THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in **Asia Energy Logistics Group Limited**, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

ASIA ENERGY LOGISTICS GROUP LIMITED
亞洲能源物流集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0351)

PROPOSALS INVOLVING GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, REFRESHMENT OF SCHEME MANDATE LIMIT, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting (the "Annual General Meeting") of Asia Energy Logistics Group Limited (the "Company") to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 3 June 2010 at 2:30 p.m. or any adjournment thereof is set out on pages 15 to 19 of this circular.

Whether or not you propose to attend the Annual General Meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief that there are no other facts the omission of which would make any statement in this circular misleading.

29 April 2010

CONTENTS

DEFINITIONS

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

"AGM Notice"	notice convening the Annual General Meeting as set out on pages 15 to 19 of this circular
"Annual General Meeting"	the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 3 June 2010 at 2:30 p.m. or any adjournment thereof
"Articles of Association"	the articles of association of the Company as amended from time to time
"Board"	the board of Directors
"Company"	Asia Energy Logistics Group Limited, a company incorporated in Hong Kong with limited liability whose Shares are listed on the Stock Exchange
"Directors"	the directors of the Company
"Explanatory Statement"	the explanatory statement required under the Listing Rules to provide the requisite information of the Share Repurchase Mandate as set out in Appendix II to this circular
"General Mandates"	the existing general mandates granted to the Directors to issue Shares and to repurchases Shares at the annual general meeting of the Company held on 5 June 2009 which will expire at the conclusion of the Annual General Meeting
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Latest Practicable Date"	26 April 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Scheme Mandate Limit"	the maximum number of Shares that may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company

"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the capital of the Company
"Share Issue Mandate"	the proposed general mandate to be granted to the Directors to permit the allotment and issue of new Shares of up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
"Share Option Scheme"	the share option scheme adopted by the Company on 20 August 2008
"Share Repurchase Mandate"	the proposed general mandate to be granted to the Directors to permit the repurchase of Shares of up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Terminated Scheme"	the share option scheme adopted by the Company on 27 May 2002 and terminated on 20 August 2008
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

ASIA ENERGY LOGISTICS GROUP LIMITED
亞洲能源物流集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 0351)

Executive Directors:
Mr. Liang Jun
Mr. Fung Ka Keung, David
Ms. Yu Sau Lai

Non-Executive Directors:
Mr. Yu Baodong *(Chairman)*
Ms. Sun Wei
Mr. Tse On Kin

Independent Non-Executive Directors:
Mr. Chan Chi Yuen
Mr. Zhang Xi
Mr. Tsang Kwok Wa

Registered office:
Rooms 1208-1210
Dah Sing Financial Centre
108 Gloucester Road
Wanchai
Hong Kong

29 April 2010

To the Shareholders

Dear Sir/Madam,

PROPOSALS INVOLVING GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, REFRESHMENT OF SCHEME MANDATE LIMIT, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with the AGM Notice and information in respect of the ordinary resolutions to be proposed at the Annual General Meeting for the approval of (i) the grant of the Share Issue Mandate and Share Repurchase Mandate, (ii) the refreshment of the Scheme Mandate Limit and (iii) the re-election of retiring Directors.

PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the General Mandates granted to the Directors will expire at the conclusion of the Annual General Meeting, ordinary resolutions will be proposed at the Annual General Meeting to approve the grant of new general mandates to the Directors: (i) to allot, issue and otherwise deal with further Shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution; (ii) to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution; and (iii) to extend the general mandate granted to the Directors to issue Shares by the addition of an amount representing the aggregate number of any Shares repurchased.

As at the Latest Practicable Date, the issued share capital of the Company comprised 12,857,027,100 Shares. Subject to the passing of the relevant resolutions approving the Share Issue Mandate and the Share Repurchase Mandate and assuming that no further Shares are issued and/or repurchased by the Company prior to the Annual General Meeting, the Directors would be allowed; (i) under the Share Issue Mandate to allot and issue up to a maximum of 2,571,405,420 Shares, representing 20% of the issued share capital of the Company as at the date of the Annual General Meeting and; (ii) under the Share Repurchase Mandate to repurchase up to a maximum of 1,285,702,710 Shares, representing 10% of the issued share capital of the Company as at the date of the Annual General Meeting.

The Explanatory Statement to be given to the Shareholders as required under the Listing Rules is set out in Appendix II to this circular. The information in the Explanatory Statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant the Directors the Share Repurchase Mandate.

PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Share Option Scheme was approved and adopted by the Company pursuant to an ordinary resolution of the Shareholders at the extraordinary general meeting of the Company held on 20 August 2008 in compliance with Chapter 17 of the Listing Rules. Following the adoption of the Share Option Scheme, the Terminated Scheme was terminated on 20 August 2008.

Terminated Scheme

As the Terminated Scheme was terminated on 20 August 2008, no further options can be granted under the Terminated Scheme. However, the options granted under the Terminated Scheme prior to its termination remain valid and exercisable in accordance with the terms thereof.

As at the Latest Practicable Date, there were 1,200,000 options outstanding and unexercised under the Terminated Scheme to which holders were entitled to subscribe for 1,200,000 Shares.

To the best of the Directors' knowledge, information and belief having made reasonable enquiries, all the grantees of the options fell within the class of participants under the Terminated Scheme and all these options were granted in accordance with the rules of the Terminated Scheme and the relevant requirements of the Listing Rules.

Share Option Scheme

The purpose of the Share Option Scheme is to attract, retain and motivate talented participants to strive for future developments and expansion of the Group. Apart from the Share Option Scheme and the Terminated Scheme, the Company has no other share option scheme.

Under the Share Option Scheme, the Scheme Mandate Limit (excluding, for the purpose of calculating the Scheme Mandate Limit, options lapsed (if any) in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not exceed 10% of the total number of Shares in issue as at the date of approval of the Share Option Scheme unless the Company obtains approval from the Shareholders in general meeting to refresh the Scheme Mandate Limit. The current Scheme Mandate Limit is 115,702,710 Shares, representing 10% of the total number of Shares in issue as at the date of the extraordinary general meeting of the Company held on 20 August 2008 when the Share Option Scheme was adopted. As at the Latest Practicable Date, no option has been granted under the Share Option Scheme.

Options, if any, previously granted under the Share Option Scheme, the Terminated Scheme or any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

Since there has been a substantial increase in the issued share capital of the Company after adoption of the Share Option Scheme on 20 August 2008, the Directors propose to seek approval from the Shareholders at the Annual General Meeting to refresh the Scheme Mandate Limit so as to increase flexibility of the Company to grant options under the Share Option Scheme for achieving the purpose of the Share Option Scheme as mentioned above.

As at the Latest Practicable Date, the total number of Shares in issue was 12,857,027,100. Subject to the approval of the refreshment of the Scheme Mandate Limit and assuming no further Shares will be issued or repurchased prior to the Annual General Meeting, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company pursuant to the refreshed Scheme Mandate Limit will be 1,285,702,710 Shares, representing 10% of the Shares in issue as at the date of the Annual General Meeting.

Pursuant to Rule 17.03(3) of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme, the Terminated Scheme and any other share option scheme of the Company should not exceed 30% of the total number of Shares in issue from time to time. As at the Latest Practicable Date, there were outstanding options to subscribe for 1,200,000 Shares and yet to be exercised under the Terminated Scheme, representing approximately 0.01% of the then and existing issued share capital of the Company. In addition, the total number of Shares which may be issued upon exercise of the refreshed Scheme Mandate Limit of 1,285,702,710 Shares together with all outstanding options carrying rights to subscribe for 1,200,000 Shares (being the outstanding options granted under the Terminated Scheme) as at the date of the Annual General Meeting is 1,286,902,710 Shares, representing approximately 10.01% of the total number of Shares in issue as at the date of the Annual General Meeting and not exceeding 30%.

The proposed refreshment of Scheme Mandate Limit is conditional upon:

(i) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting to approve the refreshment of the Scheme Mandate Limit; and

(ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares which may be issued upon the exercise of any option that may be granted under the Scheme Mandate Limit as refreshed.

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may be issued upon the exercise of any option granted under the Scheme Mandate Limit as refreshed.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 92 of the Articles of Association, Mr. Fung Ka Keung, David and Ms. Sun Wei, being an executive Director and non-executive Director respectively, appointed by the Board on 26 January 2010 as an addition to the Board, will hold office only until the Annual General Meeting. In addition, Mr. Liang Jun, Mr. Chan Chi Yuen and Mr. Zhang Xi will also retire from office by rotation according to Article 101A of the Articles of Association. All of the above retiring Directors are eligible and will offer themselves for re-election at the Annual General Meeting.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

ANNUAL GENERAL MEETING

The AGM Notice which contains, inter alia, ordinary resolutions to approve the Share Issue Mandate, Share Purchase Mandate, the proposed refreshment of the Scheme Mandate Limit and the proposed re-election of Directors, is set out on pages 15 to 19 of this circular.

Whether or not you propose to attend the Annual General Meeting, you are requested to complete the enclosed proxy form and return it to the Company's share registrar, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding of the Annual General Meeting or any adjournment thereof. The completion and return of the form of proxy will not prevent you from attending and voting in person at the Annual General Meeting or any adjournment thereof if you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders is required to abstain from voting at the Annual General Meeting pursuant to the Listing Rules and/or the Articles of Association.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the Annual General Meeting shall be voted by poll. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors believe that the Share Issue Mandates, Share Purchase Mandate, the proposed refreshment of the Scheme Mandate Limit and the proposed re-election of Directors are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions referred to above to be proposed at the Annual General Meeting as set out in the AGM Notice.

GENERAL

Your attention is also drawn to the additional information set out in the appendices to this circular.

By order of the Board
Liang Jun
Executive Director

Details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting in accordance with the Articles of Association are set out as follows:

EXECUTIVE DIRECTORS

Mr. Liang Jun ("Mr. Liang")

Mr. Liang, aged 43, has been an Executive Director of the Company since 12 June 2006. He is also the Chairman of the Remuneration Committee of the Company. Previously, he was the Chairman of the Company until he resigned from such position on 26 January 2010. Mr. Liang has over 18 years of experience in business development in China. He graduated from Tong Ji University (previously known as Tie Dao University of Shanghai) with a bachelor's degree in telecommunications engineering.

Mr. Liang did not hold any other directorship in any listed public company in Hong Kong or overseas during the three years preceding the Latest Practicable Date and did not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Under the service agreement entered into between the Company and Mr. Liang, his term of appointment was fixed for a term of 3 years commencing from 18 September 2007 and is subject to retirement and re-election at the general meetings of the Company and he is entitled to an annual remuneration of HK$1,300,000 and a discretionary annual management bonus. The package was determined by the Remuneration Committee of the Company having regard to his duties and responsibilities within the Company, the prevailing market conditions and the operating results of the Company.

As at the Latest Practicable Date, Mr. Liang is interested in 2,000,000 Shares within the meaning of Part XV of the SFO. In addition, there is no information to be disclosed pursuant to any of the requirements stated under Rule 13.51(2)(h) to (v) of the Listing Rules and no matter that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules in relation to the re-election of Mr. Liang as a Director.

Mr. Fung Ka Keung, David ("Mr. Fung")

Mr. Fung, aged 46, has been an Executive Director of the Company since 26 January 2010. He holds a Master degree in Business Administration from the University of Leicester. Mr. Fung possesses more than 20 years of experience in accounting and finance, and is currently the director of finance in Golden Concord Holdings Limited as well as an independent non-executive director of Vongroup Limited, a company listed on the main board of the Stock Exchange. Mr. Fung is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Save as disclosed above, Mr. Fung did not hold any other directorship in listed public companies in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

Mr. Fung did not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Under the service agreement entered into between the Company and Mr. Fung, his term of appointment was fixed for a term of 3 years commencing from 26 January 2010 and is subject to retirement and re-election at the general meetings of the Company and he is entitled to an annual remuneration of HK$650,000 and a discretionary annual management bonus. The package was determined by the Remuneration Committee of the Company having regard to his duties and responsibilities within the Company, the prevailing market conditions and the operating results of the Company.

As at the Latest Practicable Date, Mr. Fung does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO. In addition, there is no information to be disclosed pursuant to any of the requirements stated under Rule 13.51(2)(h) to (v) of the Listing Rules and no matter should be bought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

NON-EXECUTIVE DIRECTOR

Ms. Sun Wei ("Ms. Sun")

Ms. Sun Wei, aged 38, has been a Non-Executive Director of the Company since 26 January 2010. Ms. Sun holds a Doctorate degree in Business Administration from the Bulacan State University of the Philippines in 2005. Ms. Sun possesses over 10 years of experience in power plant investment and management. Ms. Sun is currently an executive director of GCL-Poly Energy Holdings Limited, a company listed on the main board of the Stock Exchange. Save as disclosed above, Ms. Sun did not hold any other directorship in listed public companies in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

Ms. Sun did not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Ms. Sun has no designated length of services with the Company but will be subject to retirement and re-election at the general meetings of the Company in accordance with the Articles of Association or any other applicable laws. She, if so re-elected, shall thereafter be subject to retirement by rotation at least once every three years. Ms. Sun is currently entitled to an annual remuneration of HK$444,000, which is determined by the Remuneration Committee of the Company with reference to her duties and responsibilities within the Company, the prevailing market rate and the Company's remuneration policy.

As at the Latest Practicable Date, Ms. Sun does not have any interests in the Shares within the meaning of Part XV of the SFO. In addition, there is no information to be disclosed pursuant to any of the requirements stated under Rule 13.51(2)(h) to (v) of the Listing Rules and no matter that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules in relation to the re-election of Ms. Sun as a Director.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Chi Yuen ("Mr. Chan")

Mr. Chan, aged 43, has been as an Independent Non-Executive Director of the Company since 30 September 2004. He is the chairman of the Audit Committee and a member of the Remuneration Committee of the Company. Mr. Chan is currently an independent non-executive director of China Gamma Group Limited, China Gogreen Assets Investment Limited, Superb Summit International Timber Company Limited, Richly Field China Development Limited, China Grand Forestry Green Resources Group Limited, Rojam Entertainment Holdings Limited and The Hong Kong Building and Loan Agency Limited. Mr. Chan is also a non-executive director of New Times Energy Corporation Limited. Mr. Chan was also an executive director of Kong Sun Holdings Limited from February 2007 to November 2009, Amax Holdings Limited from August 2005 to January 2009 and China E-Learning Group Limited from July 2007 to September 2008. Save as disclosed above, Mr. Chan did not hold any other directorship in listed public companies in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

Mr. Chan holds a bachelor degree with honours in Business Administration and a master of science degree in Corporate Governance and Directorship. He is a fellow of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants and is an associate of The Institute of Chartered Accountants in England and Wales. Mr. Chan is a practising certified public accountant and has extensive experience in financial management, corporate finance and corporate governance.

Mr. Chan did not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Mr. Chan has no designated length of services with the Company but will be subject to retirement and re-election at the general meetings of the Company in accordance with the Articles of Association or any other applicable laws. He, if so re-elected, shall thereafter be subject to retirement by rotation at least once every three years. Mr. Chan is currently entitled to an annual remuneration of HK$120,000, which is determined by the Remuneration Committee of the Company with reference to his duties and responsibilities within the Company, the prevailing market rate and the Company's remuneration policy.

As at the Latest Practicable Date, Mr. Chan does not have any interests in the Shares within the meaning of Part XV of the SFO. In addition, there is no information to be disclosed pursuant to any of the requirements stated under Rule 13.51(2)(h) to (v) of the Listing Rules and no matter that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules in relation to the re-election of Mr. Chan as a Director.

Mr. Zhang Xi ("Mr. Zhang")

Mr. Zhang, aged 40, has been an Independent Non-Executive Director of the Company since 10 March 2006 and is a member of both the Audit Committee and Remuneration Committee of the Company. He has over 9 years of experience in the financial sector. He is currently a CFA charterholder. Mr. Zhang graduated with a bachelor's degree in science (electrical engineering) from Shanghai Jiao Tong University in July 1991. Mr. Zhang obtained an international master of business administration (finance) from York University in Canada in September 1998. Save as disclosed above, Mr. Zhang did not hold any other directorship in listed public companies in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

Mr. Zhang has no designated length of services with the Company but will be subject to retirement and re-election at the general meetings of the Company in accordance with the Articles of Association or any other applicable laws. He, if so re-elected, shall thereafter be subject to retirement by rotation at least once every three years. Mr. Zhang is currently entitled to an annual remuneration of HK$120,000, which is determined by the Remuneration Committee of the Company with reference to his duties and responsibilities within the Company, the prevailing market rate and the Company's remuneration policy.

As at the Latest Practicable Date, Mr. Zhang does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO. In addition, there is no information to be disclosed pursuant to any of the requirements stated under Rule 13.51(2)(h) to (v) of the Listing Rules and no matter that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules in relation to the re-election of Mr. Zhang as a Director.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Share Repurchase Mandate.

1. EXERCISE OF THE SHARE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued share capital of the Company was HK$128,570,271 comprising 12,857,027,100 Shares of HK$0.01 each. On the basis that no further Shares are issued or repurchased prior to the date of the Annual General Meeting, exercise in full of the Share Repurchase Mandate would result in up to 1,285,702,710 Shares (i.e. 10% of the issued ordinary share capital of the Company) being repurchased by the Company. The Share Repurchase Mandate will allow the Company to make or agree to make purchases only during the period ending on the earliest of the date of the next annual general meeting of the Company or the expiration of the latest date by which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles of Association or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

2. REASONS FOR REPURCHASES

The Directors consider that the Share Repurchase Mandate will provide the Company the flexibility to make such repurchase as and when appropriate and is beneficial to the Company. Such repurchases may enhance the net asset value of the Company and/or earnings per Share, depending on market conditions and funding arrangements at the time, and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders. The Directors have no present intention to repurchase any Shares

In the event that the Share Repurchase Mandate were to be exercised in full, there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2009). However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

3. FUNDING AND LEGALITY OF REPURCHASES

Any repurchase of Shares will be funded entirely from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for the repurchase in accordance with the memorandum and articles of association of the Company and the applicable laws of Hong Kong.

4. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company nor has he undertaken not to sell any of the Shares held by him to the Company in the event that the Company is authorised to make purchases of the Shares.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Hong Kong and in accordance with the regulations set out in the memorandum and articles of association of the Company.

6. EFFECT OF THE TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory general offer in accordance with rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Ko Fong was taken to have an interest under the SFO in 4,552,970,325 Shares (comprising (i) 4,257,970,325 Shares held by King Castle Enterprises Limited, which is wholly owned by him and (ii) 295,000,000 Shares held by Delight Assets Management Limited, which is also wholly owned by him), representing approximately 35.41% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Share Repurchase Mandate, then the attributable shareholding of Mr. Ko Fong would be increased to approximately 39.35% of the issued share capital of the Company. If this occurs, Mr. Ko Fong will be obliged to make a mandatory offer under Rule 26 of the Takeovers Code unless a waiver is obtained. The Company shall comply with the Listing Rules and/or the Takeovers Code should the Share Repurchase Mandate be exercised to such an extent that will result in a mandatory offer being triggered under the Takeovers Code. The Directors have no present intention to exercise the Share Repurchase Mandate to such an extent as would trigger a mandatory offer.

7. SHARE REPURCHASES MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

8. SHARES PRICE

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the 12 months up to and including the Latest Practicable Date are as follows:

	Shares Price Highest *HK$*	**Shares Price Lowest** *HK$*
2009		
April	0.106	0.060
May	0.167	0.074
June	0.173	0.126
July	0.175	0.136
August	0.184	0.145
September	0.197	0.145
October	0.182	0.151
November	0.178	0.155
December	0.185	0.161
2010		
January	0.204	0.129
February	0.169	0.121
March	0.178	0.154
April (up to and including the Latest Practicable Date)	0.210	0.149

ASIA ENERGY LOGISTICS GROUP LIMITED
亞洲能源物流集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0351)

NOTICE IS HEREBY GIVEN that an annual general meeting ("Meeting") of Asia Energy Logistics Group Limited (the "Company") will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 3 June 2010 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements, the Directors' Report and the Independent Auditor's Report of the Company for the year ended 31 December 2009.

2. To re-elect retiring directors of the Company and to authorize the board of directors of the Company to fix the directors' remuneration.

3. To re-appoint BDO Limited as auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.

By way of special business, to consider, and if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

4. "**THAT**:

(i) subject to paragraph (iii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional ordinary shares of HK$0.01 each (the "Ordinary Shares") in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Ordinary Shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

(ii) the approval in paragraph (i) of this resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Ordinary Shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;

(iii) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company; or (c) any issue of shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into shares of the Company; or (d) an issue of shares pursuant to any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

(iv) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(a) the conclusion of the next annual general meeting of the Company; or

(b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or

(c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Company in general meeting; and

"Rights Issue" means an offer of shares of the Company or issue of option, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares, or any class of shares, whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People's Republic of China applicable to the Company)."

5. "**THAT**

(i) subject to paragraph (ii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase ordinary shares of HK$0.01 each (the "Ordinary Shares") in the capital of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or any other stock exchange on which the Ordinary Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws of Hong Kong and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange and other regulations as amended from time to time, be and is hereby generally and unconditionally approved;

(ii) the aggregate nominal amount of the Ordinary Shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and

(iii) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(aa) the conclusion of the next annual general meeting of the Company; or

(bb) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or

(cc) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Company in general meeting."

6. "**THAT** conditional upon Resolution 4 and Resolution 5 as set out in the notice convening the Meeting (the "AGM Notice") being passed, the aggregate nominal amount of the ordinary shares of HK$0.01 each (the "Ordinary Shares") in the capital of the Company which are repurchased by the Company under the authority granted pursuant to Resolution 5 as set out in the AGM Notice (up to a maximum of 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of Resolution 5 as set out in the AGM Notice) shall be added to the aggregate nominal amount of the Ordinary Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to Resolution 4 as set out in the AGM Notice."

7. “**THAT** the existing scheme mandate limit in respect of the granting of options to subscribe for shares of the Company (the “Shares”) under the share option scheme adopted by the Company on 20 August 2008 (the “Share Option Scheme”) and any other share option schemes of the Company be refreshed and renewed provided that the total number of Shares which may be allotted and issued upon exercise of the options to be granted under the Share Option Scheme and any other share option schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Company) (where such options hereinafter collectively referred to as “Options”) shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution (the “Refreshed Limit”) and subject to The Listing Committee of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of and permission to deal in the Shares to be issued pursuant to the exercise of the Options to be granted under the Refreshed Limit and in compliance with the Rules Governing the Listing of Securities on the Stock Exchange, the directors of the Company be and are hereby authorised, at their absolute discretion, to grant Options and to allot and issue Shares pursuant to the exercise of any Options up to the Refreshed Limit.”

By Order of the Board
Liang Jun
Executive Director

29 April 2010

Registered office:
Rooms 1208-1210
Dah Sing Financial Centre
108 Gloucester Road
Wanchai
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares in the capital of the Company may appoint more than one proxy. A proxy need not be a member of the Company.

2. To be valid, the form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited with the Company's share registrar, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof.

3. Where there are joint holders of any share in the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

4. In respect of Resolution 2 of the AGM Notice regarding re-election of directors of the Company, Mr. Fung Ka Keung, David and Ms. Sun Wei, Mr. Liang Jun, Mr. Chan Chi Yuen and Mr. Zhang Xi will retire from the office of directorship at the Meeting and, being eligible, offer themselves for re-election in accordance with the articles of association of the Company. The biographical details of the above directors of the Company are set out in Appendix I to the circular of the Company dated 29 April 2010.