

*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.*

# 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)

**FURTHER DEVELOPMENT  
IN RELATION TO  
POSSIBLE MAJOR TRANSACTION AND DEEMED DISPOSAL**

Reference is made to the announcement of the Company dated 27 October 2009.

The Board wishes to announce that based on the current circumstances, it is expected that details of the Investment shall be agreed between the Investor and BE Ever Source by 31 May 2010. Further announcement will be made upon the finalization of such details and the Company shall comply with the applicable requirements of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 27 October 2009 (“**Announcement**”). Unless the context requires otherwise, terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board wishes to announce that details of the Investment have not yet been finalized as at the date of this Announcement. Therefore, the applicable percentage ratios of the Investment are still subject to change and that the Investment may or may not constitute a major transaction pursuant to the GEM Listing Rules. Based on the current circumstances, it is expected that details of the Investment shall be agreed between the Investor and BE Ever Source by 31 May 2010. Further announcement will be made upon the finalization of such details and the Company shall comply with the applicable requirements of the GEM Listing Rules.

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

Hong Kong, 9 February 2010

*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.*

*This announcement will remain on the GEM website with the domain name of [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcement” page for at least 7 days from the date of publication and on the website of the Company at [www.iini.com](http://www.iini.com).*