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China Suntien Green Energy Corporation Limited*
新天綠色能源股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00956)

DISCLOSEABLE TRANSACTION
ESTABLISHMENT OF A JOINT VENTURE COMPANY

The board of Directors of the Company is pleased to announce that Hebei Natural Gas, a non-wholly owned subsidiary of the Company, entered into the Joint Venture Contract with PetroChina and BE Group on 16 October 2011 to establish the Joint Venture Company. Upon completion of the Transaction, the Joint Venture Company will be owned as to 51%, 29% and 20% by PetroChina, BE Group and Hebei Natural Gas, respectively.

As the highest applicable percentage ratio of the Transaction under the Listing Rules exceeds 5% but is less than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirement but is exempt from independent shareholders' approval requirement.

BACKGROUND

Reference is made to disclosure in the section headed "Business — Our Strategies — Diversify natural gas supply sources and existing natural gas business" in the prospectus of the Company dated 30 September 2010. The board of Directors of the Company is pleased to announce that Hebei Natural Gas, a non-wholly owned subsidiary of the Company, entered into the Joint Venture Contract with PetroChina and BE Group on 16 October 2011 to establish the Joint Venture Company. Upon completion of the Transaction, the Joint Venture Company will be owned as to 51%, 29% and 20% by PetroChina, BE Group and Hebei Natural Gas, respectively.

THE JOINT VENTURE CONTRACT

Date

16 October 2011

The Joint Venture Contract shall be effective upon the execution and affixing the company seal by the legal representative or authorized representative of each Party.

Parties

- (i) PetroChina;
- (ii) BE Group; and
- (iii) Hebei Natural Gas.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, PetroChina and BE Group and their respective ultimate beneficial owners are independent of the Company and its connected persons.

Registered capital and total investment of the Joint Venture Company

According to the Approval of the Tangshan LNG Project (Fa Gai Neng Yuan [2010] No. 2555) issued by the NDRC on 27 October 2010, the total investment of the Tangshan LNG Terminal Project is approximately RMB6,600 million. According to the Joint Venture Contract, the registered capital of the Joint Venture Company is RMB2,600 million, being the Parties' capital commitment under the Joint Venture Contract. The registered capital of the Joint Venture Company was determined by the Parties based on the total investment amount of the Tangshan LNG Terminal Project with reference to the immediate funding needs of the Joint Venture Company.

Pursuant to the Joint Venture Contract, the difference between the registered capital and the total investment may be funded by means of shareholders' loans or bank loans. Under same terms, shareholders' loan will be preferred and the actual means of financing shall be determined by resolutions at the shareholders' meeting of the Joint Venture Company. Currently, the Parties have no concrete plan concerning the timing and financing methods, such as whether the additional capital should be funded by way of shareholders' loan or bank loans, which will be determined when needed and in accordance with the prevailing market conditions upon negotiation between the Parties. If it is decided that Hebei Natural Gas will

provide shareholders' loan to the Joint Venture Company, the Company will perform all necessary compliance procedures as required under the Listing Rules.

Capital contribution by the Parties

The Parties will fully pay their respective contribution to the registered capital of the Joint Venture Company as follows:

Parties	Way of capital contribution		Amount of capital contribution RMB (million)	Equivalent to approximately HK\$ (million)	Shareholding in the Joint Venture Company (%)
PetroChina	Initial Project Investment and/or cash		1,326	1,617.41	51
BE Group	cash		754	919.70	29
Hebei Natural Gas	cash		520	634.28	20

Pursuant to the Joint Venture Contract, the contribution to the registered capital of the Joint Venture Company will be injected in two tranches. The first tranche contribution of registered capital shall be made within 45 days from the date of the Joint Venture Contract and the articles of association of the Joint Venture Company, with PetroChina, BE Group and Hebei Natural Gas injecting RMB510 million, RMB290 million and RMB200 million, respectively. The second tranche contribution of registered capital shall be made within 30 days after the first anniversary of the establishment of the Joint Venture Company, with PetroChina, BE Group and Hebei Natural Gas injecting RMB816 million, RMB464 million and RMB320 million, respectively.

Since PetroChina has made Initial Project Investment in the Tangshan LNG Project before the establishment of the Joint Venture Company, the Parties agreed that PetroChina may use the audited Initial Project Investment as part of its capital contribution, with the remaining to be paid in cash. The audit of PetroChina's Initial Project Investment will be carried out by an independent auditor firm jointly appointed by the Parties.

The capital contribution by Hebei Natural Gas to the Joint Venture Company will be funded by the Company and Hong Kong & China Gas (Hebei), the other shareholder of Hebei Natural Gas, in proportion to their respective shareholdings in Hebei Natural Gas. The part of capital contribution funded by the Company will be made from the internal resources of the Group. The board of directors of Hebei Natural Gas has passed resolutions to approve the Transaction and the increase of registered capital of Hebei Natural Gas by RMB200 million by the

Company and Hong Kong & China Gas (Hebei) in the proportion of their respective shareholdings in Hebei Natural Gas in order to fund the first tranche of capital contribution to the Joint Venture Company by Hebei Natural Gas. Accordingly, the contribution to the increased registered capital of Hebei Natural Gas by the Company and Hong Kong & China Gas (Hebei) amounts to RMB110 million and RMB90 million, respectively. The capital contribution by the Company to Hebei Natural Gas was funded by internal resources of the Group.

INFORMATION ABOUT THE JOINT VENTURE COMPANY

Scope of business

The Joint Venture Company is located in Tangshan City, Hebei Province, the PRC. Its scope of business is receiving, storage and re-gasification of liquefied natural gas and related businesses.

Board members

The board of directors of the Joint Venture Company will consist of seven (7) directors, six (6) of which will be shareholder representatives and one (1) will be employee representative. Directors who are shareholder representatives will be nominated by shareholders in proportion to their respective capital contribution and subject to election at shareholders' meeting. The respective number of directors to be nominated by shareholders will be: three (3) by PetroChina, two (2) by BE Group and one (1) by Hebei Natural Gas. The employee representative director will be nominated by the labour union of the Joint Venture Company and subject to election at general meeting of employee representatives of the Joint Venture Company. For the first board of directors, the employee representative director will be nominated by PetroChina and subject to democratic election by employees of the Joint Venture Company. The term of each board of directors will be three (3) years. There shall be one (1) chairman of the board of directors, who will be nominated by PetroChina and subject to election by the board of directors. The term of the chairman will be the same as that of the directors in the same batch.

Profit distribution

After making up losses of previous year (if any) and allocation to statutory reserve and discretionary reserve, the profit of the Joint Venture Company after deducting tax (if any) in accordance with laws shall be distributed to the Parties in proportion to their respective capital contribution to the Joint Venture Company.

Term of the joint venture

The joint venture of the Parties will be for a term of fifty (50) years, commencing from the date of its registration with the Administration for Industry and Commerce, save for early termination according to the Joint Venture Contract. If all Parties agree to extend the term of joint venture, application for extension should be made at least six (6) months prior to expiry of the term.

GENERAL

Information of the Group

The Company is one of the leading clean energy companies in Northern China. Its scope of business include investment in natural gas, coalbed methane and coal-based gas development and utilization projects, etc.; investment in the development of new energy projects such as wind power and solar power, etc; development of new energy technology and technical services. In terms of sales volume of gas in 2010, the Group ranked third among 67 natural gas distributors in Northern China and was the largest natural gas distributor in Hebei Province. In addition, the Group is also engaged in the planning, development and operation of wind farms, and sells the electricity generated by the wind farms of the Group to local grid companies. It owns a large portfolio of operating and developing wind farms concentrated in wind farms in Northern China. According to Hydrochina Corporation, the Group was the largest wind power operator in Hebei Province and one of the top 10 in the PRC as of 31 December 2010 in terms of consolidated installed capacity.

Information of PetroChina

PetroChina is a joint stock company incorporated in the PRC with limited liability. It is the largest oil and gas producer and seller occupying a leading position in the oil and gas industry in the PRC. It is one of the largest companies in the PRC in terms of revenue and one of the largest oil companies in the world. It principally engages in, among others, the exploration, development, production and sales of crude oil and natural gas; the refining of crude oil and petroleum products; the production and sales of basic and derivative chemical products and other chemical products; the marketing and trading of refined products; and the transmission of natural gas, crude oil and refined products, and the sales of natural gas. The American Depositary Shares, H shares and A shares of PetroChina were listed on the New York Stock Exchange (stock code: PTR), the Stock Exchange (stock code: 857) and Shanghai Stock Exchange (stock code: 601857) on April 6, 2000, April 7, 2000 and November 5, 2007,

respectively.

Information of BE Group

BE Group is a wholly state-owned company incorporated in the PRC with limited liability. It principally engages in investment, operation and management of city infrastructures and utilities through its three main subsidiaries, namely Beijing Enterprises Holdings Limited, Beijing Gas Industrial Co., Ltd and Beijing Holdings Limited. Beijing Enterprises Holdings Limited has been listed on the Hong Kong Stock Exchange since May 1997 (stock code: 392).

Reasons for the Transaction

To satisfy the natural gas demand in the Beijing-Tianjin-Hebei Region, to establish a diversified gas supply sources and to ensure the safe supply of gas for the Beijing-Tianjin-Hebei Region, the People's Government of Beijing Municipality, the People's Government of Hebei Province and China National Petroleum Corporation entered into the Tangshan Caofeidian LNG Project Cooperation Framework Agreement on 29 July 2005, agreeing on the joint construction and operation of the Tangshan LNG Terminal Project and the formation of a joint venture company by PetroChina, BE Group and HECIC, the controlling shareholder of the Company for such project. In 2008, HECIC delegated the Tangshan LNG Terminal Project to Hebei Natural Gas. The Tangshan LNG Terminal Project and related matters were approved by the NDRC in October 2010.

The proposed Joint Venture Company will construct and operate the Tangshan LNG Terminal Project in the port area of Caofeidian, Tangshan City, Hebei Province, which will aim at the Beijing-Tianjin-Hebei Region as its target market. Through the cooperation project, the Company is able to participate in business related to the receiving, storage, re-gasification and sales of liquefied natural gas, which will diversify its existing natural gas business and enhance its overall strength. At the same time, it will also facilitate the realization of gas supply sources diversification as well as consolidate and strengthen the future sources of gas supply for the regions where our operation is located.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Joint Venture Contract and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole. None of the Directors of the Company have any substantial interest in the Transaction.

IMPLICATION UNDER THE LISTING RULES

As the highest applicable percentage ratio of the Transaction under the Listing Rules exceeds 5% but is less than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirement but is exempt from independent shareholders' approval requirement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“BE Group”	Beijing Enterprises Group Company Limited (北京控股集團有限公司), a wholly state-owned company incorporated in the PRC with limited liability;
“Company”	China Suntien Green Energy Corporation Limited (新天綠色能源股份有限公司), a joint stock company incorporated in the PRC with limited liability on 9 February 2010, and its H-shares are listed on the main board of the Stock Exchange;
“connected persons”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hebei Natural Gas”	Hebei Natural Gas Company Limited (河北省天然氣有限責任公司), a sino-foreign enterprise established in the PRC with limited liability and a subsidiary of the Company. It is owned as to 55% by the Company and 45% by Hong Kong & China Gas (Hebei);
“HECIC”	Hebei Construction & Investment Group Co., Ltd. (河北建設投資集團有限責任公司), a wholly state-owned company incorporated in the PRC, which is under the direct supervision of the State-owned Assets Supervision and Administration Commission of the People's Government of Hebei Province. It is the controlling shareholder of the Company and primarily engages in the investment in and development of projects in the foundation industries, infrastructures and pillar industries of Hebei Province, such as energy, transportation, water supply and commercial real estates;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong & China Gas (Hebei)”	Hong Kong & China Gas (Hebei) Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned company of Hong Kong and China Gas Company Limited listed on the Stock Exchange (stock code: 3);

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Joint Venture Contract”	the joint venture contract entered into by Hebei Natural Gas with PetroChina and BE Group on 16 October 2011;
“Joint Venture Company”	PetroChina Jingtang LNG Co., Ltd. (中石油京唐液化天然氣有限公司), a company to be established in the PRC with limited liability;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“LNG”	liquefied natural gas;
“NDRC”	National Development and Reform Commission of the PRC;
“Parties”	parties to the Joint Venture Contract, namely PetroChina, BE Group and Hebei Natural Gas;
“PetroChina”	PetroChina Company Limited (中國石油天然氣股份有限公司), a joint stock company incorporated in the PRC with limited liability, and is listed on the Stock Exchange (stock code: 857);
“Initial Project Investment”	the expenses actually incurred by PetroChina relating to the Tangshan LNG Terminal Project before the establishment of the Joint Venture Company;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed thereto in Schedule 23 to the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Tangshan LNG Terminal Project”	the specific infrastructures to be built in the port area of Caofeidian, Tangshan City for the receiving, storage, re-gasification of LNG and the output of natural gas (ESD emergency shutoff valve behind the terminal flowmeter, and beyond), including an unloading terminal for the docking of LNG carrier of 80,000-270,000 cubic meters and a LNG receiving terminal with an expected total capacity of 10 million tonnes per annum (including eight (8) tanks of 160,000 cubic meters each, related re-gasification device and supporting facilities); and
“Transaction”	the establishment of the Joint Venture Company by Hebei Natural Gas, PetroChina and BE Group pursuant to the Joint Venture Contract dated 16 October 2011.

By order of the Board of
China Suntien Green Energy Corporation Limited
Zhao Hui
Executive Director / Joint Company Secretary

Shijiazhuang City, Hebei Province, PRC, 17 October 2011

As at the date of this announcement, the non-executive directors of the Company are Dr. Li Lian Ping, Mr. Zhao Hui Ning and Mr. Xiao Gang; the executive directors of the Company are Dr. Cao Xin, Mr. Gao Qing Yu, Mr. Zhao Hui and Mr. Sun Xin Tian; and the independent non-executive directors of the Company are Mr. Qin Hai Yan, Mr. Ding Jun, Mr. Wang Xiang Jun and Mr. Yue Man Yiu Matthew.

** for identification purpose only*

Unless otherwise specified, the exchange rate (being the mid price of the RMB exchange rate on 14 October 2011 announced by the People's Bank of China) of HKD1 to RMB0.81983 was adopted wherever appropriate in this announcement. Such conversion is for illustration purposes only, and does not constitute any representation that any sums have been, may have been or may be converted at that or any other exchange rate or at all.