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**中国核建**

**CHINA NUCLEAR INDUSTRY 23 INTERNATIONAL CORPORATION LIMITED**

**中國核工業二三國際有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 611)**

**VOLUNTARY ANNOUNCEMENT MADE  
PURSUANT TO RULE 13.09 OF THE LISTING RULES  
IN RESPECT OF A CONSTRUCTION PROJECT  
IN MISSAN OIL FIELDS OF BUZURGAN AREA IN IRAQ**

This is a voluntary announcement made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board is pleased to announce that on 15 October 2012 (after trading hours), CNI23 Overseas, an indirect wholly-owned subsidiary of the Company, entered into the Construction Agreement with COOEC-ENPAL, pursuant to which COOEC-ENPAL has appointed CNI23 Overseas as the contractor for the Construction Project in the Site for a total contract price of US\$1,912,376. Also, on 15 October 2012 (after trading hours), CNI23 Overseas entered into the Guarantee Agreement with COOEC-ENPAL and CNI23 pursuant to which CNI23 has agreed to guarantee the obligations and liabilities of CNI23 Overseas under the Construction Agreement.

**The shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

**INTRODUCTION**

This is a voluntary announcement made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board is pleased to announce that on 15 October 2012 (after trading hours), CNI23 Overseas, an indirect wholly-owned subsidiary of the Company, entered into the Construction Agreement with COOEC-ENPAL, pursuant to which COOEC-ENPAL has appointed CNI23 Overseas as the contractor for the Construction Project in the Site for a total contract price of US\$1,912,376. Also, on 15 October 2012 (after trading hours), CNI23 Overseas entered into the Guarantee Agreement with COOEC-ENPAL and CNI23 pursuant to which CNI23 has agreed to guarantee the obligations and liabilities of CNI23 Overseas under the Construction Agreement.

## **THE CONSTRUCTION AGREEMENT**

### **Date**

15 October 2012 (after trading hours)

### **Parties**

- (1) COOEC-ENPAL; and
- (2) CNI23 Overseas.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, COOEC-ENPAL and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company.

### **Subject matter**

Pursuant to the Construction Agreement, CNI23 Overseas as the contractor, shall carry out the Construction Project in the Site by providing services including, the construction, installation, commissioning, checking, supervision, quality assurance, engineering and project management.

### **Term**

The term of the Construction Agreement commences from the date of signing of the Construction Agreement (subject to the necessary equipment, materials and information for the commencement of the work agreed to be supplied by COOEC-ENPAL) and ending on 30 December 2012. The whole construction period shall be completed within seventy-five (75) days from the commencement date.

### **Consideration**

The total contract price of the Construction Agreement has been fixed at US\$1,912,376 for undertaking the Construction Project by CNI23 Overseas, but excluding all the materials, consumables and equipment to be acquired by CNI23 Overseas which shall be paid by CNI23 Overseas. The contract price has been arrived at after arm's length negotiations between the parties thereto and on normal commercial terms.

## **THE GUARANTEE AGREEMENT**

### **Date**

15 October 2012 (after trading hours)

### **Parties**

- (1) COOEC-ENPAL;
- (2) CNI23 Overseas; and
- (3) CNI23.

As at the date of this announcement, CNI23, which indirectly holds approximately 30.02% shareholding interests of the Company through its 100% shareholding interests of CNI23 HK, has entered into the Guarantee Agreement with COOEC-ENPAL and CNI23 Overseas, pursuant to which CNI23 has agreed to provide a continuing guarantee in favour of CNI23 Overseas for the obligations and liabilities of CNI23 Overseas under the Construction Agreement from the date of signing of the Guarantee Agreement until the expiration of one year from the date of completion of the performance of the obligations and liabilities by CNI23 Overseas or the Construction Project required under the Construction Agreement whereby CNI23 has guaranteed to perform all of the obligations and liabilities of CNI23 Overseas under the Construction Agreement as aforementioned in the event that CNI23 Overseas fails to perform the same.

## **GENERAL**

The Group is principally engaged in property investment, hotel and restaurant operations in Hong Kong. CNI23 Overseas, an indirect wholly-owned by the Company, is a holding company. It is the corporate strategy of the Group to continue to identify investment opportunities with the aim to diversify its business to a section which is less susceptible to global financial markets while at the same time has a steady revenue stream. The Group already has investment in an associated company, Zhong He Libert, which is principally engaged in the manufacturing of prefabricated pipes and related equipment for uses by chemical plants and energy plants in the PRC and overseas. On 15 October 2012, CNI23 Holdings has completed the acquisition of 26.5% equity interests of CNI23 Nuclear Power Maintenance which principally engages in inspection, maintenance, repair, construction, installation and provision of expertise in such work for nuclear power plants and also provision of construction work for non-nuclear power companies.

The Directors consider that the Construction Agreement provides an opportunity for the Group to diversify its business in the Middle East and the Construction Agreement was entered into in the ordinary course of business of the Group and on normal commercial terms, and the terms and conditions therein are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Group will continue exploring suitable opportunities to participate in construction and infrastructure works in relation to petrochemical and energy plants in the Middle East and other countries. CNI23 Overseas intends to enter into a framework agreement with CNI23 to appoint CNI23 as the exclusive subcontractor for the Construction Project and any future construction works to be undertaken by CNI23 Overseas in the Middle East and other countries if the opportunity shall arise. Further announcement will be made by the Company in relation to the framework agreement as and when appropriate to comply with the disclosure and where applicable, the approval requirements under the Listing Rules.

**The shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Board”	the board of Directors;
“CNI23”	中國核工業二三建設有限公司(transliterated as China Nuclear Industry 23 Construction Company Limited*), a state-owned enterprise established in the PRC;
“CNI23 HK”	China Nuclear Industry 23 Construction (Hong Kong) Company Limited 中國核工業二三建設(香港)有限公司, a company incorporated in Hong Kong with limited liability;
“CNI23 Holdings”	CNI23 Holdings Company Limited (中核二三控股有限公司), a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company;
“CNI23 Nuclear Power Maintenance”	深圳中核二三核電檢修有限公司(Shenzhen CNI23 Nuclear Power Maintenance Co., Ltd.*), a sino-foreign equity joint venture established in the PRC;
“CNI23 Overseas”	CNI23 Overseas Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Company”	China Nuclear Industry 23 International Corporation Limited 中國核工業二三國際有限公司, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the same meaning ascribed thereto in the Listing Rules;
“Construction Agreement”	the construction agreement dated 15 October 2012 entered into between CNI23 Overseas and COOEC-ENPAL in relation to the Construction Project;
“Construction Project”	the construction of a power station in the Site;
“COOEC-ENPAL”	COOEC-ENPAL Engineering Co., Ltd. 海工英派尔工程有限公司, a limited liability company established in the PRC;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Guarantee Agreement”	the guarantee agreement dated 15 October 2012 entered into between CNI23 Overseas, CNI23 and COOEC-ENPAL;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Iraq”	the Republic of Iraq;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Site”	Missan Oil Fields of Buzurgan area in Iraq;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“U.S.”	the United States of America;
“US\$”	U.S. dollar(s), the lawful currency of the U.S.;
“Zhong He Libert”	江蘇中核利柏特股份有限公司(transliterated as Jiangsu China Nuclear Industry Libert INC.*); and
“%”	per cent.

By order of the Board  
**China Nuclear Industry 23**  
**International Corporation Limited**  
**DONG Yuchuan**  
*Chairman*

Hong Kong, 15 October 2012

*As at the date of this announcement, the Directors of the Company are: Mr. Dong Yuchuan, who is the chairman and a non-executive Director; Mr. Chan Shu Kit, who is the vice-chairman and an executive Director; Mr. Lei Jian, Mr. Han Naishan, Mr. Guo Shuwei, Mr. Chan Ho Man, Mr. Chung Chi Shing, Ms. Jian Qing and Mr. Song Limin, all of whom are executive Directors; and Mr. Chan Ka Ling, Edmond, Mr. Chang Nan, Dr. Dai Jinping and Mr. Yu Lei, all of whom are independent non-executive Directors.*

\* For identification purposes only