

7 March 2018

ASX ANNOUNCEMENT

AUSTCHINA SIGNS OPTION DEED FOR SALE OF SURAT GAS PTY LTD

AustChina Holdings Limited (**ASX: AUH**) is pleased to announce that it has today signed an Option Deed for the sale of AustChina's 100% owned subsidiary Surat Gas Pty Ltd (Surat).

The key terms of the Option Deed are:

1. The purchaser pays AUH an option fee of \$10,000 within one day of signing the Option Deed.
2. From the date of signing the Deed the purchaser has
 - 21 days to exercise the option (Exercise Date), and
 - 60 days to obtain finance (Condition Date).
3. The Completion Date is 21 days after the Condition Date.
4. The consideration payable to AUH upon completion (subject to exercise of the option by the purchaser) is \$6,500,000.

Shareholders are cautioned that the purchaser has an election to exercise or not exercise the option and if exercised, completion of the transaction is conditional on the purchaser obtaining finance to its satisfaction.

Yours faithfully,

Anthony Chan – Chairman

Further information:

Andrew Fogg – Chief Executive Officer

Bruce Patrick – Chief Operating Officer

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