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CHINA XLX FERTILISER LTD.

中國心連心化肥有限公司*

(Incorporated in Singapore with limited liability)

(Hong Kong Stock Code: 1866)

VOLUNTARY ANNOUNCEMENT

**COMPLETION OF THE CONSTRUCTION OF THE FIFTH PRODUCTION
PLANT AND SUCCESSFUL COMMENCEMENT OF PRODUCTION**

The board of directors of China XLX Fertiliser Ltd. (the “**Company**”) is pleased to announce that the construction of the fifth production plant has been completed and production has also commenced successfully. In terms of production capacity, the fifth production plant is expected to have an annual production capacity of 520,000 tons of urea. With this, we estimate that the Company and its subsidiaries (the “**Group**”) will have an annual urea production capacity of over 2,600,000 tons, hence consolidating the Group’s position as one of the largest single scale urea production units and the largest non-state-owned urea producers in the PRC.

In terms of technology, as with the fourth production plant, the fifth production plant has adopted advanced coal gasification technologies. With our experience from operating the fourth production plant, we expect the fifth production plant will further enhance the Group’s technical capabilities, reduce production costs and improve production efficiency of the Group as a whole. With the establishment of the fifth production plant in Xinjiang, the Group can take full advantage of “One Belt, One Road” and the Western Development preferential policies of the Chinese central government, which can further strengthen the overall competitiveness and enhance the industry position of the Group.

The fifth production plant is the Group's first production plant in Xinjiang. Through this expansion, the Group can extend its geographical coverage to Xinjiang, marking an important step in implementing the overall expansion plan. In Xinjiang, the Group owns two coal mines named Manas Tianli and Manas Tianxin. Proximity to such coal resources will give the Group a quick access to quality raw materials and further reduce production costs. The Group will continue to explore opportunities upstream for coal resources and expand downstream for product chains, with a view to embarking on a diversified development of coal chemicals.

By Order of the Board

Liu Xingxu

Chairman & Chief Executive Officer

3 August 2015

As at the date of this announcement, the executive directors of the Company are Mr. Liu Xingxu, Ms. Yan Yunhua and Mr. Zhang Qingjin; the independent non-executive directors of the Company are Mr. Ong Kian Guan, Mr. Li Shengxiao and Mr. Ong Wei Jin; and the non-executive director of the Company is Mr. Lian Jie.

**for identification purpose only*