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Hidili Industry International Development Limited

恒鼎實業國際發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01393)

ANNOUNCEMENT

The Board noted that there occurred a series of coal mine accidents in Pan county, Liupanshui city, Guizhou province and Qujing city, Yunnan province in March and April this year. None of the Group's coal mines was involved in these accidents.

Guizhou provincial government together with the relevant coal mines management authorities established a special action team to perform a comprehensive safety check over all the coal mines in Pan county commencing from 26 April 2011. Currently, the Group's coal mines in Pan county have completed, in accordance with the requirements of the special action team, and passed the safety check, and are waiting for the notice of resumption of production to be issued by the special action team. The Company estimates that the suspension of production as required by the special action team to perform the safety check would not significantly affect the raw coal production of the Group's mines in Guizhou province.

The municipal government of Qujing city, Yunnan province and relevant coal mine management authorities have also required all coal mines in the city to suspend production and perform a comprehensive safety check starting from 16 April 2011. The mines may not resume production until they pass the inspection of the municipal government together with the relevant coal mine management authorities. Currently, the Group's coal mines in Fuyuan county, Qujing city, Yunnan province have completed the safety check and are pending inspection of the municipal government and the relevant coal mine management authorities before production can be resumed. The Company estimates that such suspension of production would not significantly affect the raw coal production of the Group's mines in Qujing city, Yunnan province.

For the period from 12 March up to 6 May 2011, the Group's raw coal production in Guizhou province and Yunnan province was affected by approximately 200,000 tonnes in total during the suspension of production.

The Company will by way of further announcements keep its shareholders and the public informed of any development regarding the suspension of production of these coal mines of the Group.

The Board of Directors (the "Board") of Hidili Industry International Development Limited 恒鼎實業國際發展有限公司 (the "Company" and, together with its subsidiaries, the "Group") noted that there occurred a series of coal mine accidents in Pan county, Liupanshui city, Guizhou province and Qujing city, Yunnan province in March and April this year. None of the Group's coal mines was involved in these accidents.

RAW COAL PRODUCTION IN GUIZHOU PROVINCE

Affected by the 2 coal mine accidents in Guizhou province in March, the production of the Group's coal mines in Guizhou province were suspended for 7 to 10 days respectively for completing a safety check, which resulted in a total decrease of approximately 80,000 tonnes in the Group's raw coal production. In view of the re-occurrences of coal mine accidents in 12 March, 28 March and 24 April, Guizhou provincial government together with the relevant coal mines management authorities established a special action team to perform a comprehensive safety check over all the coal mines in Pan county commencing from 26 April 2011. All the coal mines in Pan county shall stop production for such safety check. Currently, the Group's coal mines in Pan county have completed, in accordance with the requirements of the special action team, and passed the safety check, and are waiting for the notice of resumption of production to be issued by the special action team. The Company estimates that the suspension of production as required by the special action team to perform the safety check would not significantly affect the raw coal production of the Group's mines in Guizhou province.

RAW COAL PRODUCTION IN QUJING CITY, YUNNAN PROVINCE

The municipal government of Qujing city, Yunnan province and relevant coal mine management authorities have also required all coal mines in the city to suspend production and perform a comprehensive safety check starting from 16 April 2011. The mines may not resume production until they pass the inspection of the municipal government together with the relevant coal mine management authorities. Currently, the Group's coal mines in Fuyuan county, Qujing city, Yunnan province have completed the safety check and are pending inspection of the municipal government and the relevant coal mine management authorities before production can be resumed. The Company estimates that such suspension of production would not significantly affect the raw coal production of the Group's mines in Qujing city, Yunnan province.

For the period from 12 March up to 6 May 2011, the Group's raw coal production in Guizhou province and Yunnan province was affected by approximately 200,000 tonnes in total during the suspension of production.

GENERAL

The Company will by way of further announcements keep its shareholders and the public informed of any development regarding the suspension of production of these coal mines of the Group.

By Order of the Board
Hidili Industry International Development Limited
Xian Yang
Chairman

Hong Kong
9 May 2011

As at the date of this announcement, the executive directors of the Company are Mr. Xian Yang (Chairman), Mr. Sun Jiankun and Mr. Wang Rong and the independent non-executive directors of the Company are Mr. Chan Chi Hing, Mr. Chen Limin and Mr. Huang Rongsheng.