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CGS

CHINA GROUND SOURCE ENERGY LIMITED

中國地能有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8128)

COMPLETION OF THE MAJOR DISPOSAL

The Board is pleased to announce that the Disposal was duly completed on 8 September 2009.

Reference is made to the announcement of China Ground Source Energy Limited (“**Company**”) dated 7 July 2009 and the circular of the Company dated 7 August 2009 (“**Circular**”). Unless otherwise defined, terms used in this announcement shall have the same meanings as those used in the Circular.

The Board is pleased to announce that all conditions precedent to Completion had been fulfilled and the Disposal was duly completed on 8 September 2009. Upon Completion, the FFL Group has ceased to be subsidiaries of the Company.

By order of the board
China Ground Source Energy Limited
Chan Wai Kay, Katherine
Chairman

Hong Kong, 8 September 2009

As at the date of this announcement, the Board comprises Ms. Chan Wai Kay, Katherine, Mr. Xu Shengheng, Mr. Wu Shu Min and Mr. Jeffrey Soo Kim Fui as executive Directors, Mr. Fu Hui Zhong as non-executive Director, Ms. Laura Chan Man Kuen, Mr. Jia Wenzeng and Mr. Paul Chow Wan Hoi as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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