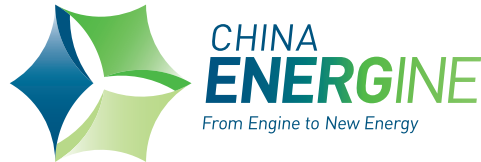


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CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際(集團)有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1185)

FIRST RELEASE OF 2MW DIRECTDRIVE WIND TURBINE BLADES

AND

DEVELOPMENT OF WIND TURBINE BUSINESS IN FUJIAN

The Executive Directors of China EnerGINE International (Holdings) Ltd (“the Company”) are pleased to announce the following ordinary businesses.

First Release of 2MW Directdrive Wind Turbine Blades

Inner Mongolia CASC EnerGINE Composite Material Co.,Ltd. (a subsidiary of the Company) has successfully achieved one important target of the year: the blade prototype for 2MW Directdrive wind turbine, which are self-developed with intellectual property of CASC, are successfully released on 13 July 2010 in Inner Mongolia Wind Turbine Plant. The blade plant has adopted advanced manufacturing technology in the blade production process to ensure a clean environment, enabling a stable quality of the products. In addition, the local raw materials have been adopted in the production, providing strong support and assurance in batch production of the 2MW wind turbines with CASC self-developed intellectual property.

The localization of batch production of the said blades will be started in late August or early September 2010 in making an important step forward in the production of the 2MW Directwind wind turbine for the group, assuring the group’s secured strength in the industries of blade production and of wind turbine manufacture. In the meantime, the research and development of 2MW Directdrive wind turbine with self-developed intellectual property has been completed; and the manufacturing of the prototype of all the components as to 2MW wind turbine have been completed. The prototype will be installed for operation in Xinghe Wind Farm of Inner Mongolia Datang Wanyuan New Energy Co., Ltd in early September 2010.

Development of Wind Turbine Business in Fujian

Pursuant to a Strategic Cooperation Agreement of Joint Promotion and Development of the State's Offshore Wind Power Demonstration Project in Ningde City and Large Wind Turbine Manufacture Base in Economic Zone on the Western Coast of the Taiwan Strait entered into between Ningde City People's Government, China Technology Market Association, the Company and Fujian Mindong Electric Power Company Limited ("Mindong Electric Power") in 2009, the Company has entered into an agreement on 15 July 2010 with Mindong Electric Power to jointly invest in establishing a new energy joint venture with the Company's investment of RMB 72 million (about HKD 82 million) representing 80% of the total capital of RMB 90 million (about HKD 103 million) for investment, development, construction and operation of offshore and land wind farm project, pending the approval to be obtained from the concerned authorities. Meanwhile, a manufacturing centre relating to China CASC's self-owned brand of MW class Directdrive wind turbine will be set up in Ningde City. In supporting this project, Ningde City Government is to coordinate and provide more than one million kilowatt wind resources both offshore and of land. Through the implementation of this project, the Company's sales market will be further expanded and the development of the industry of the Company's Directdrive wind turbine will be greatly stimulated.

All the other parties of the agreements mentioned above are not connected parties of the Company.

The Company will keep the shareholders apprised of the development and will make further announcements as and when necessary.

By order of the Board
China Engine International (Holdings) Limited
Han Shuwang
Chairman

Hong Kong, 15 July 2010

As at the date hereof, the Board of the Company comprises Mr. Han Shuwang and Mr. Wang Xiaodong as Executive Directors, Mr. Wu Jiang, Mr. Tang Guohong and Mr. Li Guang as Non-executive Directors and Mr. Wang Dechen, Ms. Kan Lai Kuen, Alice and Mr. Gordon Ng as Independent Non-executive Directors.

** for identification purpose only.*