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CHINA LNG GROUP LIMITED

中國天然氣集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 931)

INSIDE INFORMATION

LETTERS OF INTENT IN RELATION TO THE LNG BUSINESSES SEPARATELY WITH LIANYUNGAN HAITONG GROUP AND MONGOLIA GENGHIS KHAN GROUP

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions.

The Company is pleased to announce that, on 8 April 2015 (after trading hours), the Company entered into two separate LOIs with each of Lianyungan Haitong Group and Mongolia Genghis Khan Group in relation to cooperation in promoting the application of LNG vehicles in the PRC and Mongolia.

The Board wishes to emphasize that no binding agreement in relation to the Cooperation has been entered into as at the date of this announcement. As the Cooperation may or may not proceed, investors and Shareholders are urged to exercise caution when dealing in the shares of the Company. Further announcements in respect of the Cooperation will be made by the Company as and when appropriate in accordance with the Listing Rules.

This announcement is made by China LNG Group Limited (the “**Company**” and its subsidiaries, collectively referred to as the “**Group**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The purpose of this announcement is to enable the shareholders of the Company (the “**Shareholders**”) and the public to appraise the position of the Group.

Reference are made to the announcements of the Company dated 31 March 2014, 22 April 2014, 25 June 2014, 26 June 2014, 28 July 2014, 29 July 2014, 4 August 2014, 10 September 2014, 14 October 2014, 25 November 2014, 27 November 2014, 5 December 2014 and 19 December 2014 in relation to development of the liquefied natural gas (“LNG”) businesses in the People’s Republic of China (the “PRC”).

The board (the “**Board**”) of directors (the “**Director**”) of the Company announces that on 8 April 2015 (after trading hours), the Company entered into two separate letters of intent (the “**LOIs**”) with each of Lianyungang Haitong Group Company Limited* (連雲港海通集團有限責任公司) (“**Haitong**”) and Mongolia Genghis Khan Group* (蒙古國成吉思汗集團)(“**Genghis Khan Group**”), in relation to cooperation in promotion of LNG heavy vehicles and LNG buses in the PRC and Mongolia (the “**Cooperation**”).

To the best of the knowledge, information and belief having made all reasonable enquiries by the directors of the Company and Haitong and Genghis Khan Group and their ultimate beneficial owners are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

LOI WITH HAITONG

Pursuant to the LOI entered into between the Company and Haitong, the Cooperation includes the following:

- (1) the Company is willing to invest in new environmental cars and buses and LNG heavy vehicles;
- (2) Haitong is willing to reform its existing transport from using fuel to LNG;
- (3) the Company will take advantage of its listing status to assist Lianyuangang to provide environmental transport; and
- (4) the parties agree to enter into specific cooperation contract within 6 months.

LOI WITH GENGHIS KHAN GROUP

Pursuant to the LOI entered into between the Company and Genghis Khan Group, the Cooperation includes the following:

- (1) the Company is willing to invest in new environmental cars and buses and LNG heavy vehicles;
- (2) Genghis Khan Group is willing to reform the existing transport in Ulaanbaatar Mongolia from using fuel to LNG; and
- (3) the Company will take advantage of its listing status to assist Ulaanbaatar Mongolia to provide environmental transport.

INFORMATION ABOUT HAITONG

Haitong is established in Lianyungang, Jiangsu province, the PRC in August 2001, a wholly state-owned company approved by the people's government of Lianyungang city. It is a municipal key transportation enterprise. The registered capital of Haitong is Rmb250 million (approximately HK\$316,565,000). Haitong has around 11 subsidiaries which are mainly engaged in passenger transport, cargo transport, road construction industry and the upstream and downstream derivatives. In the aspect of passenger transportation, Haitong's group has more than 772 long-distance buses, 154 urban buses, 604 regular buses and 1111 taxis which account for 70% of the total taxis in the city. Cargo transportation is mainly engaged in container transport, dangerous goods and bulk transport, inland river and ocean shipping, etc. Haitong's group has 585 container vehicles, more than 145 inland river ships, mainly responsible for port transportation, logistics, and transshipments. Haitong plans to purchase around 600 LNG vehicles in future.

INFORMATION ABOUT MONGOLIA GENGHIS KHAN GROUP

In addition to nearly one hundred mines of its own in Mongolia, Genghis Khan Group, in possess of several large farms, is currently involved in the municipal engineering of capital Ulaanbaatar and LNG related infrastructure investment on coal channel highways to China's Inner Mongolia; at the same time, Genghis Khan Group, chairing the Mongolia and China Economic and Trade Association, is now committed to clean transportation sector and hopes to promote the development of Mongolia's LNG industry through the Company.

REASON FOR ENTERING INTO THE LOIs

In 2013, Chairman Xi Jinping successively put forward the idea of "the Silk Road Economic Belt" and "the 21st Century Maritime Silk Road" (i.e. "One Belt and One Road"). In 2014, in the First Plenary Session of 10th Asia-Europe Meeting (ASEM), Premier Li Keqiang put forward that China is willing to build network with Asian and European countries through "One Belt and One Road". On 5 March 2015, Global President Association together with China Association for International Economic Cooperation, World Chinese Merchants Union Association, China Institute of Tourism Economy and Cultural Industry and Silk Road International Forum Organizing Committee, jointly organised the Launching Ceremony for the "Retrace of the Silk Road for the Million Chinese Merchants" in Pingyao Shanxi, promoting long-distance recreational vehicles covering the Silk Road of northern grassland, ancient tea route and route from Lianyungang to Europe, while travelling and investigating projects along the way. During the aforementioned Launching Ceremony, the Company presented our plan to develop LNG businesses in countries and districts along the ancient Silk Road.

At the beginning of the "One Belt and One Road", the Company will invest in LNG vehicles in Lianyungang City Jiangsu Province and in Ulaanbaatar Mongolia respectively to transform existing transportation means so as to reduce fog and haze along the Silk Road. The Company will spare no effort to improve the environment and enhance air quality as our own duty, fighting to reclaim the blue sky of China.

The Company is principally engaged in property investment, trading of securities and development of LNG businesses. The Group is actively exploring for business opportunities in other sectors to diversify its business into industries that provide better returns for the shareholders of the Company and broaden the sources of income of the Group. During the year 2014, the Company has entered into no less than seventeen strategic cooperation framework agreements/letters of intent with various PRC government departments, PRC listed companies and PRC private companies in relation to investment in aspects of application of LNG related businesses. Accordingly, the Company has decided to enter into two separate LOIs with each of Haitong and Genghis Khan Group in relation to cooperation in promoting the application of LNG vehicles in the PRC and Mongolia.

The Board wishes to emphasize that no binding agreement in relation to the Cooperation has been entered into as at the date of this announcement. As the Cooperation may or may not proceed, investors and Shareholders are urged to exercise caution when dealing in the shares of the Company. Further announcement in respect of the possible Cooperation will be made by the Company as and when appropriate in accordance with the Listing Rules.

The figures in Rmb are converted into HK\$ at the rate of Rmb1: HK\$1.26626 throughout this announcement for indicative purpose only.

By order of the Board of Directors
China LNG Group Limited
Kan Che Kin, Billy Albert
Chairman

Hong Kong, 8 April 2015

As at the date of this announcement, the executive Directors are Mr. Kan Che Kin, Billy Albert, Mr. Chen Li Bo, Ms. Li Shu Han, Eleanor Stella and Mr. Li Kai Yien, Arthur Albert; the non-executive Directors are Mr. Simon Murray and Dr. Lam, Lee G; the independent non-executive Directors are Mr. Li Siu Yui, Mr. Ip Woon Lai and Mr. Lee Kong Leong.

** for identification purpose only*