



Press Release
(For immediate release)

Shougang Group clarifies that it has no intention to reduce its shareholding in Fushan Energy

(19 July 2010, Hong Kong) In response to a recent media report that Shougang Holding (Hong Kong) Limited (“Shougang Holding”), a major shareholder of Fushan International Energy Group Limited (“Fushan Energy” or “the Company”; together with its subsidiaries referred to as the “Group”) (Stock Code: 639.HK), reduced its shareholding in the Company by 132.18 million shares on 12 July, Fushan Energy would like to make the following clarification:

With regards to Shougang Holding’s filings of 132.18 million shares of the Company on 7th and 12th July, this was the collateral from a borrower for a loan agreement, but this arrangement had been cancelled and Shougang Holding had released the 132.18 million shares. These filings by Shougang Holding are made to strictly comply with requirements under the Securities (Disclosure of Interest) Ordinance. Other than this, Shougang Group has not reduced its shareholding in Fushan Energy recently. Shougang Group is fully confident about the business outlook of Fushan Energy and raised its equity interest in the Company to 27.2% after acquiring a total of 31.45 million shares in May and June and another 8.54 million shares in July respectively.

- The End -

About Fushan International Energy Group Limited

Fushan International Energy Group Limited is one of the largest hard coking coal producers in the PRC. With a production base in Liulin County, Shanxi Province, it is principally engaged in coking coal mining and production and sale of raw and clean coking coal. It boasts three premier coking coal mines in Shanxi Province, i.e., Xingwu Coal Mine, Jinjiazhuang Coal Mine and Zhaiyadi Coal Mine. Their total annual production capacity reaches 6.3 million tonnes. The Group has established long-term cooperation relationship with various major steel manufacturers in Mainland China, including Shougang Group, Handan Iron & Steel Group, Baogang Group and Taiyuan Iron and Steel Company. Shougang Group is the single largest shareholder of Fushan Energy.

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