Press Release

Date: 28 June 2010 Total: 2 pages



CR Gas To Expand Into Tianjin, A Metropolis In Northern China

China Resources Gas Group Limited ("CR Gas" or the "Company", together with its subsidiaries, the "Group", stock code: 1193) entered into a cooperation agreement with Tianjin Municipality Gas Group Co., Ltd. ("Tianjin Gas") on 28 June 2010 to set up a joint venture (the "Joint Venture") for the supply of natural gas through gas pipelines in Tianjin, the People's Republic of China ("PRC").

According to the agreement, the registered capital of the proposed Joint Venture will be in the range between RMB4 billion and RMB5 billion. CR Gas and Tianjin Gas will respectively contribute to 49 per cent and 51 per cent of the registered capital of the proposed Joint Venture by way of cash contribution and by way of the contribution of operating assets and equity interests in companies engaged in the gas supply or related business respectively. The proposed Joint Venture upon its establishment will operate all natural gas related business in Tianjin. This means the proposed Joint Venture upon or after its establishment may acquire such operating assets that are not contributed as capital from Tianjin Gas.

Tianjin is a direct administrative municipality in Northern China. With an urban population of over 12 million, it is one of the largest cities in the PRC. Its urban land area ranks the 5th in the nation. According to the central government's planning, Tianjin will be developed into an international harbour city, economic centre in northern China and an ecological city.

Tianjin Gas is a State-owned enterprise in the PRC. It is a conglomerate engaged in, among other things, the sale and distribution of natural gas in Tianjin.

"CR Gas has been continuously seeking attractive business opportunities in the PRC to expand its city gas distribution business. We are pleased to join hands with Tianjin Gas, as the cooperation presents an excellent window for us to enter the Northern China market in a very significant way. We believe Tianjin Gas' strong existing client base and premium assets and CR Gas' extensive experience in pan China city gas distribution business will create synergy through the proposed Joint Venture. We expect the Joint Venture to become our successful platform in northern China," said Mr Ma Guoan, Chairman of CR Gas.

The Group has been rapidly expanding its market coverage through strategic acquisitions, which provided it with immediate access to new markets and customer base. Through these acquisitions, excluding Tianjin, the Group has tapped into the downstream city gas distribution markets of 10 provinces and 30 cities including 6 provincial capitals and 1 direct administrative municipality with annualised gross gas sale volume of some 4 billion m³.

Page 1 of 2 pages

About CR Gas

CR Gas is principally engaged in downstream city gas distribution business including piped natural or petroleum gas distribution, and operating CNG (compressed natural gas) filling stations. Its piped natural gas operations are strategically located in areas of China with rich reserves of natural gas and areas which are economically more developed and densely populated. CR Gas aspires to become a respected market leader in downstream city gas distribution business in China.

- End -

Issued by: China Resources Gas Group Limited

Through: CorporateLink Limited

Investor Enquiries: China Resources Gas Group Limited

KF Chang Tel: 2593 7373 E-mail: investor-relations@crgas.com.hk

Media Enquiries: CorporateLink Limited

Phoebe Leung Tel: 2801 6237 / 9339 3206 E-mail: phoebe@corporatelink.com.hk
Bryan Bian Tel: 2801 6090 / 9630 7030 E-mail: bryan@corporatelink.com.hk