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CHINA HIGH PRECISION AUTOMATION GROUP LIMITED
中國高精密自動化集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0591)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

The board (the “Board”) of directors (the “Directors”) of China High Precision Automation Group Limited (the “Company”) hereby announces that on 18 March 2011 (the “Date of Grant”), the Company granted to eligible participant(s) (the “Grantee(s)”), subject to acceptance by the Grantees, a total of 39,000,000 share options (the “Share Options”) to subscribe for ordinary shares of nominal value of HK\$0.10 each in the share capital of the Company (the “Share(s)”) under the share option scheme adopted by the Company on 28 October 2009.

Details of the Share Options granted are as follows:

Date of Grant:	18 March 2011
Exercise Price:	HK\$5.60 per Share (being not less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets on the Date of Grant; (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of a Share.)
Closing price of the Shares on the Date of Grant:	HK\$5.50 per Share
Exercise and Validity period of the Share Options:	(i) 11,700,000 Share Options valid for 5 years exercisable from 1 April 2011 to 31 March 2016 (ii) 11,700,000 Share Options valid for 4 years exercisable from 1 April 2012 to 31 March 2016 (iii) 15,600,000 Share Options valid for 3 years exercisable from 1 April 2013 to 31 March 2016

A total of 39,000,000 Share Options were granted to directors and other employees of the Company, details of which are as follows:

Grantees	Position	Number of Share Options granted
Mr. Wong Fun Chung	Executive Director and substantial shareholder	800,000
Mr. Su Fang Zhong	Executive Director	6,000,000
Mr. Zou Chong	Executive Director	6,000,000
Mr. Cheung Chuen	Executive Director	3,000,000
Ms. Ji Qin Zhi	Independent Non-executive Directors	200,000
Dr. Hu Guo Qing	Independent Non-executive Directors	200,000
Mr. Chan Yuk Hiu, Taylor	Independent Non-executive Directors	200,000
Others (total 22 persons)	Employees	<u>22,600,000</u>
Total		<u><u>39,000,000</u></u>

Save as disclosed in this announcement, none of the Grantees is a director, chief executive or substantial shareholder of the Company, nor their respective associates (as defined in the Listing Rules).

In accordance with Rule 17.04(1) of the Listing Rules, the grant of the Share Options to the executive Directors has been approved by the independent non-executive Directors (excluding independent non-executive Director who is the Grantee of the Share Options) and is not subject to approval by shareholders of the Company in accordance with Rule 17.04(1) of the Listing Rules.

By order of the Board
China High Precision Automation Group Limited
Wong Fun Chung
Chairman

Hong Kong, 18 March 2011

As at the date of this announcement, the executive Directors are Mr. Wong Fun Chung, Mr. Zou Chong, Mr. Su Fang Zhong and Mr. Cheung Chuen, and the independent non-executive Directors are Ms. Ji Qin Zhi, Dr. Hu Guo Qing and Mr. Chan Yuk Hiu, Taylor.