

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SINO DRAGON NEW ENERGY HOLDINGS LIMITED
中國龍新能源控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0395)

CHANGE IN AUDITORS

The Board announces that KPMG have resigned as auditors of the Company with effect from 20 December 2012.

The Board also announces that RSM Nelson Wheeler has been appointed as auditors of the Company to fill the casual vacancy following the resignation of KPMG and to hold office until the conclusion of the next annual general meeting of the Company.

The board of directors (the “Board”) of Sino Dragon New Energy Holdings Limited (the “Company”) announces that KPMG have resigned as auditors of the Company with effect from 20 December 2012 for the reason that the Company and KPMG could not reach consensus on the audit fees for the year ending 31 December 2012. KPMG have confirmed in their notice of resignation that there are no matters or circumstances connected with their resignation that need to be brought to the attention of the shareholders of the Company (the “Shareholders”).

The Board and the audit committee of the Company also confirm that there are no disagreements between the Company and KPMG and there are no matters in respect of the resignation of KPMG which they consider should be brought to the attention of the Shareholders.

The Board also announces that RSM Nelson Wheeler has been appointed as auditors of the Company with effect from 20 December 2012 to fill the casual vacancy following the resignation of KPMG and to hold office until the conclusion of the next annual general meeting of the Company.

The Board would like to take this opportunity to express its gratitude to KPMG for their professional services and support in the past years.

By Order of the Board
SINO DRAGON NEW ENERGY HOLDINGS LIMITED
Yang Xin Min
Chairman

Hong Kong, 20 December 2012

As at the date of this announcement, the Directors of the Company are Mr. Yang Xin Min, Ms. Huang Yue Qin, Mr. Zhou Quan, and Mr. Fang Guo Hong as Executive Directors, Mr. Wang Jia Wei as Non-Executive Director and Dr. Cheng Faat Ting Gary, Prof. Ji Chang Ming and Mr. Poon Lai Yin Michael as Independent Non-Executive Directors.

** for identification purposes only*