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東方明珠創業有限公司*

Pearl Oriental Innovation Limited

(the “Company”, “Pearl Oriental”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

SUCCESS IN OIL PRODUCTION OF GAS AND OIL FIELD IN UTAH, USA

Reference is made to announcements of the Company dated 24 February 2011 and 15 April 2011 respectively.

Pearl Oriental is pleased to announce the latest development of the Utah Gas and Oil Field, of which 100% Ownership Interest is owned by the Company, has started oil production since last month. The Company’s management team of oil experts has inspected the Utah Gas and Oil Field during the period from 28 June 2011 to 4 July 2011, and formulated the plan for further development of newly discovered oil reserves.

Green River Oil Formation in Trial Production

Based on the results of well logging and seismic data analysis of Well (Thurston 7-9), perforation was made at depth of 3,500 feet in Green River Oil Formation on 14 June 2011 after careful working on drilling, and trial production of oil has started thereafter. By 27 June 2011, the accurate total crude oil production is 364 barrels (around 52 tons). Currently, the daily crude oil production of Well (Thurston 7-9) is around 25 barrels. Besides, crude oil was also found in Well (Thurston 41-9) in Green River Oil Formation after perforation and well completion on 1 July 2011. The Company is planning to conduct hydraulic fracture in order to increase the production of crude oil later on. Since there is a good potential of crude oil discovered in Green River Oil Formation, the Company is planning to enlarge the scale of exploration and drilling activities in whole lease area of the Utah Gas and Oil Field. Two new Wells (Thurston 12-29 and Well Thurston 8-9) have been chosen to drill recently. The site construction and drilling preparations have started and it is expected to have concrete progress very soon. Since the crude oil discovered and produced from Green River Oil Formation was not considered in the previous evaluation, it will bring extra contribution for Company’s oil and gas development in the Utah Gas and Oil Field.

Crude Oil Price of Utah

The Company has selected Plains All American Pipeline, L.P., USA (“Plains”) as the purchaser to collect Company’s crude oil produced in the Utah Gas and Oil Field. According to the latest price published on Plains’ website on 5 July 2011, the crude oil price in Utah is US\$ 81.20 per barrel.

Future Plan of Well Drilling and Production for Shale Gas

In order to improve shale gas production, the Company has decided to drill two more new wells to explore shale gas at depth of 6,000 feet in Wasatch Formation which has shown very good prospects for shale gas production. Meanwhile, it can test oil in Green River Oil Formation (at 3,500 feet) on these new wells. The well locating and drilling job will start once pre-drilling preparation and seismic analysis have been done. Apart from this, the already drilled Well (Thurston 5-15) and Well (Thurston 10-15) will be in production of shale gas after well completion has been done.

Possible New Oilfield Project

The management team of oil experts of the Company has also site-visited oilfield projects in Texas and Missouri of the United States. Due diligence is still in progress for the possible acquisition of the oilfield in Kazakhstan which has more than 700 million barrels of 3P oil reserve and the Company is conducting an in-depth negotiations with the oilfield owner at the same time. If any sale and purchase agreements have been signed, the Company shall issue an announcement in relation to the acquisition.

As at the date hereof, the Board comprises four executive Directors, namely Mr. Wong Yuk Kwan (alias: Wong Kwan), Dr. Lew Mon Hung, Mr. Cheung Kwok Yu and Mr. Johnny Yuen; one non-executive Director Mr. Baiseitov Bakhytbek; and three independent non-executive Directors, namely Mr. Chen Ping, Mr. Yu Jianmeng and Mr. Lam Ka Wai, Graham.

By Order of the Board
Pearl Oriental Innovation Limited
Wong Kwan
Chairman and Chief Executive

Hong Kong, 6 July 2011

** For identification purposes only*