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## **Shaanxi Hengyuan to purchase three coal mines**

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It is reported that Shaanxi Hengyuan Group approved the proposal of purchasing three coal mines from Wanbei Coal electricity, through issuing shares and paying cash. The three coal mines are namely Renlou coal mine, Qidong coal mine and Qian Yingzi coal mine, which worth roughly CNY 3.1 billion in total.

It is said that Hengyuan Group will issue, at the price of CNY 13.71 per share, 112 million shares of stock to Wanbei Coal electricity, which accounts for 50% of all the asset value. And the rest 50% will become debt to be paid in the future.

Mr Wang Zhongzhu, the secretary of the Group's chairman said that "We've laid our hands on this matter in early 2007. Now the board has approved it, but we still need to report to China Securities Regulatory Commission. It remains to be known how the market is like when we finally issue the shares.

As a small scale enterprise, Hengyuan Group aims to expand its business, and if profit remains handsome in the future, it might go through refinancing for the enterprise.

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