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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)

RESIGNATION AND APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board announces that Mr. Wang Shunlong has tendered his resignation as an independent non-executive Director, chairman of the Company's audit committee and remuneration committee with effect from 5 October 2010 so as to concentrate on his other personal commitments.

Mr. Wang has confirmed to the Board that there is no disagreement between him and the Board and that there are no other matters in relation to his resignation that need to be brought to the attention of the shareholders of the Company.

The Board is pleased to announce the appointment of Mr. Li Chunyan as an independent non-executive Director, chairman of the Company's audit committee and remuneration committee with effect from 5 October 2010.

RESIGNATION OF MR. WANG SHUNLONG AS AN INDEPENDENT NON-EXECUTION DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Zhongyu Gas Holdings Limited (the “**Company**”) announces that Mr. Wang Shunlong (“**Mr. Wang**”) has tendered his resignation as an independent non-executive Director, chairman of the Company's audit committee and remuneration committee with effect from 5 October 2010 so as to concentrate on his other personal commitments.

Mr. Wang has confirmed to the Board that there is no disagreement between him and the Board and that there are no other matters in relation to his resignation that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere gratitude to Mr. Wang for his valuable contribution to the Company during his tenure of service.

APPOINTMENT OF MR. LI CHUNYAN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board is pleased to announce the appointment of Mr. Li Chunyan (“**Mr. Li**”) as an independent non-executive Director, chairman of the Company’s audit committee and remuneration committee with effect from 5 October 2010.

Mr. Li, aged 45, is currently a registered lawyer at He Nan Shi Ji Tong law offices (河南世紀通律師事務所) and is also a registered accountant, registered assets valuer and registered tax adviser in the People’s Republic of China (“**PRC**”). Mr. Li has acted as legal adviser to the Henan province hospital authority, the Henan province television station and other listed companies listed in the PRC and overseas.

Mr. Li held directorships in the following public companies in the last three years preceding the date of this announcement:

Name of company and company details	Position	Period of directorship
Henan Pinggao Electric Co. Ltd. (listed on the Shanghai Stock Exchange (600312), and business involves researching, developing and manufacturing high voltage and ultrahigh voltage switchgear of China)	Independent non-executive director	March 2008 to March 2011
Shen Ma Industry Co., Ltd. (listed on the Shanghai Stock Exchange (600810), and business involves producing nylon 66 tire cord fabric, industrial yarn, engineering plastics, rubber tyre sets, caustic soda and resin)	Independent non-executive director	June 2002 to June 2008
Xinxiang Huaxian Holdings Co., Ltd. (新鄉化纖股份有限公司), the controlling shareholder of Xinxiang Bailu Chemical Fibre Group Co., Ltd. (formerly Xinxiang Chemical Fibre Plant) (listed on the Shenzhen Stock Exchange (000949), and business involves the production of centrifugal viscose rayon filament yarn, continuous viscose rayon filament yarn, viscose staple fibre, polyester and spandex)	Independent non-executive director	April 2002 to June 2008

Name of company and company details	Position	Period of directorship
Henan Huanghe Whirlwind Co., Ltd. (listed on the Shanghai Stock Exchange (600172) and business involves the supply of synthetic diamond and diamond tools in China, including super hard materials (synthetic diamond, CBN, coated diamond, diamond micron powder), diamond tools, UDS series presses, construction machinery, special vehicles and automatic control-system)	Independent non-executive director	April 2005 to April 2008

Other than his directorship in the Company, Mr. Li does not have any relationship with any other director, senior management, substantial shareholders (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”)), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

As at the date of this announcement, there is no service agreement between Mr. Li and the Company in respect of his directorship. Mr. Li is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Mr. Li is entitled to a director’s fee of HK\$100,000 per year which was determined at arm’s length basis between the Company and Mr. Li with reference to the prevailing market conditions. Save as disclosed herein, there will be no other benefits provided to Mr. Li for his directorship in the Company.

As at the date of this announcement, Mr. Li does not have any interests in any shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

In relation to the appointment of Mr. Li as an independent non-executive Director, save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements of Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders in connection with Mr. Li’s appointment as an independent non-executive Director.

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

Hong Kong, 5 October 2010

As at the date of this announcement, the executive Directors are Mr. Wang Wenliang, Mr. Lu Zhaoheng, Mr. Lui Siu Keung and Mr. Huang Yong, the non-executive Director are Mr. Xu Yongxuan and Mr. Xu Chao Ping and the independent non-executive Directors are Dr. Luo Yongtai, Mr. Hung, Randy King Kuen and Mr. Li Chunyan.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for 7 days from the date of its publication and on the Company’s website at <http://www.zygas.com.cn>.