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West China Cement Limited
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Contract Wins and approval of construction of new capacity

West China Cement Limited ("WCC") is delighted to announce that it has won contracts to supply cement to the Xi'an - Ankang double-track railway.

WCC, directly and indirectly, has won contracts for seven out of the ten sections of the Xi'an - Ankang double-track railway. The line, with a distance of 243.8 kilometres, connects Xi'an City and Ankang City in Southern Shaanxi and runs through the Xi'an, Shangluo and Ankang regions of Shaanxi Province, where our Lantian, Zhen'an and Ankang plants are located. The estimated cement consumption for the whole line is approximately 1.50 million tonnes, of which approximately 1.35 million is required for the seven sections won by WCC.

This project illustrates the strong demand for our cement products from infrastructure projects that continue in Shaanxi Province as an integral part of the PRC Government's Western Development Policy and the Company remains confident that this development will continue. This confidence is further underpinned by government policies to reduce old cement capacity and to promote social housing.

Against this background, the Company is also delighted to announce that it is proceeding with the construction of the two planned cement plants that we indicated were at planning stage at the time of our Annual Report.

Pucheng Line 2, with a capacity of 1.1 million tonnes per annum, will raise our total capacity in Pucheng to 2.5 million tonnes and secure our strong market position in the Weinan region. This plant is expected to be completed by the second half of 2010. The Xixiang Plant, also with a capacity of 1.1 million tonnes per annum and based in the Hanzhong region, is 110 Km away from our Yangxian plant. This plant is expected to be completed by the first half of 2011. The Company is able to finance these plants from internally generated cashflow.

Commenting on these contract wins and capacity expansion, Mr Jimin Zhang, CEO, said:

"These contracts not only show that the development of infrastructure continues apace in our province but also shows West China Cement's increased competitiveness in securing major contracts in Southern Shaanxi. Our new plants will further increase this competitiveness in our core markets of Weinan and Hanzhong."

WCC's Chairman, Robbie Robertson, added 'the construction of these two additional plants is demonstrative of our continued confidence in the Shaanxi market'.

WCC's Listing on the Hong Kong Stock Exchange, and De-Listing on Aim is expected to take place in the second half of 2010. An extraordinary general meeting will be convened by the Company to propose a resolution to approve the De-Listing.

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