Form of Share Buyback Report to The Stock Exchange of Hong Kong Limited ("the Exchange")

To: The GEM Listing Division The Stock Exchange of Hong Kong Limited							19 May 2008		
Dear Sirs,									
Name of Company: Zhongyu Gas Holdings Limited									
Description	of Securities:	Ordinary s	shares						
A. Purchase Report									
We hereby	report the follo	owing purch	ases by our comp	any of the above s	ecurities.				
Trading		nber of curities chased	Method of Purchase*	Price per Share or Highest Price <u>Paid \$</u>	Lowest Price <u>Paid \$</u>		Total <u>Paid \$</u>		
19 May 2008	31	314,000		0.74	0.73		231,280		
Total	31	4,000				231,280)	
arra	er on the Exc ngement or by itional Informa	general off		change (stating the	e name of the	he exch	ange), b	y private	
1.	Number of such securities purchased on the Exchange in the year to date (since ordinary resolution)					(a)		6,302,000	
2.	 % of issued share capital at time ordinary resolution passed acquired on the Exchange since date of resolution 								
	((a) x 100)					
	issued share capital							0.32%	

We hereby confirm that the purchases set out in A above which were made on the Exchange were made in accordance with the "Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited" and that there have been no material changes to the particulars contained in the Explanatory Statement dated 30 March 2007 which has been filed with the Exchange. We also confirm that any purchases set out in A above which were made on another stock exchange were made in accordance with the domestic rules applying to purchases made on that other exchange.

Yours faithfully,
Lui Siu Keung
Company Secretary
for and on behalf of
Zhongyu Gas Holdings Limited