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中國秦發集團有限公司  
**CHINA QINFA GROUP LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 866)**

**APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

The board (the “**Board**”) of directors (the “**Directors**”) of China Qinfa Group Limited (the “**Company**”) is pleased to announce that Dr. QIAN Pingfan has been appointed as an independent non-executive Director, member of the audit committee, member of the remuneration committee and member of the nomination committee of the Board with effect from 20 September 2010.

Dr. QIAN, aged 45, currently the officer and researcher of the Industrial Development Research Centre, has worked for the Industrial Economics Research Department of the Development and Research Centre of the State Council of the People’s Republic of China (the “**PRC**”) since 1999, focusing on the research on the coal and automobile industries, with particular insight in coal supply chain management. Dr. QIAN has also been a guest professor and tutor of doctoral degree students at China University of Geosciences (Beijing Campus) since April 2009.

Dr. QIAN obtained a bachelor’s degree in engineering from the South China University of Technology in 1989. From 1993 to 1998, Dr. QIAN studied in Fudan University and formally obtained a master’s degree in business administration in January 1996 and a doctoral degree in industrial economics in January 1999.

Pursuant to the letter of appointment dated 20 September 2010 entered into between the Company and Mr. QIAN, Mr. QIAN was appointed as an independent non-executive Director for one year commencing from 20 September 2010 unless previously terminated in accordance with the terms and conditions specified therein. In compliance with the requirement of his work unit, Dr. QIAN has confirmed that he will waive any director’s fee throughout the term of his appointment.

Pursuant to article 83 of the articles of association of the Company, Dr. QIAN shall hold office until the next general meeting of the Company and shall then be eligible for re-election. If re-elected, Dr. QIAN is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to article 84 of the articles of association of the Company.

Dr. QIAN Pingfan does not have interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571, Laws of Hong Kong, and Dr. QIAN does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Dr. QIAN did not hold any directorship in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed herein, there is no information which is discloseable nor is/was Dr. QIAN Pingfan involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange, and the Board is not aware of any other matters which need to be brought to the attention of the shareholders of the Company.

The Board takes this opportunity to welcome Dr. QIAN Pingfan.

By order of the Board of  
**CHINA QINFA GROUP LIMITED**  
**XU Jihua**  
*Chairman*

*As at the date of this announcement, the Board comprises Mr. XU Jihua, Ms. WANG Jianfei, Ms. LIU Xiaomei and Mr. WENG Li as the executive Directors, and Mr. HUANG Guosheng, Mr. LAU Sik Yuen and Dr. QIAN Pingfan as the independent non-executive Directors.*

Hong Kong, 20 September 2010