



China Pub Company plc

PROPOSED OFFER BY THE PHOENICIAN FUND CORPORATION I

FOR CHINA PUB COMPANY PLC UPDATE

The Phoenician Fund Corporation I ("Phoenician") and China Pub Company PLC ("China Pub") announced on March 20, 2009 that they have reached an agreement in principle on the terms of a proposed offer (the "Proposed Offer") to be made by Phoenician for the entire issued share capital of China Pub. The Proposed Offer will be subject to the terms and conditions described therein and it is intended to constitute Phoenician's qualifying transaction within the meaning of TSX Venture Exchange ("TSX-V") Policy 2.4.

Phoenician and China Pub are pleased to provide an update to the proposed board of directors of the Resulting Issuer. The board of directors will consist of previously disclosed individuals, being John May, Gerard Thompson and Alan Reid, and a proposed Canadian resident director Francisco Monteiro.

Francisco X. Monteiro – Proposed Director

Frank Monteiro has tremendous experience working with government entities in Canada, Hong Kong and China in the trade, business relations and purchasing sectors. In his role as the president of Hong Kong Canada Business Association he worked in conjunction with the Hong Kong Government, the Consulate of The People's Republic of China in Toronto, the Department of Foreign Affairs and International Trade of Canada to assist Canadian companies in doing business with Hong Kong and China. In his current position as Vice President of Sales and Marketing at Engage China he worked with in-house consultants and project management staff in Toronto, Beijing and Shanghai to develop sales and marketing strategies, providing legal, financial and accounting support to meet client needs, developed and maintained key relationships with Canadian Government Trade Specialists at the Federal and Provincial levels and established and maintained key relationships with Hong Kong and China Government Officials. Frank was previously Director of Sales with Black Isle Consultants (N.A.) Ltd. in Toronto, Canada, Associate Director at IQPC Business Forums in London, England and also held several managerial positions with Canada Post Corporation in the beginning of his career. Frank was educated at Ryerson University, London Business School and the Toronto School of Business.

The Insiders of the Resulting Issuer will be the China Pub directors who will become directors of the Resulting Issuer, in particular John May, Alan Reid and Gerard Thompson, as well as Canadian resident director Francisco Monteiro. Additional Insiders are directors of the subsidiaries of China Pub, who will become directors of the subsidiaries of the Resulting Issuer, in particular Ian Watt, Paul Watt and Geoffrey Dart. Apsley Estates Ltd will also be considered an Insider as it will hold 13.63% of the Resulting Issuer's capital on a non-diluted basis. Apsley Estates Ltd. is beneficially owned by Victoria Berensen, a UK resident. Other than indicated above, there are no other Insiders.

BACKGROUND TO THE PROPOSED OFFER

In conjunction with the Proposed Offer as previously announced, Phoenician has obtained TSX-V approval and completed its loan of Cdn\$225,000 (being the maximum amount pursuant to TSX-V policies) to China Pub in order to meet staff costs and creditors. Any excess will be used for working capital. In accordance with the TSX-V Policies the lending facility is secured by a charge over the shares of the operating subsidiary wholly-owned by China Pub. The facility will be repayable on demand. Without this loan facility, it is unlikely China Pub could meet its current obligations and it would face insolvency and subsequent liquidation.

The board of directors of Phoenician and China Pub believe that the Proposed Offer would result in China Pub being in a stronger financial position than its current weak financial position as referred to above. In particular, the finances available to Phoenician could be used to reduce exposure to China Pub's short term obligations although the Resulting Issuer will need to raise further additional financing shortly after completion of the Proposed Offer to meet the Resulting Issuer's ongoing working capital requirements and to assist with China Pub's expansion.

For more details regarding the Proposed Offer refer to Phoenician press release as of March 20, 2009 on SEDAR (www.sedar.com).

FURTHER INFORMATION:

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Dealing disclosure requirements:

Under the provisions of Rule 8.3 of the UK Takeover Code (the "Code"), if any person is or becomes "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of either China Pub or Phoenician all "dealings" in any "relevant securities" of that company by such person (including by means of an option in respect of, or a derivative referenced to, any such "relevant security") must be publicly disclosed to a Regulatory Information Service and the Panel by no later than 3.30 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the Proposed Offer becomes, or is declared, unconditional to all acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more people act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of China Pub or Phoenician, they will be deemed to be a single person for the purposes of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of China Pub or Phoenician by China Pub or Phoenician or by any of their respective "associates", must also be disclosed by no later than 12.00 noon (London time) on the business day following the date of such transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue can be found on the Panel's website – www.thetakeoverpanel.org.uk.

"Interests in Securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of ownership or control in securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, please contact an independent financial adviser authorised under the Financial Services and Markets Act 2000, consult the Panel website at www.thetakeoverpanel.org.uk or contact the Panel by telephone (+44 (0) 207638 0129) or by fax (+44 (0) 207 236 7013).

Completion of the transaction is subject to a number of conditions, including but not limited to, TSX-V acceptance and if applicable pursuant to TSX-V Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the prospectus to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX-V has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

END OF ANNOUNCEMENT