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新疆天业节水灌溉股份有限公司
XINJIANG TIANYE WATER SAVING IRRIGATION
SYSTEM COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code on Main Board: 840)

(Stock code on GEM: 8280)

CLARIFICATION ANNOUNCEMENT

Reference is made to the Chinese version of the announcement of "Last day of dealings in the H shares on GEM and Commencement of dealings in the H shares on the Main Board" of the Company dated 16 January 2008.

The Directors would like to clarify that, due to a typographical error, the date "Tuesday, 8 January, 2008" being the "Proposed Withdrawal to be effective from" and the "Dealing in the H Shares on the Main Board to commence on" under the column headed "Revised timetable as stated in the announcement of the Company dated 27 December 2007" should be "Monday, 28 January 2008".

By Order of the Board
Xinjiang Tianye Water Saving Irrigation System Company Limited*
Guo Qing Ren
Chairman

Xinjiang, the PRC, 17 January 2008

As at the date of this announcement, the Board comprises four executive Directors namely Guo Qing Ren, Shi Xiang Shen, Li Shuang Quan and Zhu Jia Ji, and four independent non-executive Directors namely He Lin Wang, Xia Jun Min, Gu Lie Feng and Mak King Sau.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at "www.hkgem.com" on the "Latest Company Announcements" page for at least 7 days from the days of its posting.

* For identification purpose only