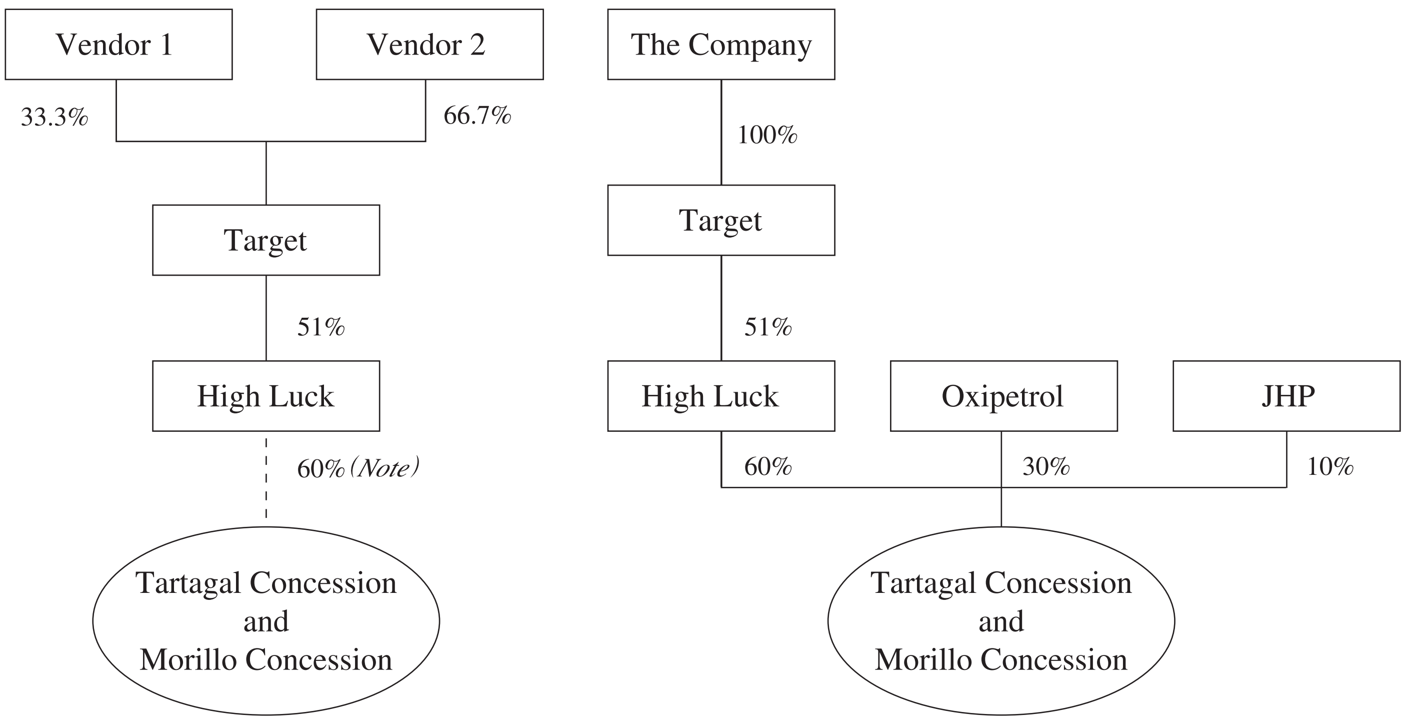
Upon Completion, the Target will be a wholly-owned subsidiary of the Company and its accounts will be consolidated into the Company's financial statements. There is no agreement in respect of the Vendors' appointment of Directors to the Board pursuant to the Framework Agreement. Furthermore, pursuant to the Bye-Laws of the Company, the Directors are appointed by way of ordinary resolutions which shall have been passed at general meeting of the Company. There is no provision under the Bye-Laws of the Company which the appointment of the Directors is necessarily in proportion with Shareholders' equity interest in the Company. Therefore, despite the fact that the Vendors will be the single largest Shareholder(s) upon Completion, no Director shall necessarily be appointed by the Vendors under the Bye-Laws of the Company.

As far as the Company is aware, the principal assets of the Target are the exploration and potential exploitation permits of petroleum and natural gas in the areas of Tartagal and Morillo, in the province of Salta, Argentina.

High Luck is principally engaged in investment holding and its principal assets upon Completion will be the 60% beneficial interests in the Tartagal Concession and Morillo Concession. High Luck is currently 51% held by the Target and 49% held by a third party independent of the Company and its connected persons.

Set out below is the shareholding structure of the Target before and after the Completion:

Before Completion **After Completion**



Note: On 20 September 2007, High Luck and the Consortium entered into an assignment agreement pursuant to which, the Consortium has agreed to assign 60% interests in the Concessions to High Luck subject to the notification to the Argentina government requesting authorization of the assignment to High Luck. Upon completion of the assignment and immediately before Completion, High Luck, Oxipetrol and JHP will be interested in 60%, 30% and 10% of the Concessions.

The Target was incorporated on 9 March 2007 and the financial information will be included in the circular.

INFORMATION ON THE GROUP

The principal activity of the Company is investment holding, which include leasing of properties, provision of financial services and trading of zinc ore concentrate and zinc ingots. During the year ended 31 December 2006, the Group diversified its business from property investment and development business and commenced zinc ore concentrate and zinc ingots trading business in October 2006. The Group also intends to continue its existing business in natural resources after the Completion.

EFFECT ON THE SHAREHOLDING STRUCTURE

The following chart depicts the effects of the issue of the Consideration Shares and the Conversion Shares on the shareholding structure of the Company based on the issued share capital and shareholding structure of the Company as at the date of this announcement and assuming Completion having taken place and conversion in full of the Convertible Notes into Conversion Shares at the conversion price of HK$1.50 per Share, without taking into account issue of new Shares, if any, after the date of this announcement and prior to Completion:

	As at the date of this announcement		Upon Completion		Upon Completion and full conversion of the Convertible Note by Vendor 1 at the conversion price of HK$1.50 (After Consideration Shares)		Upon Completion and full conversion of the Convertible Note by Vendor 2 at the conversion price of HK$1.50 (After Consideration Shares)		Upon Completion and full conversion of the Convertible Note (where the Convertible Notes held by the Vendors are converted up to 29.99% of the enlarged issued share capital of the Company) at the conversion price of HK$1.50 (After Consideration Shares) *(Note 2)*		Upon Completion and full conversion of the Convertible Notes by the Vendors at the conversion price of HK$1.50 (After Consideration Shares)	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*
Good Power International Limited *(Note 1)*	119,712,500	17.97%	119,712,500	12.76%	119,712,500	3.97%	119,712,500	2.35%	119,712,500	1.67%	119,712,500	1.67%
Galaxy China Opportunities Fund *(Note 1)*	45,554,000	6.83%	45,554,000	4.85%	45,554,000	1.50%	45,554,000	0.89%	45,554,000	0.63%	45,554,000	0.63%
Kistefos Investment A.S. *(Note 1)*	62,400,000	9.37%	62,400,000	6.65%	62,400,000	2.07%	62,400,000	1.22%	62,400,000	0.87%	62,400,000	0.87%
Vendor 1	–	–	90,626,868	9.66%	2,168,939,999	71.90%	90,626,868	1.78%	*(Note 2)*		2,168,939,999	30.21%
Vendor 2	–	–	181,525,890	19.34%	181,525,890	6.02%	4,344,393,333	85.16%	*(Note 2)*		4,344,393,333	60.51%
Vendors	–	–	*272,152,758*	*29.00%*	*2,350,465,889*	*77.92%*	*4,435,020,201*	*86.94%*	*2,153,173,545*	*29.99%*	*6,513,333,332*	*90.72%*
Public Shareholders	438,638,530	65.83%	438,638,530	46.74%	438,638,530	14.54% *(Note 3)*	438,638,530	8.60% *(Note 3)*	4,798,798,317	66.84%	438,638,530	6.11% *(Note 3)*
Total	666,305,030	100.00%	938,457,788	100.00%	3,016,770,919	100.00%	5,101,325,231	100.00%	7,179,638,362	100.00%	7,179,638,362	100.00%

Notes:

1. Good Power International Limited, a company which is 80% owned by Mr. Tse On Kin, an executive Director and chairman of the Company and 20% owned by Ms. Wong Chin Yen; Galaxy China Opportunities Fund is an investment fund; and Kistefos Investment A.S. is an investment company. Vendor 1 and Vendor 2, both are third parties independent of Good Power International Limited, Galaxy China Opportunities Fund and Kistefos Investment A.S., and their connected persons.

2. In the event that the Convertible Notes are converted in full into Shares at the conversion price of HK$1.50 per Share, a total of 6,241,180,574 new Shares will be issued to the Vendors. It is a term of the Convertible Notes that notwithstanding the conversion rights attaching to the Convertible Notes, the Company shall not issue any Shares if upon such issue, the Vendors and parties acting in concert with it will at the material time beneficially hold 30% or more of the then enlarged issued share capital of the Company. In the circumstances, the Vendors shall have disposed of the Convertible Notes attaching conversion rights to convert a minimum of 4,360,159,787 Shares to independent

third parties in order to comply with the terms and conditions of the Convertible Notes and maintain the aggregate shareholding of the Vendors and parties acting in concert with it at below 30%. Vendor 1 and Vendor 2 are parties acting in concert in respect of the control of the Company under the Takeovers Code. The Vendors confirmed that they are not acting in concert with any other Shareholders under the Takeovers Code. The figures under this column illustrate this scenario.

3. As mentioned above, it is a term of the Convertible Notes that notwithstanding the conversion rights attaching to the Convertible Notes, the Company shall not issue any Shares if upon such issue, the Vendors and parties acting in concert with it will at the material time beneficially hold 30% or more of the then enlarged issued share capital of the Company. Accordingly, the figures shown in these columns are for illustration purpose only and the conversion of Convertible Notes by the Vendors will not result in any insufficiency of public float of the Company.

As at the date of this announcement, the Company had outstanding 43,330,000 Share Options entitling the holders thereof to subscribe for an aggregate of 43,330,000 Shares at an exercise price of HK$0.60. Save for the aforesaid Share Options, the Company has no other options, warrants, derivatives, convertible notes or other securities of the Company convertible into or giving rights to subscribe for Shares.

Application will be made by the Company to the Stock Exchange for the approval of the listing of and the permission to deal in the Consideration Shares and the Conversion Shares on the Stock Exchange.

DILUTION EFFECT ON SHAREHOLDERS

In view of the future dilution of existing Shareholders on the exercise of the conversion rights pursuant to the Convertible Notes, the Company will keep the Shareholders informed after issue of the Convertible Notes as to the level of dilution and details of conversion as follows:

(a) the Company will make a monthly announcement (the "Monthly Announcement") on the website of the Stock Exchange after Completion. Such announcement will be made on or before the fifth Business Day following the end of each calendar month and will include the following details in a table form:

  (i) whether there has been any conversion of the Convertible Notes during the relevant month. If there is a conversion, details thereof, including the conversion date, number of new Shares issued and conversion price for each conversion. If there is no conversion during the relevant month, a negative statement to that effect;

  (ii) the number of outstanding Convertible Notes after the conversion, if any;

  (iii) the total number of new Shares issued pursuant to other transactions during the relevant month, including new Shares issued pursuant to exercise of options under any share option scheme(s) of the Company (if any); and

  (iv) the total issued share capital of the Company as at the commencement and the last day of the relevant month; and

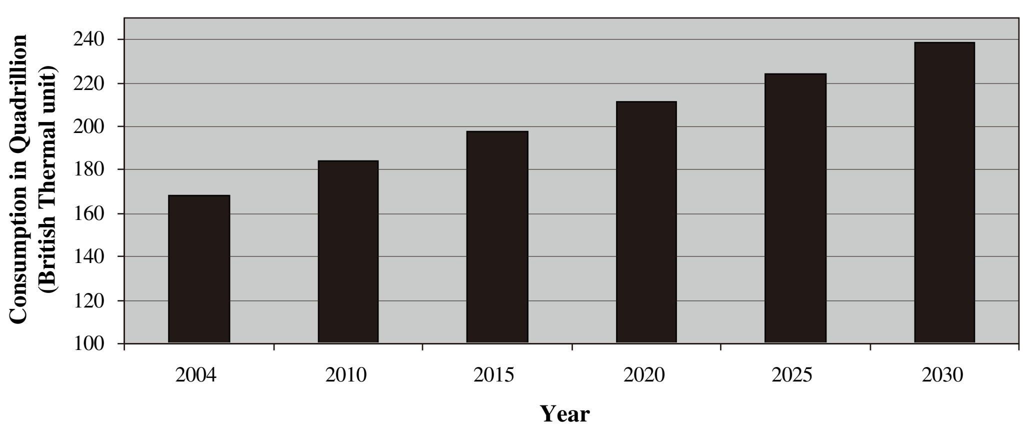
(b) in addition to the Monthly Announcement, if the cumulative amount of new Shares issued pursuant to the conversion of the Convertible Notes reaches 5% of the issued share capital of the Company as disclosed in the previous Monthly Announcement or any subsequent announcement made by the Company in respect of the Convertible Notes (as the case may be) (and thereafter in a multiple of such 5% threshold), the Company will make an announcement on the website of the Stock Exchange including details as stated in (a) above for the period commencing from the date of the previous Monthly Announcement or any subsequent announcement in respect of the Convertible Notes (as the case may be) up to the date on which the total amount of Shares issued pursuant to the conversion amounted to 5% of the issued share capital of the Company as disclosed in the previous Monthly Announcement or any subsequent announcement made by the Company in respect of the Convertible Notes (as the case may be).

Given the fund size required for the Acquisition, the Directors have considered a number of alternatives to raise funds for the Group, such as the placing of new Shares and bank borrowings. In view of the Group's financial performance and the higher gearing ratio that would result from bank borrowings, the Directors consider that it is more prudent to finance the Group's long term growth with long term funding, preferably in the form of equity. Therefore, the Directors consider that the financing method to raise capital from the equity market by way of the Consideration Shares and Convertible Notes is fair and reasonable and is in the interests of the Company.

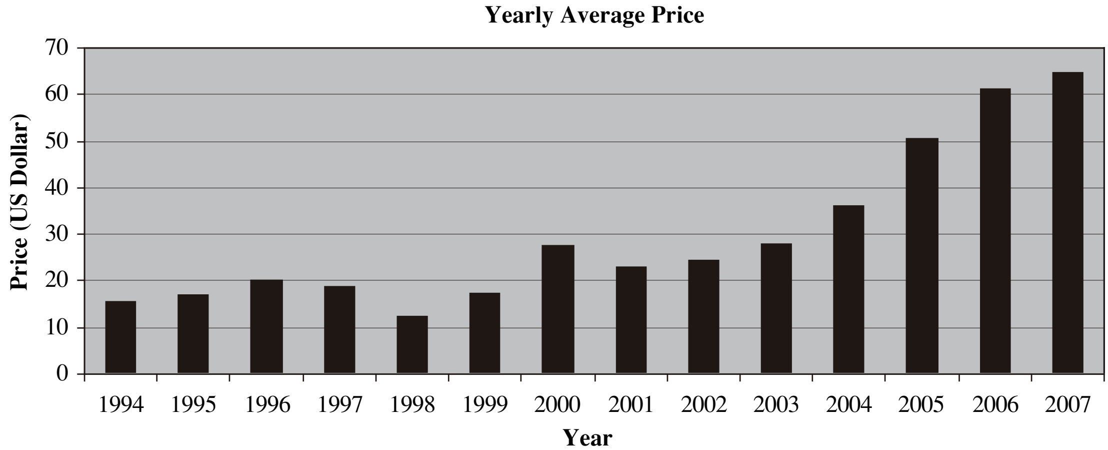
REASONS FOR THE ACQUISITION

The Directors have been seeking investment opportunities from time to time to broaden the Group's source of income. The search for sources of energy and natural resources amongst nations and enterprises is a global phenomenon. Set out below are the statistics of petroleum and other liquid fuels consumption and price.

Projected World Liquids Consumption 2004–2030



Source: Data extracted from Energy Information Administration (EIA), a statistical agency of the U.S. Department of Energy, a government body of the U.S



Source: Data extracted form Organization of the Petroleum Exporting Countries (OPEC)

With petroleum and natural gas, aside from the energy prospects, there is the further opportunity to extract various other by-products as international commodities. The consumption of petroleum and natural gas has been a global trend and is increasing every year, and for which there is a shortage of this irreplaceable form of energy, hence, prices for petroleum and its related products have been rising over years. In view of the continued economic growth and accelerated industrialization and urbanization in certain parts of the world as well as the development of the global economy, petroleum and other natural resources will have its sustained demand.

According to Oil and Gas Journal, Argentina had 2.5 billion barrels of proven oil reserves as of January 2007, up from 2.3 billion barrels in 2006. The country produced an estimated 804,000 barrels per day of oil in 2006; of this amount, 663,000 barrels per day was crude oil, the rest consisting of lease condensates, natural gas liquids, and refinery gain. Argentina's oil production has declined from a peak of 916,000 barrels per day in 1998; however, the rate of the decline in production has eased in recent years. Argentina consumed an estimated 470,000 barrels per day of oil in 2006, leaving net oil exports of 334,000 barrels per day. The bulk of the country's oil exports go to Brazil's central-east coast. In addition, Argentina runs three major crude oil pipelines which start at Puerto Hernández in the Neuquén basin. Two pipelines are domestic, transporting crude oil north to the Luján de Cuyo refinery near Mendoza and east to Puerto Rosales on the Atlantic. The Transandino pipeline is Argentina's only international oil pipeline, climbing over the Andes to a refinery in Chile. The pipeline is 268 miles long and has a capacity of 115,000 barrels per day. Argentina also supplies Paraguay and Uruguay with crude oil via tanker. Based on the information provided by the Vendors, the areas of Tartagal oilfields is within approximately 15 kilometers away from the major pipelines and there is currently no major pipelines connected to the Morillo areas. Dependent on further exploration results of Morillo oilfields, the Company will consider installation of necessary infrastructure for the transportation of oil and gas.

The Directors consider that the Company's growth momentum will be maintained by diversifying into the natural resources area, including in acquiring petroleum resources and reserves. The Board is of the view that, upon the Completion, the income stream of the Company will be broadened. In view of the prospects relating to natural resources generally, the Company believes that the Acquisition will be a successful strategy for the Company's business.

Based on the information provided by the Vendors and the preliminary due diligence carried out by the Group (including reviewing the reports prepared by CNPC and BGP in relation to the potentials of oilfields located at Tartagal block), the oilfields located at Tartagal block has abundant reserve of petroleum and natural gas, the Directors consider it is desirable to expand the Group's business into such areas. Furthermore, since the Acquisition brings new business opportunities to the Group, the Group intends to enter into cooperation contracts with other sizeable petroleum companies and has begun the discussion with certain petroleum companies in mid October to pursue the exploration. However, the Group remains an option to appoint JHP to pursue exploration activities. Therefore, the Group considers they will have sufficient resources and expertise to cope with the business expansion.

In addition, the Directors consider that the Consideration which represents a discount of 72.1% to the indicative minimum aggregate full valuation of the Tartagal Concession and Morillo Concession amounting to approximately US$15 billion (equivalent to approximately HK$117.0 billion) provides the Group a very favorable opportunity to tap into such industry sector.

In light of the above, the Directors therefore believe that the Acquisition can bring a diversified portfolio and good future prospect to the Group. The Directors consider that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

RISK FACTORS

Possible risk factors which may be faced by the Company are as follows:

Investments in new business

The Acquisition constitutes an investment in the new business sector, including petroleum and gas exploration and exploitation. The new business, coupled with the regulatory environment, may pose significant challenges to the Company's administrative, financial and operational resources. Since the Company does not have significant experience in the new business, it is not in a position to assure the timing and amount of any return or benefits that may be received from the new business. If any exploration or exploitation projects, in which the Company attempts to develop does not progress as planned, the Company may not recover the funds and resources it has spent, and this may affect the Company.

Fluctuations in petroleum and gas prices

The fluctuations in supply and demand of petroleum and gas are caused by numerous factors beyond the Company's control, which include, but not limited to:

(i) Global and domestic economic and political conditions and competition from other energy sources; and

(ii) The rate of growth and expansion in industries with high petroleum demand.

There is no assurance that the international demand for petroleum and petroleum-related products will continue to grow, or that the international demand for petroleum and petroleum-related products will not experience excess supply.

Significant and continuous capital investment

The petroleum and gas business requires significant and continuous capital investment; the major petroleum exploration and exploitation projects may not be completed as planned, may exceed the original budgets and may not achieve the intended economic results or commercial viability. Actual capital expenditures for the new business may significantly exceed the Company's budgets because of various factors beyond the Company's control, which in turn may affect the Company's financial condition.

Policies and regulations

The new business is subject to extensive governmental regulations, policies and controls. There can be no assurance that the relevant government will not change such laws and regulations or impose additional or more stringent laws or regulations. Failure to comply with the relevant laws and regulations in the energy development and petroleum exploitation projects may adversely affect the Company.

Country risk

The Company is entering a new business in Argentina, in which the Company does not have any business presence. There can be a risk relating to the likelihood that changes in the business environment will occur that reduce the profitability of doing business in Argentina. The change of political and economic conditions in Argentina may also adversely affect the Company.

LISTING RULES IMPLICATION IN RESPECT OF THE ACQUISITION

The Acquisition constitutes a very substantial acquisition of the Company under the Listing Rules. Accordingly, the Acquisition contemplated under the Agreement is conditional upon, among other things, the approval by the Shareholders at the SGM. As no Shareholder has any material interest in the Acquisition, no Shareholders are required to abstain from voting in the SGM in respect of the resolution to approve the Acquisition.

GENERAL

As the Acquisition is related to exploration and exploitation of natural resources, the Company will comply with Rule 18.09 of the Listing Rules, where applicable, including the incorporation of the Technical Report in the circular to be dispatched to the Shareholders.

Further announcement will be made upon the entering into of the Intended Contract.

A circular containing, among other information, further details of the Acquisition, including other matters in compliance with Rule 18.09 of the Listing Rules, will be dispatched to the Shareholders as soon as practicable.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

This statement is made at the request of the Stock Exchange.

The Directors have noted the increase in trading volume and price of Shares on 8 October 2007 and wish to state that save as disclosed in this announcement, (i) the Directors are not aware of any other reasons for the increase in the trading volume and price of the Shares; and (ii) the Directors also confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

This announcement is made by the order of the Company, the Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 3:24 p.m. on 8 October 2007 pending the release 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 9:30 a.m. on 26 October 2007.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Acquisition”	the acquisition of the Sale Interests by the Company from the Vendors in accordance with the terms and conditions of the Framework Agreement or the Intended Contract
“Argentina”	the Argentine Republic
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“BGP”	Bureau of Geophysical Prospecting, a subsidiary of CNPC specializing in research and development of exploration of oil and natural gas
“BMI”	BMI Appraisals Limited, an independent valuation firm
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturdays) on which banks are generally open for business in Hong Kong
“BVI”	British Virgin Islands

"CNPC"	China National Petroleum Corporation, a state-owned petroleum cooperation in the PRC
"Company"	New Times Group Holdings Limited, a company incorporated in Bermuda, the shares of which are listed on the Stock Exchange
"Completion"	completion of the Acquisition in accordance with the terms and conditions of the Framework Agreement or the Intended Contract
"Concessions"	together, the Tartagal Concession and Morillo Concession
"connected persons"	has the meaning as ascribed in the Listing Rules
"Consideration"	the total consideration of HK$10 billion payable by the Company to the Vendors for the Acquisition, the particulars of which are set out in the section headed "Consideration" above
"Consideration Shares"	the 272,152,758 Shares to be allotted and issued at the price of HK$1.50 per Share, credited as fully paid, to the Vendors (or their respective nominees) on Completion
"Consortium"	JHP and Oxipetrol, both are third parties independent of the Company and its connected persons, which have been granted the Concessions
"Conversion Share(s)"	the 6,241,180,574 new Shares to be issued by the Company upon conversion in full by the holders of the Convertible Notes of the conversion rights attaching to the Convertible Notes at the conversion price of HK$1.50 per Share
"Convertible Note(s)"	the convertible note(s) in the principal amount of HK$9,361,770,862 to be issued to the Vendors on Completion
"Director(s)"	the director(s) of the Company
"Framework Agreement"	the conditional framework agreement entered into on 10 October 2007 among the Vendors, the Company and the Target in relation to, among others, the Acquisition
"Group"	collectively, the Company and its subsidiaries from time to time
"High Luck"	High Luck Group Limited, a company incorporated in BVI on 16 August 2005, which will own 60% interests in exploration and potential exploitation concession of Tartagal Concession and Morillo Concession upon Completion
"Intended Contract"	the final and formal contract to be signed among the Company, the Vendors and Target, in relation to the Acquisition
"JHP"	JHP International Petroleum Engineering Ltd.

"Legal Opinion"	a legal opinion dated 18 October 2007 issued by Brons & Salas, a firm of Argentina legal advisers which is experienced in natural resources, mining, oil and gas, on among other things, the Concessions
"Listing Committee"	the listing sub-committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Morillo Concession"	the exploration and potential exploitation concessions granted by the Government of Argentina located in the province of Salta in northern Argentina covering a surface area of approximately 3,518 square kilometers
"Mr. Li"	Mr. Li Guoping, a Director of the Company appointed on 22 October 2007
"Noteholder(s)"	holders of the Convertible Notes
"Oxipetrol"	Oxipetrol – Petroleros de Occidente S.A.
"PRC"	the People's Republic of China
"Promissory Note(s)"	the promissory note(s) in the principal amount of HK$230,000,000 to be issued by the Company to the Vendors on Completion
"Sale Interests"	2,700 shares of US$1 each in, and representing the entire issued share capital of the Target
"SFC"	the Securities and Futures Commission of Hong Kong
"SGM"	the special general meeting of the Company to be convened to approve the Acquisition
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholders"	the shareholder(s) of the Company
"Share Options"	the 43,330,000 share options granted to the eligible participant under the share option scheme of the Company adopted on 30 August 2002 conferring the holders thereof rights to subscribe in cash for new Shares at an exercise price determined in accordance with the scheme
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Target"	Jade Honest Limited, a company incorporated in BVI on 9 March 2007, which holds 51% interests in High Luck
"Target Group"	Target and its subsidiaries

“Tartagal Concession”	the exploration and potential exploitation concessions granted by the Government of Argentina located in the province of Salta in northern Argentina covering a surface area of approximately 7,065 square kilometres
“Technical Adviser”	a technical adviser with appropriate qualification, to be appointed by the Company to perform technical review regarding the exploration and exploitation over the Tartagal and Morillo area
“Technical Report”	the technical report prepared by the Technical Adviser in accordance with Chapter 18 of the Listing Rules to be included in the circular of the Company
“Vendor 1”	Mr. Chan Koon Wa, a Hong Kong merchant, who has extensive experience in international trading and investment activities, owns 33.3% of Target; and is a third party independent of the Company and its connected persons. Vendor 1 does not hold any directorship in any Hong Kong listing companies
“Vendor 2”	Mr. Wong Cheung Yiu, a Hong Kong merchant, who is well experienced in international trading, corporate and project management , and investment activities, owns 66.7% of Target; and is a third party independent of the Company and its connected persons. Vendor 2 does not hold any directorship in any Hong Kong listing companies
“Vendors”	Vendor 1 and Vendor 2
“HK$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“US$”	United States dollar(s), the lawful currency of the United States of America
“BCF”	billion cubic foot
“%”	per cent.

By order of the Board
New Times Group Holdings Limited
Tse On Kin
Chairman

Hong Kong, 25 October 2007

As at the date of this announcement, the Board comprises nine Directors, of which four are executive Directors, namely Mr. Tse On Kin, Mr. Wu Jian Feng, Mr. Zhang Cheng Jie and Mr. Li Guoping; two non-executive Directors, namely Mr. Chan Chi Yuen and Mr. Chan Chung Yin; and three independent non-executive Directors, namely Mr. Fung Chi Kin, Mr. Qian Zhi Hui and Mr. Chiu Wai On.