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中國基建港口有限公司*
CIG Yangtze Ports PLC

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8233)

**VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING IN RELATION TO
THE DEVELOPMENT OF CIG ZHONGXIANG PORT PROJECT**

This announcement is made by CIG Yangtze Ports PLC (the “**Company**”) on a voluntary basis.

THE CIG ZHONGXIANG MOU

The board of directors (the “**Directors**”) of the Company (the “**Board**”) wishes to inform shareholders and potential investors of the Company that, on 27 August 2016, the Company has entered into a non-legally binding memorandum of understanding (the “**CIG Zhongxiang MOU**”) with the government of Zhongxiang City of the People’s Republic of China (the “**Zhongxiang Government**”), an independent third party to the Company, pursuant to which the Company and the Zhongxiang Government agreed to cooperate with each other in the development of a port, logistics and industrial mixed-use port district located in Shipai County, Zhongxiang City, People’s Republic of China (the “**CIG Zhongxiang Port Project**”).

Pursuant to the terms of the CIG Zhongxiang MOU, the CIG Zhongxiang Port Project will be developed into a port, logistics and industrial mixed-use port district with an area of approximately 25 square kilometers. The port portion of the CIG Zhongxiang Port Project will occupy an area of approximately 2.5 square kilometers with the planned construction of 4 1000-tonne class berths, and a logistical park covering approximately 2.5 square kilometers to be constructed next to the port area. The Board believes the Zhongxiang Port Project would provide opportunity to expand its geographical coverage and create synergy among the ports.

Pursuant to the CIG Zhongxiang MOU, the Company and the Zhongxiang Government plan to develop the CIG Zhongxiang Port Project by way of a joint venture, with the equity interest in the joint venture entity to be held as to 60% by the Company and as to 40% by an entity of the

* *For identification purpose only*

Zhongxiang Government. The Company will be, among others, responsible for the design, planning, construction and eventual operation of the CIG Zhongxiang Port Project, while the Zhongxiang Government will, among others, provide the necessary policy support and assistance for the CIG Zhongxiang Port Project. It is planned that the parties to the CIG Zhongxiang MOU will enter into further discussions with respect to their cooperation over the CIG Zhongxiang Port Project, and will enter into definitive agreements with respect to the same.

Shareholders and potential investors of the Company should note that no definitive agreement has been entered into as at the date of this announcement. Accordingly, as the transactions contemplated under the CIG Zhongxiang MOU may or may not materialise. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board
CIG Yangtze Ports PLC
Yan Zhi
Chairman

Hong Kong, 29 August 2016

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xie Bingmu, Ms. Liu Qin and Mr. Duan Yan, two non-executive Directors namely Mr. Yan Zhi, Mr. Fang Yibing and three independent non-executive Directors namely Mr. Lee Kang Bor, Thomas, Dr. Mao Zhenhua and Mr. Wong Wai Keung, Frederick.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the Company's website at www.cigyangtzeports.com and the "Latest Company Announcement" page on the GEM website at www.hkgem.com for at least seven days of its posting.