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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)**

**CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTOR,  
MEMBERS OF AUDIT COMMITTEE AND  
REMUNERATION COMMITTEE**

The Board of Directors (the “Board”) of China Ground Source Energy Limited (the “Company”) announces that Ms. Chan Man Kuen Laura (“Ms. Chan”), an independent non-executive Director of the Company, due to more time allocation to her other business engagement is required, has elected to retire at the Company’s annual general meeting held on 10 August 2011. Following her retirement, Ms. Chan also ceased to be member of the audit committee and Chairman of the remuneration committee of the Company with effect from 10 August 2011. Ms. Chan has confirmed that there is no disagreement with the Board and there is no matter relating to her retirement that needs to be brought to the attention of the shareholders of the Company.

The Board is also pleased to announce that Mr. Yau Kiam Fee has been appointed as independent non-executive director and members of the audit committee and remuneration committee of the Company with effect from 10 August 2011. The Board further announces that Mr. Chow Wan Hoi has been appointed as the Chairman of the remuneration committee of the Company with effect from 10 August 2011.

Following is the biographical details of Mr. Yau Kiam Fee:

Mr. Yau Kiam Fee (“Mr. Yau”), aged 65, is Professional Engineer (Singapore), Chartered Engineer (UK), and a fellow member of Sloan School of Management, Massachusetts Institute of Technology. Mr. Yau holds a master degree from School of Management, Massachusetts Institute of Technology and a degree of Master of Arts from Shanghai East China Normal University respectively, and a degree of bachelor of engineering from National Taiwan University. Mr. Yau has about 30 years of experience in Electrical Engineering industry and has extensive experience in corporate operations in this field. He had worked in various operations of General Electric Company (US) for more than 20 years with final position of Vice President of General Electric International Operation. Currently, he is the Executive Director of Singapore Xinhua Investment Co. Ltd.

Mr. Yau will enter into an appointment letter in respect of his appointment as an independent non-executive Director with the Company for a term of two years commencing from 10 August 2011 which can be terminated by either party by giving not less than three months’ written notice to the other.

Pursuant to the Company's Articles of Association, Mr. Yau is subject to retirement by rotation and re-election at general meetings of the Company. Mr. Yau will receive an annual director's fee of HK\$120,000 which is fixed with reference to the market conditions and his duties and responsibilities with the Company.

Save as disclosed above, Mr. Yau has not previously held any positions with the Company or its subsidiaries and does not have any relationship with any director, senior management, management shareholders, substantial or controlling shareholders of the Company. Mr. Yau has no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

During the period from 30 October 2007 to 15 May 2010, Mr. Yau was a director of Hollysys Automation Technologies Ltd. whose securities was listed on Nasdaq Stock Market of United States. Save as disclosed above, Mr. Yau did not hold any other directorships in any listed companies in the past three years.

Save as disclosed above, there are no other information in relation to the appointment of Mr. Yau which are required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and no other matters that need to be brought to the attention of the shareholders of the Company.

The Board would like to express its sincere appreciation to Ms. Chan for her valuable contribution to the Company during her tenure of service and to welcome Mr. Yau in joining our Company.

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

Hong Kong, 10 August 2011

*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, Mr. Jia Wenzeng, Mr. Paul Chow Wan Hoi and Mr. Yau Kian Fee as independent non-executive Directors.*

*This announcement, for which the directors of the Company 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 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.*

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