

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA SANJIANG FINE CHEMICALS COMPANY LIMITED

中國三江精細化工有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 2198)

**COMMENCEMENT OF COMMERCIAL OPERATION OF THE THIRD
PHASE ETHYLENE OXIDE PRODUCTION FACILITIES**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules")

The board ("Board") of directors (the "Directors") of China Sanjiang Fine Chemicals Company Limited (the "Company") is pleased to announce that the third phase ethylene oxide production facilities with designed annual production capacity of 60,000 MT for ethylene oxide had completed an approximately three week full-load trial run and was put into commercial operation on 24 May 2011. Up to the date of this announcement, the Company's aggregate annual designed production capacity of ethylene oxide has increased by 50% from 120,000 MT to 180,000 MT.

The Company is principally engaged in the manufacturing and supplying of ethylene oxide and surfactants and the provision of surfactants processing service.

As the commencement of commercial operation of the third phase ethylene oxide production facilities is a milestone for the Company, the Company makes public disclosure to enable the shareholders of the Company and the public to appraise the position of the Company pursuant to Rule 13.09(1) of the Listing Rules.

By order of the Board
China Sanjiang Fine Chemicals Company Limited
GUAN Jianzhong
Chairman and Executive Director

People's Republic of China, 25 May 2011

As at the date of this announcement, the Board comprises four executive Directors: Mr. GUAN Jianzhong, Ms. HAN Jianhong, Mr. NIU Yingshan, Mr. HAN Jianping and three independent non-executive Directors: Mr. WANG Wanxu, Mr. SHEN Kaijun and Mr. MUI Ho Cheung, Gary.