

## Coal Segment

### Coal Mines

- 01 Shendong Mines:**

Located in the Shenfu Dongsheng coal field, sitting on the border of the Shaanxi Province and the Inner Mongolia Autonomous Region in Northern China. Shendong Mines has a simple geological composition with low methane gas levels, and thick, relatively flatlying coal seams located near the surface. The products of Shendong Mines mainly comprise of quality thermal coal. Based on the production volume in 2006, the Bulianta mine is the world's first underground mine with annual coal production over 20 million tonnes. In 2006, re-construction and expansion were carried out mainly to the mines in Shigetai and Wulanmulun, and a technological revamp was carried out in Shangwan mine and Bulianta mine; the mine in Jinjie Energy commenced operations in September 2006.
- 02 Wanli Mines:**

Located in the north of Shenfu Dongsheng coal field and Zhunge'er coal field. In 2006, technological revamp was carried out mainly to Wanli No.1 mine, Liuta mine, Tanggonggou mine and Cuncaota mine, thus laying a foundation for improvements to production capacity. At present, construction of Bu'ertai mine and its coal preparation plant is progressing smoothly.
- 03 Zhunge'er Mines:**

Located in the Zhunge'er coal field of Inner Mongolia Autonomous Region. Zhunge'er Mines comprises of two open-cut mines: Heidaigou mine and Ha'erwusu mine. In 2006, production of coal in Heidaigou mine amounted to 23.5 million tonnes, making it the largest open-cut mine in the PRC. Construction of Ha'erwusu mine commenced in May 2006 and has been progressing smoothly.
- 04 Shengli Mines:**

Located in the Shengli coal field in Inner Mongolia Autonomous Region. Shengli Mines mainly produces brown coal, which has lower calorific value as compared with that of coal produced in the rest of our mines. In 2006, construction of the open-cut mine of Shengli No.1 had been progressing smoothly.

### Railways

- 05 Baoshen Railway:**

Total length of 172 km, running from Baotou in Inner Mongolia Autonomous Region to Daliuta in Shaanxi Province. Baoshen Railway is a single-line railway. In 2006, the transportation volume of Baoshen Railway amounted to 16.6 million tonnes. In 2006, the double-line of Ciyaowan – Batuta section and Bu'ertai coal mine special railway were constructed and a technological revamp was carried out to Hanjiacun Station.
- 06 Shenshuo Railway:**

Total length of 270 km, running from the Daliuta mine in Shaanxi Province to Shuozhou in Shanxi Province. Shenshuo Railway is a double-line electric railway. In 2006, the transportation volume of Shenshuo Railway amounted to 128.1 million tonnes.
- 07 Shuohuang Railway:**

Total length of 594 km, running from the Shenchi South Station of Shenshuo Railway to Huanghua Port in Hebei Province. Shuohuang Railway is a double-line electric railway. In 2006, the transportation volume of Shuohuang Railway amounted to 112.2 million tonnes.
- 08 Dazhun Railway:**

Total length of 264 km, running from Zhunge'er in Inner Mongolia Autonomous Region to Datong in Shanxi Province, and connecting with Daqin Railway. Dazhun Railway is a single-line electric railway. In 2006, the transportation volume of Dazhun Railway amounted to 41.4 million tonnes. Improvement works to the Dazhun Railway stations was completed in 2006.
- 09 Huangwan Railway:**

Total length of 67 km, running from Huanghua South Station of the Shuohuang Railway to the Wanjia dock in Tianjin. Huangwan Railway is a single-line electric railway. In October 2006, Huangwan Railway was fully put into operation.

### Ports

- 10 Huanghua Port:**

Located in Huanghua City in Hebei Province, it is the east terminal station of Shuohuang Railway. It is the principal seaborne port for the transportation of coal for customers along the coastal provinces of China and for export to markets in the Asian Pacific Region. There are seven coal berths and two berths for bulk cargo in Huanghua Port. As at the end of 2006, its seaborne capacity amounted to 80 million tonnes, of which the settled seaborne coal volume amounted to 79.2 million tonnes. In December 2006, Phase II construction works of Huanghua Port was completed and passed the subsequent State examination and inspection. Dredging and widening of the sailing route is still being carried out.
- 11 Shenhua Tianjin Coal Dock:**

Located within the Tianjin Port with three berths, is capable of accommodating ships with a freight capacity of up to 150,000 tonnes, it provides a new seaborne channel for Shenhua's coal transportation. As at the end of 2006, the seaborne capacity for coal amounted to 35 million tonnes, of which the settled seaborne coal volume amounted to 1.6 million tonnes. Trial operation of Shenhua Tianjin Coal Dock commenced in October 2006. Planning for construction of three additional berths is underway.

## Power Segment

### Power Plants

- 12 Huanghua Power:**  
Located in Hebei Province and adjacent to our Huanghua Port. It is one of the key power plants supplying power to the Hebei South Power Grid. As at 31 December 2006, Huanghua Power operated two 600 MW coal-fired generation units. The gross power generation in 2006 amounted to 1.97 billion kwh and the average utilisation hours amounted to 5,943 hours. The fresh water used by Huanghua Power comes from a desalting plant with a daily production capacity of 20,000 tonnes. In June and December 2006, Units No.1 and 2 passed a 168 hours full-load trial operation and were put into commercial operation.
- 13 Panshan Power:**  
Located in Hebei Province and one of the key power plants supplying power to the Beijing-Tianjin-Tangshan Power Grid. As at 31 December 2006, Panshan Power operated two 500 MW coal-fired generation units. The gross power generation in 2006 amounted to 5.88 billion kwh and the average utilisation hours amounted to 5,881 hours.
- 14 Sanhe Power:**  
Located in Hebei Province and one of the key power plants supplying power to the Beijing-Tianjin-Tangshan Power Grid. As at 31 December 2006, Sanhe Power operated two 350 MW coal-fired generation units. In 2006, the gross power generation amounted to 4.21 billion kwh, and the average utilisation hours amounted to 6,008 hours. At present, construction of two 300 MW coal-fired units for Phase II is in progress, and will be equipped with a flue gas desulphurisation ("FGD") system, a de-NOx system and a system for purifying effluents for recycling. Sanhe Power also adopts the advanced "smoke-tower combination" technology.
- 15 Guohua Zhunge'er:**  
Located in Inner Mongolia Autonomous Region and adjacent to our Heidaigou mine. It is one of the key power plants supplying power to the Beijing-Tianjin-Tangshan Power Grid via the West Inner Mongolia Power Grid. As at 31 December 2006, Guohua Zhunge'er operated two 330 MW coal-fired generation units. The gross power generation in 2006 amounted to 4.63 billion kwh and the average utilisation hours amounted to 7,009 hours. At present, construction of two additional 330 MW coal-fired generation units is underway.
- 16 Beijing Thermal:**  
Located in Beijing, it supplies power and heat to Beijing. As at 31 December 2006, Beijing Thermal operated two 200 MW coal-fired generation units. It applies environmentally friendly technologies such as FGD and rigorous standards for waste water and noise treatment. The gross power generation in 2006 amounted to 2.37 billion kwh and the average utilisation hours amounted to 5,925 hours.
- 17 Zhunge'er Power:**  
Located in Inner Mongolia Autonomous Region and adjacent to our Heidaigou mine. It is one of the power plants supplying power to the North China Power Grid. As at 31 December 2006, Zhunge'er Energy operated two 100 MW coal-fired generation units. The gross power generation in 2006 amounted to 1.56 billion kwh and the average utilisation hours amounted to 7,804 hours.
- 18 Suizhong Power:**  
Located in Liaoning Province and one of the power plants supplying power to the Northeast Power Grid. As at 31 December 2006, Suizhong Power operated two 800 MW coal-fired generation units. The gross power generation in 2006 amounted to 10.47 billion kwh and the average utilisation hours amounted to 6,541 hours.
- 19 Ninghai Power:**  
Located in Zhejiang Province and one of the key power plants supplying power to the East China Power Grid. As at 31 December 2006, Ninghai Power operated four 600 MW coal-fired generation units. The gross power generation in 2006 amounted to 6.83 billion kwh and the average utilisation hours amounted to 5,515 hours. Units No.3, 1 and 4 of Ninghai Power Phase I passed a 168 hours full-load trial operation and trial operation of the FGD system in May, August and November 2006, respectively, and had been put into commercial operation. Unit No.4 had also successfully simultaneously operated the de-NOx system. In December 2006, construction of two 1,000 MW ultra super critical coal-fired generation units of Ninghai Power Phase II was commenced, and FGD and de-NOx systems will be simultaneously installed.
- 20 Jinjie Energy:**  
Located in Shaanxi Province, it supplies power to the Hebei South Power Grid via the Jinjie-Xinzhou-Shijiazhuang 500,000 volt high-tension transmission line. As at 31 December 2006, Jinjie Energy operated one 600 MW coal-fired generation unit. The gross power generation in 2006 amounted to 910 million kwh and the average utilisation hours amounted to 5,958 hours. Unit No.1 of Jinjie Energy passed a 168 hours full-load trial operation in September 2006 and had been put into commercial operation. A further three generation units are being constructed.
- 21 Shenmu Power:**  
Located in Shaanxi Province and one of the power plants supplying power to the Northwest Power Grid. As at 31 December 2006, Shenmu Power operated two 100 MW coal-fired generation units. The gross power generation in 2006 amounted to 1.32 billion kwh and the average utilisation hours amounted to 6,596 hours.
- 22 Taishan Power:**  
Located in Guangdong province and one of the key power plants supplying power to the Pearl River Delta regions. As at 31 December 2006, Taishan Power operated five 600 MW coal-fired generation units. The gross power generation in 2006 amounted to 15.23 billion kwh and the average utilisation hours amounted to 6,464 hours. Units No.3, 4 and 5 of Taishan Power Phase I passed a 168 hours full-load trial operation and had been put into commercial operation in January, February and October 2006, respectively. To date, construction of the five 600MW of Taishan Power Phase I has been completed with an aggregate installed capacity of 3,000 MW, thus making it the largest coal-fired power plant supplying the Southern Power Grid.