

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 2013**

The board of directors of Hidili Industry International Development Limited (the “Company”) together with the directors thereof confirm that the contents of this announcement do 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 contents of this announcement.

OPERATIONAL DATA FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2013

	Three months ended 30 September 2013	Three months ended 30 September 2012	Percentage change
Sales data			
Clean coking coal			
Sales volume (<i>thousand tonnes</i>)	118	254	(54%)
Average selling price (net of valued-added tax “VAT”) (<i>RMB per tonne</i>)	949	1,052	(10%)
	<i>Thousand tonnes</i>	<i>Thousand tonnes</i>	
Production data			
Raw coal			
Sichuan province	—	291	(100%)
Guizhou province	276	436	(37%)
Yunnan province ³	<u>68</u>	<u>229</u>	(70%)
Subtotal	<u><u>344</u></u>	<u><u>956</u></u>	(64%)
Clean coal			
Sichuan province	—	155	(100%)
Guizhou province	96	142	(32%)
Yunnan province ³	<u>36</u>	<u>142</u>	(75%)
Subtotal	<u><u>132</u></u>	<u><u>439</u></u>	(70%)

Notes:

1. The sales data does not include any of our attributable interest in Yunnan province.
2. The selling prices for the three months ended 30 September 2013 were equivalent to the settlement prices between our customers and us before deducting operating tax and surcharges.
3. Considering the coal mines disposal in Yunnan province, the raw coal and clean coal production volumes for the three months ended 30 September 2013 disclosed above are for reference only. The revenue and production cost arising therefrom are not consolidated. Operating profit will be accounted for under equity method.

OPERATIONAL OVERVIEW

As at 30 September 2013, the Group owned 18 coal mines in Guizhou 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 2013, the construction progress of the Group's coal mines in Guizhou province is as follows:

Location	Type of mines	Construction progress		
		Production	Trial run	Under construction
Guizhou province (18)	Integrated (9)	3	—	6
	Newly constructed (7)	5	—	2
	Expanded (2)	<u>1</u>	<u>—</u>	<u>1</u>
		<u>9</u>	<u>—</u>	<u>9</u>

The coking plant of Panzhihua City Hidili Coke Company Limited, a wholly-owned subsidiary of the Company, in Sichuan province with a coke production capacity of 0.6 million tonnes per annum, has been listed by the Ministry of Industry and Information Technology (工業和信息化部) of the People's Republic of China (the "MIIT") as one of the first batches of enterprises with obsolete industrial production capability for this year as per the Notice on Further Enhancing the Elimination of Obsolete Production Capacities (Guo Fa (2010) No. 7) issued by the State Council of the People's Republic of China 《國務院關於進一步加強淘汰落後產能工作的通知》(國發[2010]7號) and the Notice on the Targets of the Elimination of 19 Industries with Obsolete Production Capacities for 2013 (Gong Xin Bu Chan Ye (2013) No. 102)* issued by the MIIT 《工業和信息化部關於下達2013年19個工業行業淘汰落後產能目標任務的通知》(工信部產業[2013]102號). The Company is taking actions to comply with the above requirements.

In future, our business in Sichuan province will merely focus on raw coal mining and clean coal processing.

* for identification purposes only

The major operational data for the three months ended 30 September 2013 was calculated based on the internal statistics of the Company and are intended to give investors an overview of the production and operation of the Group. 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 productive and operational data does not make any express or implied forecasts or guarantees in respect of the Group'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 of
Hidili Industry International Development Limited
Xian Yang
Chairman

Hong Kong
18 October 2013

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