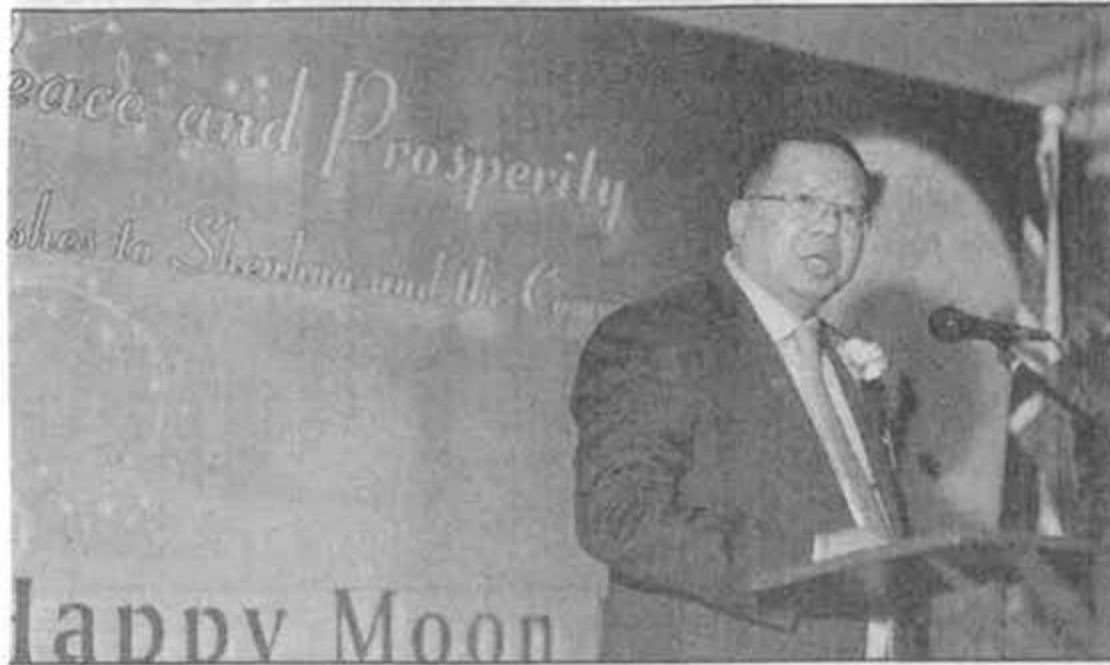


Shenhua celebrates Moon Festival



Shenhua Chairman Lui Xiang addressing attendees.

Over 150 members of the local community, industry stakeholders and local government representatives joined Shenhua Australia and Shenhua Watermark Coal to celebrate the Chinese Moon Festival at a cocktail party in Gunnedah on Tuesday night.

Renowned for its moon cakes and displays of brightly lit lanterns the Moon Festival is one of China's most significant cultural events, celebrated every year when the moon is

foundest and brightest. The ancient Chinese observed that the movement of the moon had a close relationship with changes of the seasons and agricultural production. Hence, they expressed thanks to the moon and celebrated the harvest. In modern times the event is also celebrated by family and friends coming together to wish good will, longevity and good fortune.

Chairman of Shenhua Australia and Shenhua Watermark Coal, Mr Liu

Xiang said it was therefore fitting that Shenhua celebrated the Moon Festival with friends, both old and new.

"As we work towards the fruition of our Watermark Project, Shenhua's goal is not just to operate a mine but to become an important and valued member of the local community. We take our commitments in this regard very seriously and our success will be measured by not just the economic benefits we can deliver to the region but on the relationships we

forge with the local community," Mr Liu said.

"One of our most important ventures so far in this regard has been the work of our Community Reference Groups. They were established to work directly with the project team to ensure all community and environmental issues and concerns were identified and addressed in the Watermark Project's Environmental Impact Statement.

"These Groups have been essential to our work and I wish to express Shenhua's immense appreciation to all of those community members who have been involved in the past years for their co-operation," Mr Liu said.

The evening also saw the announcement of the final round of funding from the Watermark Community Fund by Director and CEO of Shenhua Australia and Shenhua Watermark Coal, Mr Wang Ningbo.

The Community Fund was pledged by Shenhua as part of the

grant of its Exploration Licence in 2009 and includes a commitment of \$1 million per annum for up to five years of exploration.

"Over the last four years Shenhua Watermark has sought to be an active member of the local community and the wider New England region. Our community fund has been one way we have achieved this," Mr Wang said.

"One million dollars will be available to community projects and this year we will seek to focus on applications for environmental and indigenous projects in particular. We are looking forward to once again working with the community to support valuable projects that will make a lasting impact on the region," Mr Wang said.

Full details of the application process, including eligibility criteria and the application deadline, will be made available via the Shenhua Watermark website in coming weeks.