

**GEOMAXIMA ENERGY HOLDINGS LTD:
BANK OF CHINA SUES MAXY OIL AND GAS LTD FOR \$HK117 MILLION
WHAT WILL THE MANAGING DIRECTOR SAY, NOW ?**

It appears that the Managing Director of GeoMaxima Energy Holdings Ltd (Code: 702, Main Board, The Stock Exchange of Hongkong Ltd) is going from one frying pan into another.

And the frying pans are, clearly, burning hot.

Recently, Bank of China (Hongkong) Ltd and Bank of China, Jilin Province Branch, sued Maxy Oil and Gas Ltd for the best part of \$US15 million (about \$HK117) with regard to an alleged 1999 guarantee, given by Maxy Oil to the 2 banks, both of which are owned and controlled by the Government of the People's Republic of China (PRC).

The guarantee is said to be *'to an unlimited amount'*, according to the Statement of Claim, attached to the Writ of Summons, Number 3346, filed in the High Court of the Hongkong Special Administrative Region (HKSAR) of the PRC.

Maxy Oil, according to **TOLFIN** (**TARGET's** Computerised Online Financial Intelligence Service and Credit-Checking Provider), was owned, completely, by Mr Sun Tian Gang, the Managing Director of GeoMaxima Energy Holdings Ltd, via Sky Global Ltd.

According to the Bank of China's Statement of Claim, Jilin City Shine Gem Pipeline Company Ltd is a customer of the 2 banks and Maxy Oil guaranteed the loans, afforded to Jilin City Shine Gem.

The Bank of China alleges that, as at July 8, 2003, it was owed \$US14,984,968.31.

Then, at Paragraph 10, it is alleged:

'Despite various demands by the 1st and 2nd Plaintiffs including demand letter sent by the 1st and 2nd Plaintiffs' solicitors ... to the Defendant on 29th July 2003 demanding payment ... the Defendant has failed and/or refused and still fails and/or refuses to pay the said sums of money and interest or any part thereof.'

In a nutshell, that is the gist of the claims against Maxy Oil, but the story does not end here.

The company to which Bank of China allegedly lent the money, Jilin City Shine Gem Pipeline Company Ltd, is a PRC-domiciled company, which is owned as to:

China Jilin City Natural Gas Company	10 percent
Sinopec National Star Petroleum Corporation	10 percent
GeoMaxima Energy Company Ltd	<u>80 percent</u>
TOTAL	<u>100 Percent</u>

In turn, GeoMaxima Energy Company Ltd is owned as to:

Mr Qiu Xiang Hua	33 percent
Mr Sun Tian Gang	16 percent
Maxy International Ltd	<u>51 percent</u>
TOTAL	<u>100 Percent</u>

From the above **TARGET** breakdown of Jilin City Shine Gem Pipeline Company Ltd and GeoMaxima Energy Company Ltd, it is obvious that Mr Sun Tian Gang must be considered associated with GeoMaxima Energy Company Ltd.

Mr Sun Tian Gang is the Controlling Shareholder of GeoMaxima Energy Holdings Ltd, having 58.42 percent of the Issued and Fully Paid-Up Share Capital of this publicly listed company via his holding company, China GeoMaxima Company Ltd, as at April 10, 2003.

The Plot Thickens

In April, this year, Elite Ascend Holdings Ltd, a British Virgin Islands company and a wholly owned subsidiary of GeoMaxima Energy Holdings Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

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