

**SMART RICH ENERGY FINANCE (HOLDINGS) LTD:  
IS THE MONGOLIAN DEAL ABOUT TO COME UNDONE ?**

It would appear, on the face of it, that Smart Rich Energy Finance (Holdings) Ltd ([]) (Code 1051, Main Board, The Stock Exchange of Hongkong Ltd) is in a bit of trouble, having been sued for what could amount to a relatively large amount of money in view of the finances of this company.

In Action Number 364, recently filed in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), a corporate entity, Gouye PRC Incorporated, has issued a Writ of Summons with only an Indorsement of Claim attached:

*'The Plaintiff's Claim is for damages against the Defendants for breach of an Agreement dated 23rd October 2007 together with interest under s.48 of High Court Ordinance (CAP 4) and further and/or relief and costs.'*

The Defendants are:

1. Triple Winner International Ltd                      First Defendant
2. Smart Rich Energy Finance (Holdings) Ltd      Second Defendant

The First Defendant is a company, domiciled in the British Virgin Islands.

This is the second time in a period of 3 months that Gouye PRC Incorporated has seen fit to go on the attack in the HKSAR High Court.

On January 7, 2008, Gouye PRC Incorporated sued 3 Defendants, claiming \$US2 million (about \$HK15.60 million).

In HKSAR High Court Action, Number 33 of 2008, Gouye PRC Incorporated sued:

- Mr Shinensambuu Batsambuu      First Defendant  
Ms Shagdar Otgonchimeg      Second Defendant  
Mongolia Oil Shale LLC      Third Defendant

The Indorsement of Claim, attached to Writ of Summons, Number 33, stated only:

*'The Plaintiff's claim is for damages for breach of an Agreement made between the Plaintiff and the 1st and 2nd Defendants in writing on the 17th day of October 2007 and the written supplemental agreement thereafter (including but not limited to the repayment of the first payment of US\$2,000,000), interest under S.48 of the High Court Ordinance (Cap.4), further and/or other relief and costs.'*

According to an official release by Smart Rich Energy Finance, dated March 5, 2008, in respect of a purported, \$HK351-million acquisition of 51 percent of the Issued and Fully Paid-Up Share Capital of Mongolia Oil Shale LLC, that company was, originally owned as to 55 percent by Mr Shinensambuu Batsambuu and 45 percent by Ms Shagdar Otgonchimeg, the First and Second Defendants in HKSAR High Court Action, Number 33 of 2008.

The announcement of Smart Rich Energy Finance stated that this publicly listed company had entered into a 'Major Transaction' with Mongolia Oil Shale LLC whereby a wholly owned subsidiary of Smart Rich

Energy Finance, namely Greatest Rise Investments Ltd, had conditionally entered into ... [CLICK TO ORDER FULL ARTICLE](#)

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