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

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.

Brightoil Petroleum (Holdings) Limited

光滙石油(控股)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 933)

PLACING OF EXISTING SHARES, SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE AND RESUMPTION OF TRADING

BOCI Asia Limited

Placing Agent

On 29 July 2010, the Vendor (being a substantial Shareholder), the Company and the Placing Agent entered into the Agreement pursuant to which the Placing Agent has agreed to place, on a fully underwritten basis, 300,000,000 existing Shares (being the Placing Shares), together with the Option (being an upsize option to place for a further 100,000,000 existing Shares, exercisable at the discretion of the Placing Agent) at the Placing Price Range (being a price range of HK$3.41 to HK$3.56 per Placing Share) on behalf of the Vendor.

Prior to the publication of this announcement, the Placing Price has been fixed at HK$3.45. The Option has not been exercised by the Placing Agent.

Under the Agreement, the Vendor has also agreed to subscribe for, and the Company has agreed to allot and issue to the Vendor, the Subscription Shares (the number of which shall be equivalent to the number of Placing Shares and the Option Shares (if any) ultimately placed to and purchased by the Placees) at the Subscription Price (which is equivalent to the Placing Price, being HK$3.45 per Subscription Share). The Subscription Shares shall be 300,000,000 new Shares. The Subscription Completion shall take place no later than the third Business Day after the date upon which all conditions set out below have been satisfied or the 14th day after the date of the Agreement, whichever is earlier (or such other time and/or date the Company and the Vendor may agree in writing).

The 300,000,000 Placing Shares represent (i) approximately 4.64% of the issued share capital of Company as at the date of this announcement; and (ii) approximately 4.44% of the issued share capital of the Company as enlarged by the allotment and issue of the 300,000,000 Subscription Shares.

The Subscription Price is equivalent to the Placing Price, which represents (i) a discount of approximately 8.97% to the closing price of HK$3.79 per Share as quoted on the Stock Exchange on 28 July 2010, being the last trading day prior to the date of the Agreement; (ii) a discount of approximately 8.73% to the average closing price of HK$3.78 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 28 July 2010; and (iii) a discount of approximately 8.24% to the average closing price of HK$3.76 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 28 July 2010.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

It is expected that the net proceeds from the Subscription of 300,000,000 Subscription Shares will amount to approximately HK$1,020,000,000. The net proceeds from the Subscription will be used mainly for financing the existing businesses and for general working capital purposes.

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:44 a.m. on 29 July 2010 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 30 July 2010.

THE AGREEMENT

Date: 29 July 2010

Parties:

(1) The Company

(2) The Vendor:

Canada Foundation Limited, being a substantial Shareholder and a company wholly-owned by Dr. Sit Kwong Lam, an executive Director and the chairman of the Company. As at the date of this announcement, the Vendor is interested in 1,409,351,040 Shares, representing approximately 21.81% of the issued share capital of the Company as at the date of this announcement.

(3) The Placing Agent:

BOCI Asia Limited. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of the Group and connected person (as defined in the Listing Rules) of the Group.

I. The Placing

Number of Placing Shares and the Option Shares:

(i) The Placing Shares: 300,000,000 existing Shares owned by the Vendor, representing (i) approximately 4.64% of the issued share capital of Company as at the date of this announcement; and (ii) approximately 4.44% of the issued share capital of the Company as enlarged by the allotment and issue of the 300,000,000 Subscription Shares. The Placing Shares are to be placed by the Placing Agent on a fully underwritten basis.

(ii) The Option Shares: 100,000,000 Option Shares.

Pursuant to the Agreement, the Placing Agent has been granted the Option to place the Option Shares, in addition to the Placing Shares, at the Placing Price Range. The Placing Agent has not exercised the Option.

Placees:

It is expected that there will be not less than six Placees, who are professional, institutional or other investors selected and procured by or on behalf of the Placing Agent.

It is expected that the Placees (and their respective ultimate beneficial owner(s), if applicable) will be third parties independent of the Group and its connected persons (as defined in the Listing Rules), and that no Placee will become a substantial Shareholder immediately after completion of the Placing and the Subscription.

Placing Price:

The Placing Price Range is HK$3.41 to HK$3.56 per Placing Share (exclusive of stamp duty, brokerage (if any), Stock Exchange trading fees and SFC transaction levies (if any), Central Clearing and Settlement System transaction fee (if any)). Prior to the publication of this announcement, the Placing Price has been fixed at HK$3.45. The net Placing Price per Placing Share amounts to approximately HK$3.40.

The Placing Price Range and the Placing Price have been arrived at after arm's length negotiations among the Company, the Vendor and the Placing Agent. The Placing Price represents (i) a discount of approximately 8.97% to the closing price of HK$3.79 per Share as quoted on the Stock Exchange on 28 July 2010, being the last trading day prior to the date of the Agreement; (ii) a discount of approximately 8.73% to the average closing price of HK$3.78 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 28 July 2010; and (iii) a discount of approximately 8.24% to the average closing price of HK$3.76 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 28 July 2010.

Placing Completion:

The Placing Completion shall take place on the second Business Day after the Trade Date (or such other time or date no later than the third Business Day after the Trade Date as the Placing Agent may notify the Vendor in writing).

II. The Subscription

Number of Subscription Shares:

The Subscription Shares shall be 300,000,000 new Shares, which is equivalent to the number of Placing Shares. The 300,000,000 Subscription Shares represent (i) approximately 4.64% of the issued share capital of Company as at the date of this announcement; and (ii) approximately 4.44% of the issued share capital of the Company as enlarged by the allotment and issue of the 300,000,000 Subscription Shares. The aggregate nominal value of the 300,000,000 Subscription Shares amounts to HK$7,500,000.

Subscription Price:

HK$3.45 per Subscription Share, which is the same as the Placing Price. The Vendor shall be entitled to deduct expenses in relation to the Placing paid by it. The Company shall be entitled to apply the proceeds received from the Placing for payment of the aggregate Subscription Price.

Ranking:

The Subscription Shares shall, when fully paid, rank pari passu in all respects with the other Shares in issue or to be issued by the Company on or after the date of its allotment, including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

Subscription Completion:

Subject to the fulfilment of the conditions for the Subscription as set out below, the Subscription Completion shall take place no later than the third Business Day after the date upon which all conditions set out below have been satisfied or the 14th day after the date of the Agreement, whichever is earlier (or such other time and/or date as the Company and the Vendor may agree in writing).

Conditions for the Subscription:

Completion of the Subscription is conditional on:

(a) the Stock Exchange granting the listing of and permission to deal in the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of the definitive share certificate(s) representing the Subscription Shares);

(b) Placing Completion having occurred pursuant to the terms of the Agreement;

(c) if so required by the laws of Bermuda, the consents and approvals under Bermuda law in respect of the issue of the Subscription Shares.

If the conditions set out above are not fulfilled within 14 days after the date of the Agreement (or such later date as may be agreed between the Company and the Vendor in writing), the obligations and liabilities of the Vendor and the Company under the Subscription shall be null and void and neither the Company nor the Vendor shall have any claim against the other for costs, damages, compensation or otherwise provided that the Company shall reimburse the Vendor any legal fees and out-of-pocket expenses which the Vendor shall be obliged to pay in connection with the Placing and the Subscription.

Expenses:

The Company shall be responsible for all costs, expenses and disbursements incurred by the Vendor and itself in connection with the Placing and the Subscription.

Lock-up:

The Vendor undertakes to the Placing Agent, that (except for (i) the sale of the Placing Shares; (ii) the grant of options by the Vendor or any of its associates or its fellow subsidiaries and the exercise of the same thereafter; (iii) any new Shares to be issued pursuant to the exercise of the conversion rights attached to the convertible notes (the "**Convertible Notes**") issued by the Company to the Vendor) from the date of the Agreement and on or prior to the date being 45 days after the date of the Agreement, it shall not and shall procure that none of its nominees and companies controlled by it and trusts associated with it (whether individually or together and whether directly or

indirectly) will (without the prior written agreement of the Placing Agent, which shall not be unreasonably withheld) (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares (including the Subscription Shares but excluding the Placing Shares) or any interests therein beneficially owned or held by any of them (or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Shares or interests); or (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise; or (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

The Company undertakes to the Placing Agent, and the Vendor undertakes to the Placing Agent to procure, that (except for (i) the Subscription Shares to be allotted and issued pursuant to the Subscription; (ii) any new Shares to be issued pursuant to the exercise of the conversion rights attached to the Convertible Notes; (iii) any new Shares to be issued pursuant to the exercise of the subscription rights attached to the options of the Company in issue as at the date hereof granted pursuant to the share option scheme of the Company (the "**Share Option Scheme**"); (iv) any Shares or other securities or rights issued or granted to Shareholders by way of bonus or under any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with its bye-laws or on the exercise of rights existing at the date of the Agreement; (v) any options to be granted under the Share Option Scheme; and (vi) any new Shares or any securities convertible into or exercisable or exchangeable into Shares to be issued by the Company as consideration for any acquisition by the Group) from the date of the Agreement and on and prior to the date being 45 days after the date of the Agreement, the Company shall not (without the prior written consent of the Placing Agent) (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares; or (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transaction described in (i) above; or (iii)

announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

Termination:

Notwithstanding anything contained in the Agreement, if at any time prior to 10:00 a.m. on the date of Placing Completion:

(i) there shall develop, occur, exist or come into effect:

(a) any significant change (whether or not permanent) in local, national or international political, military, economic, financial, or market (including stock market) conditions which in the opinion of the Placing Agent is or may be or is likely to be materially adverse to the success of the Placing; or

(b) any change (whether or not permanent) in local, national or international financial, political, economic conditions, financial, banking, capital markets, currency exchange rates, credit default swap prices, secondary bond prices, exchange controls, or the occurrence of any event or series of events outside of the Placing Agent's control, in each case, which in the opinion of the Placing Agent is or may be or is likely to prejudice the success of the Placing or distribution of the Placing Shares or dealings in the Placing Shares in the secondary market, or makes it impracticable or inadvisable or inexpedient to proceed with the Placing; or

(c) trading generally having been suspended or materially limited on, or by, the stock exchanges of New York, London, Hong Kong and the PRC; or

(d) trading of any securities of the Company being suspended on any exchange or in any over the counter market for a period exceeding five Business Days (other than as a result of the Placing); or

(e) a material disruption in securities settlement, payment or clearance services in the United States, London, Hong Kong or the PRC; or

(f) any moratorium on commercial banking activities declared by any Federal or New York State, London, Hong Kong or the PRC authorities; or

(ii) there is any material breach of any of the representations, warranties and undertakings by the Vendor or the Company set out under the Agreement or any event occurring or any matter arising on or after the date of the Agreement and prior to the date of the Placing Completion which, if it had occurred or arisen before the date of the Agreement, would have rendered any of such representations, warranties and undertaking untrue in any material respect; or

(iii) there is any such material adverse change in the general affairs, management, business, shareholders' equity or in the financial or trading position of the Group as a whole which in the opinion of the Placing Agent is or may be or is likely to be materially adverse to the success of the Placing;

then, in any such case, the Placing Agent may terminate the Agreement without liability to the Vendor and the Company by giving notice in writing to the Vendor and the Company, which notice may be given at any time prior to 10:00 a.m. on the date of the Placing Completion.

GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued under the general mandate (the "**General Mandate**") granted to the Directors by a resolution of the Shareholders to issue up to 303,174,080 Old Shares (equivalent to 1,212,696,320 Shares after the share subdivision having become effective from 28 May 2010) passed at the annual general meeting of the Company held on 28 October 2009. The General Mandate has been utilised as to 100,000,000 Old Shares (equivalent to 400,000,000 Shares after the share subdivision having become effective from 28 May 2010) issued pursuant to a top-up placing of Old Shares, details of which are set out in the announcement of the Company dated 12 April 2010. As at the date of this announcement, the unutilised portion of the General Mandate amounts to 812,696,320 Shares.

SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has outstanding (i) Convertible Notes in the principal amount of US$120,000,000 which may be converted into 2,479,979,333 Shares at the conversion price of US$0.0483875 per Share; and (ii) options (the "**Options**") to subscribe for 45,120,000 Shares at the exercise price of HK$3.40 under the Share Option Scheme.

Assuming the Placees do not hold any Shares immediately before the Placing Completion, the conversion rights attached to the Convertible Notes are not exercised, the subscription rights attached to the Options are not exercised and there is no other change in the shareholding of the Company after the date of this announcement, the shareholding structure of the Company immediately before and after the Placing Completion and Subscription Completion are as follows:

Name of Shareholder	**Shareholding as at the date of this announcement**		**Shareholding immediately after the Placing Completion but before the Subscription Completion**		**Shareholding immediately after the Placing Completion and the Subscription Completion**	
	Number of Shares	% of shareholding (approximate)	*Number of Shares*	% of shareholding (approximate)	*Number of Shares*	% of shareholding (approximate)
Substantial Shareholders						
The Vendor *(Note 1)*	1,409,351,040	21.81%	1,109,351,040	17.17%	1,409,351,040	20.84%
Energy Empire Investments Limited *(Note 2)*	2,918,088,960	45.15%	2,918,088,960	45.15%	2,918,088,960	43.14%
Brightoil Welfare Ltd. (*Note 3*)	200,000,000	3.09%	200,000,000	3.09%	200,000,000	2.96%
Placees	-	-	300,000,000	4.64%	300,000,000	4.44%

Other public Shareholders	1,936,041,600	29.95%	1,936,041,600	29.95%	1,936,041,600	28.62%
Total	6,463,481,600	**100.00%**	6,463,481,600	**100.00%**	6,763,481,600	**100.00%**

Notes:

1. *The entire issued share capital of the Vendor is wholly-owned by Dr. Sit Kwong Lam, an executive Director and the chairman of the Company.*
2. *The entire issued share capital of Energy Empire Investments Limited is wholly-owned by Dr. Sit Kwong Lam, an executive Director and the chairman of the Company.*
3. *The entire issued share capital of Brightoil Welfare Ltd. is wholly-owned by Dr. Sit Kwong Lam, an executive Director and the chairman of the Company.*

REASONS FOR THE PLACING AND SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in (i) the marine bunkering business (including the trading of related petroleum products), with plans to expand globally; (ii) construction of oil storage and terminal facilities; (iii) design, manufacturing and trading of garments; (iv) proprietary trading in securities; and (v) property holding and investment holding. The Board believes that the Placing and the Subscription represent a good opportunity to raise additional capital for future business development of the Group as they will enhance the capital and shareholders' base of the Company thereby increasing the liquidity of the Shares.

It is expected that the net proceeds from the Subscription of 300,000,000 Subscription Shares will amount to approximately HK$1,020,000,000. The net proceeds from the Subscription will be used mainly for financing the existing businesses and for general working capital purposes.

The Directors consider the terms of the Placing and the Subscription (including the Placing Price and the Subscription Price) are fair and reasonable, on normal commercial terms and believe that the Placing and the Subscription are in the best interest of the Company and the Shareholders.

EQUITY FUND-RAISING CONDUCTED IN THE 12-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

Save as disclosed below, the Company had not carried out other fund-raising activities during the 12 months immediately preceding the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds as stated in the announcement	Actual use of proceeds
12 April 2010	Top-up placing of Old Shares	Approximately HK$980 million	To be used for the existing businesses and for general working capital purposes.	As at the date of this announcement, (i) approximately HK$160 million was used for the acquisition of an oil tanker; (ii) approximately HK$40 million was used for investment in Zhoushan storage and terminal project; and (iii) HK$60 million was used for working capital of the Group. The remaining unutilised portion shall be used as to HK$320 million for further acquisition of oil tankers and as to HK$400 million for further injection into the Zhoushan storage and terminal project.

APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in the Subscription Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:44 a.m. on 29 July 2010 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 30 July 2010.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meaning ascribed to them below:

"**Agreement**"	the placing and subscription agreement dated 29 July 2010 entered into by the Company, the Vendor and the Placing Agent in relation to the Placing and the Subscription
"**Board**"	the board of Directors for the time being
"**Business Day**"	any day (other than a Saturday, a Sunday or a public holiday) on which licensed banks in Hong Kong are open for business throughout their normal business hours
"**Company**"	Brightoil Petroleum (Holdings) Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
"**Director(s)**"	director(s) of the Company
"**Group**"	the Company and its subsidiaries
"**HK$**"	Hong Kong dollars, the lawful currency of Hong Kong for the time being
"**Hong Kong**"	the Hong Kong Special Administrative Region of the PRC
"**Listing Rules**"	the Rules Governing the Listing of Securities on the Stock Exchange
"**Old Share(s)**"	ordinary share(s) of HK$0.10 each in the share capital of the Company prior to the share subdivision having become effective on 28 May 2010

"**Option**"	the upsize option for the Placing Agent to place a further 100,000,000 existing Shares held by the Vendor at the same price for the Placing Shares
"**Option Shares**"	up to 100,000,000 Shares beneficially owned by the Vendor and to be placed by the Placing Agent upon the exercise of the Option
"**Placees**"	any person (s) or entity(ies) whom the Placing Agent or its agent(s) has procured to subscribe for any of the Placing Shares
"**Placing**"	placing of the Placing Shares pursuant to the Agreement
"**Placing Agent**"	BOCI Asia Limited
"**Placing Completion**"	completion of the Placing
"**Placing Price**"	HK$3.45 per Placing Share
"**Placing Price Range**"	a price range of HK$3.41 to HK$3.56 per Placing Share
"**Placing Shares**"	300,000,000 Shares beneficially owned by the Vendor as at the date of this announcement and to be placed under the Agreement
"**PRC**"	the People's Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and the Taiwan
"**Share(s)**"	ordinary share(s) of HK$0.025 each in the capital of the Company
"**Shareholder(s)**"	holder(s) of Share(s)

"**Stock Exchange**"	The Stock Exchange of Hong Kong Limited
"**Subscription**"	the subscription of the Subscription Shares by the Vendor pursuant to the Agreement
"**Subscription Completion**"	completion of the Subscription
"**Subscription Price**"	HK$3.45 per Subscription Share
"**Subscription Shares**"	new Shares to be subscribed by the Vendor in such number as shall be equivalent to the number of the Placing Shares and the Option Shares (if any) placed by the Placing Agent under the Agreement
"**Trade Date**"	(i) the first Business Day after the date of the Agreement; or (ii) where trading in the Shares on the Stock Exchange is suspended, the first Business Day on which dealings resume after suspension of trading in the Shares on the Stock Exchange; or (iii) such other date as may be agreed by the Company, the Vendor and the Placing Agent
"**Vendor**"	Canada Foundation Limited, a company wholly-owned by Dr. Sit Kwong Lam, an executive Director and the chairman of the Company

By order of the Board
Brightoil Petroleum (Holdings) Limited
Sit Kwong Lam
Chairman

Hong Kong, 29 July 2010

As at the date of this announcement, the Board comprises (i) six executive Directors, namely Dr. Sit Kwong Lam, Mr. Tang Bo, Mr. Chia Teck Lim, Mr. Tan Yih Lin, Mr. Gregory John Channon and Mr. Cheung Sum, Sam; (ii) four non-executive Directors, namely Mr. He Zixin, Mr. Ran Longhui, Mr. Sun Zhenchun and Mr. Dai Zhujiang; and (iii) three independent non-executive Directors, namely Mr. Kwong Chan Lam, Mr. Lau Hon Chuen and Professor Chang Hsin Kang.

** For identification purpose only*