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中裕燃氣控股有限公司

ZHONGYU GAS HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8070)

ANNOUNCEMENT

The board (the “Board”) of directors of Zhongyu Gas Holdings Limited (the “Company”) has noted today’s decrease in the price and increase in the trading volume of the shares of the Company and wishes to state that, the Board is not aware of any reasons for such unusual movement.

The Company is currently in negotiation with an independent third party for possible acquisition of equity interests in a company, which, if concluded, may constitute a notifiable transaction for the Company under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”). The negotiation is still in progress and the terms of the proposed transaction have not been finalized. As at the date of this announcement, no agreement has been entered for such proposed transaction and such proposed transaction may or may not proceed. Also, the Board does not consider that such proposed transaction is of a price-sensitive nature or would have a significant effect on the price of the Company’s shares.

Save as disclosed above, the Board hereby confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of the Company (the “Directors”) collectively and individually accept responsibility for the accuracy of this announcement.

By Order of the Board
Zhongyu Gas Holdings Limited
Wang Wenliang
Chairman

Zhengzhou, the PRC, 27 November 2008

As at the date of this announcement, the Board comprises Mr. Wang Wenliang, Mr. Hao Yu, Mr. Lu Zhaoheng and Mr. Lui Siu Keung, being the executive Directors, Mr. Xu Yongxuan, being the non-executive Directors and Mr. Wang Shunlong, Dr. Luo Yongtai and Mr. Hung, Randy King Kuen, being the independent non-executive Directors.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its publication and on the Company’s website at <http://www.zygas.com.cn>.