

【For Immediate Release】



Qinfa Group Collaborates with Hebei Port Group to Construct Public Dry-Bulk Coal Terminal in Gao Langang Zone, Zhuhai, China

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Will Function as Qinfa Group's Coal Transshipment Hub in Southern China and Enhance Its Integrated Coal Supply Chain

(Hong Kong, 28 September 2009) – **China Qinfa Group Limited** (“**Qinfa Group**”) (**stock code: 866.HK**), a leading coal operator in China, today held a foundation laying ceremony in Zhuhai for the construction of a public dry-bulk coal terminal (“**Zhuhai Terminal**”) in Gao Langang Zone, Zhuhai. The ceremony was attended by Mr. GAN Lin, Secretary of CPC Zhuhai Municipal Committee, Mr. ZHONG Shijian, Deputy Mayor of Zhuhai Municipal, Mr. HE Ningka, Executive Deputy Mayor of Zhuhai Municipal, Mr. ZHAO Jianguo, Deputy Mayor of Zhuhai Municipal, Mr. XIONG Canjun, Secretary-General and government officials from Gaolangang Economic Zone, Municipal Port Authority, Zhuhai Port Holdings Group and related authorities in Zhuhai, including National Development and Reform Commission (“NDRC”), Major Projects Office, Planning Bureau, State Oceanic Administration, Ministry of Environmental Protection and Transportation Bureau. Representatives of Qinfa Group's project partners, customers and the media also attended the ceremony showing their strong support on the construction of the Zhuhai Terminal.

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Zhuhai Terminal is jointly developed by Qinfu Group and Hebei Port Group Co., Ltd. (“**Hebei Port Group**” was formally established after restructuring all ports companies in Hebei Province in 2009) with a total investment of approximately RMB1.5 billion. Upon completion of the project, one of the berths will be constructed as 100,000 DWT¹ berth (construction structure: 150,000 DWT), with an aggregate annual throughput capacity of 20 million tonnes. Relevant approvals from the Ministry of Environmental Protection, Ministry of Land and Resources, Ministry of Transport, State Oceanic Administration and NDRC for construction of the terminal have been obtained, and public dry-bulk coal terminal is expected to commence operation in the second quarter of 2012.

The dry bulk berthing capacity along the costal areas in Pearl River Delta of China is currently below 60,000 DWT. Once the project is completed, the Zhuhai Terminal will be the only coal terminal along the costal areas in Pearl River Delta capable of accommodating capsized vessels. Furthermore, the Zhuhai Terminal is strategically located in the southwestern region of Zhuhai allowing Qinfu Group to reach its customers located in the coal consuming coastal cities of southern China more easily and to react quickly to customers’ needs and benefit from the lower transportation costs.

The Zhuhai Terminal together with Qinfu Group’s four existing coal loading stations in China will form a fully integrated supply chain of coal to offer customers with one-stop services ranging from sourcing, transportation to sales across the entire country. In addition, the Zhuhai Terminal will function as Qinfu Group’s coal transshipment hub, coal blending center and storage base for southern China and overseas markets. Upon completion of the project, Qinfu Group expects its annual coal storage capacity will increase from 2 million tonnes to 2.9 million tonnes, representing an increase of approximately 45.0% and annual coal blending capability will rise by approximately over 100%, from 4 million tonnes to approximately 10 million tonnes, making Qinfu Group a leading coal operator in China with international transportation and sourcing capability. Moreover, the Zhuhai Terminal will strengthen Qinfu Group’s sourcing ability and sales of coal.

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¹ The deadweight of a ship expressed in tonnes. This measurement is the total weight of cargo, fuel, fresh water, stores and crew which the ship can carry.

Hebei Port Group is a State-owned port group in Hebei Province. It is a conglomerate integrating the functions of port construction, development, operation along with State-owned assets management, investment and financing. Its coal terminal in Qinhuangdao, Hebei Province, China is the world's largest coal export port with 49 berths, 21 of which are dedicated as coal berths with the annual coal export volume accounting for nearly one-half of total coal shipments at all ports in China. With its extensive port management experience, Hebei Port Group can complement Qinfra Group in the development of the Zhuhai Terminal project.

Ms. WANG Jianfei, Chief Executive Officer of Qinfra Group, said, "I am pleased to see our partnership with Hebei Port Group in the cooperation on the Zhuhai Terminal project, which is another milestone in Qinfra Group's development. Apart from facilitating Qinfra Group to complete the nationwide expansion of its sales network, connecting the Northern China region from Inner Mongolia to Shanxi Province and Hebei Province and further expand the Southern China region with the Zhuhai Terminal, the project will also substantially enhance our coal procurement and sales, coal storage and blending capacities. Looking ahead, we will capture opportunities arising from continuous growth of the coal market and strive to extend the coal industry supply chain so as to strengthen our position as the largest private-owned coal operator in China."

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About China Qinfra Group Limited (Stock code: 866.HK)

Qinfra Group, a leading coal operator in China, is principally engaged in the integrated coal operation business involving purchase and sales, filtering, storage, blending, shipping and transportation of coal. Qinfra Group is strategically located in Hong Kong, Datong, Yangyuan, Qinhuangdao, Inner Mongolia, Zhuhai and Guangzhou. Qinfra Group has been listed on the main board of the Hong Kong Stock Exchange since 3 July 2009.

About Hebei Port Group Co., Ltd.

Hebei Port Group Co., Ltd., formally established in 2009, is a conglomerate integrating the functions of port construction, development and operation along with State-owned assets management, investment and financing. Its coal terminal in Qinhuangdao is the world's largest coal export port.

Media enquiries:

Strategic Financial Relations (China) Limited

Serine Li	Tel: 2864 4811	Email: serine.li@sprg.com.hk
Winnie Lau	Tel: 2864 4876	Email: winnie.lau@sprg.com.hk
Krista Chen	Tel: 2864 4837	Email: krista.chen@sprg.com.hk
Hedy Shen	Tel: 2864 4850	Email: hedy.shen@sprg.com.hk

Fax: 2527 1271