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TLT LOTTOTAINMENT GROUP LIMITED

彩娛集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8022)

ADJUSTMENTS TO THE OPTIONS AND THE EXISTING BONDS

The Company announces that the Share Consolidation become effective on 19 October 2011 after the resolution to approve the Share Consolidation has been passed on 18 October 2011.

ADJUSTMENTS TO THE OPTIONS AND THE EXISTING BONDS

The Company announces that as a result of the Share Consolidation (i) the exercise prices of the Options; (ii) the number of Shares to be allotted and issued in respect of the Options; and (iii) the conversion prices of the Existing Bonds will be adjusted with effect from 19 October 2011. Details of the adjustments have been disclosed in this announcement.

Reference is made to the circular (the “**Circular**”) of TLT Lottotainment Group Limited (the “**Company**”) and the result announcement (the “**EGM Result Announcement**”) of the extraordinary general meeting (the “**EGM**”) dated 18 October 2011. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

The Options

Immediately before the Share Consolidation becoming effective, there were 23,000,000 Options outstanding entitling the holders thereof to subscribe for a total of 23,000,000 Shares. As a result of the Share Consolidation and pursuant to the terms of the Share Option Scheme, Rule 23.03(13) of the GEM Listing Rules and the supplementary guidance dated 5 September 2005

issued by the Stock Exchange (the “**Supplementary Guidance**”), the exercise prices of the Options and the number of Shares falling to be allotted and issued in respect of the Options will be adjusted with effect from 19 October 2011 in the following manner:

Date of grant	Before Share Consolidation becoming effective		After Share Consolidation becoming effective	
	Number of Shares which would be issued upon the exercise of the Options	Exercise price of the Options	Number of Consolidated Shares which would be issued upon the exercise of the Options	Adjusted exercise price of the Options
4 June 2010	17,000,000	HK\$0.34	3,400,000	HK\$1.70
29 June 2009	6,000,000	HK\$0.614	1,200,000	HK\$3.07

The independent financial adviser of the Company, Chanceton Capital Partners Limited, has reviewed the above adjustments and has certified in writing that the adjustments have been made in accordance with the terms and conditions of the Share Option Scheme and in compliance with the GEM Listing Rules and the Supplementary Guidance.

The Existing Bonds

Immediately before the Share Consolidation becoming effective, there were the Existing Bonds in the outstanding principal amount of HK\$28,080,000 with conversion price of HK\$0.28. As a result of the Share Consolidation and pursuant to the terms and conditions of the instruments constituting the Existing Bonds, the conversion price of the Existing Bonds will be adjusted with effect from 19 October 2011 in the following manner:

Date of issue	Maturity date of Existing Bonds	Principal amount	Before Share Consolidation becoming effective	After Share Consolidation becoming effective
			Conversion price	Adjusted conversion price
28 March 2011	27 March 2013	HK\$28,080,000	HK\$0.28	HK\$1.40

The independent financial adviser of the Company, Chanceton Capital Partners Limited, has reviewed the above adjustments and has certified in writing that the adjustments have been made in accordance with the terms and conditions of the instruments constituting the Existing Bonds.

By order of the Board
TLT LOTTOTAINMENT GROUP LIMITED
Cheung Man Yau, Timothy
Chief Executive Officer and Executive Director

Hong Kong, 20 October 2011

As at the date of this announcement, the executive Directors of the Company are Mr. Cheung Man Yau, Timothy, Mr. Chan Kin Yip and Ms. Cheng Sze Man; and the independent non-executive Directors of the Company are Mr. Sung Wai Tak, Herman, Mr. Wong Lit Chor, Alexis and Mr. Fung Wai Shing.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material aspects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from its date of its posting and on the Company’s website at <http://www.lottotainment.com.hk>.