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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 ON MAJOR OPERATIONAL DATA FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011

The board of directors of Hidili Industry International Development Limited (the “Company”) together with the directors thereof guarantee that the content of this announcement does not contain any false statements, misleading representations or material omissions, and all of them jointly and severally accept responsibility as to the truthfulness, accuracy and completeness of the content of this announcement.

OPERATIONAL DATA FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011

	Three months ended 30 September 2011	Three months ended 30 September 2010	Percentage change
Sales data			
Clean coal			
Sales volume (<i>thousand tonnes</i>)	443	366	21%
Average selling price (net of valued added tax “VAT”) (<i>RMB per tonne</i>)	1,344	1,110	21%

Coke			
Sales volume (<i>thousand tonnes</i>)	40	89	(55%)
Average selling price (net of VAT) (<i>RMB per tonne</i>)	1,737	1,311	32%

Thousand tonnes Thousand tonnes

Production data

Raw coal

Sichuan province	427	421	1%
Guizhou province	347	379	(8%)
Yunnan province	427	201	112%
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Subtotal	<u>1,201</u>	<u>1,001</u>	20%

Clean coal

Sichuan province	248	209	19%
Guizhou province	127	145	(12%)
Yunnan province	205	161	27%
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Subtotal	<u>580</u>	<u>515</u>	13%

Coke

Sichuan province	43	90	(52%)
Guizhou province	—	18	(100%)
Yunnan province	—	—	0%
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Subtotal	<u>43</u>	<u>108</u>	(60%)

OPERATIONAL OVERVIEW

As at 30 September 2011, the Group owns 30 coal mines (including 29 mining rights and 1 exploration right) in Guizhou province and Yunnan province. After the acquisition of these coal mines, the Company arranged for the development of a new production system in order to enlarge coal mine production capacity and to upgrade safety standards. As at 30 September 2011, we have a total of (i) 20 coal mines in Guizhou province, comprising 10 integrated coal mines, 8 newly constructed coal mines and 2 expanded coal mines, of which 3 integrated coal mines and 3 newly constructed coal mines are currently under trial run, and 3 newly constructed coal mines have completed the trial run stage and have commenced production, and (ii) a total of 10 coal mines in Yunnan province comprising 5 integrated coal mines, 2 newly constructed coal mines, 2 expanded coal mines and 1 coal mine with exploration right, of which 1 integrated coal mine is currently under trial run and 1 newly constructed coal mine has completed the trial run stage and has commenced production.

The Board noted that whilst the production and construction of the Group's coal mines were affected by the suspension of production during the second quarter of 2011, the Group's coal mines have resumed production and construction since July 2011.

The major operational data for the three months ended 30 September 2011 was calculated based on the internal statistics of the Company and is intended to give investors an overview of the production and operation of the Company. The major operational data may somewhat differ from the data disclosed in the relative periodic reports of the Company. In addition, affected by various factors, including (but not limited to) the adjustment of the macroeconomic policy of the state, changes in the domestic and overseas market conditions, bad weather and disasters, equipment maintenance and safety inspection, material differences may exist among the productive and operational data published quarterly. The aforesaid operational data does not make any express or implied forecasts or guarantees in respect of the Company's operating condition. The investors are hereby reminded of the risks which may result from inappropriate reliance upon or utilization of the information given above.

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

Hong Kong
11 October 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.