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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 of Directors of Hidili Industry International Development Limited (the “Company”) expresses its concern over the coal and gas incident occurring on 12 March 2013 at Machang Coal Mine (馬場煤礦) operated by Shuicheng Mining Group (水城礦業集團) in Liupanshui City (六盤水市) in Guizhou Province. All coal mines owned by the Company and its subsidiaries in Guizhou Province are located in Pan County (盤縣) in Liupanshui City (六盤水市). The Company does not own any coal mine in Shuicheng County (水城縣).

The operations and construction of 20 coal mines, 10 of which are coal producing mines, in Guizhou Province owned by the Company and its subsidiaries have all been suspended since the occurrence of the “3.12” Machang Coal Mine Incident. We have commenced a self-inspection and rectification process for a full-scale investigation of any hazards in administration. Since 19 March 2013, the procedure of safety inspection and acceptance by the government has begun. Currently, 6 out of the 10 coal producing mines have passed acceptance inspection on production resumption and resumed normal production; 2 out of the 10 mines have passed acceptance inspection and the issue of the notice on production resumption in respect of these 2 mines is pending; 1 mine is awaiting the acceptance inspection on the production resumption; and the operation of 1 mine has been suspended for the internal consolidation.

Since the occurrence of the “12.5” Shangchang Coal Mine (上廠煤礦) Incident in Huangnihe Town (黃泥河鎮), all coal mines throughout Qujing City have been suspended. The Company and its subsidiaries have 10 coal mines in total in Fuyuan County (富源縣) of Yunnan Province, 9 of them have the mining rights and 1 of them has the exploration right. 9 coal producing mines have been suspended subsequent to the “12.5” Shangchang Coal Mine (上廠煤礦) Incident. The government held a meeting on inspection and acceptance on 22 March 2013, and the 9 coal mines are awaiting the acceptance inspection on production resumption. Our management anticipates that each of the 9 coal mines will pass acceptance inspection on production resumption and resume normal production at the end of this month.

Since the occurrence of the “8.29” Xiaojiawan Coal Mine (肖家灣煤礦) Incident in Panzhihua City, all coal mines throughout Panzhihua City have been suspended for inspection. Five mining areas in Panzhihua City, namely Dahegou mining area, Banshan mining area, Huijiasuo mining area, Bainipo mining area and Tianbao mining area, owned by the Company and its subsidiaries have been suspended. Currently, Tianbao mining area has passed acceptance inspection and received the notice on production resumption, and the rest are awaiting the acceptance inspection on production resumption by the government or the consolidation solution of the government.

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

Hong Kong, 25 March 2013

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.