



ASIA POWER CORPORATION LIMITED
(Company Registration No:-199701487C)

CHANGE IN HOLDINGS OF EQUITY INTEREST IN ASIA POWER (LEIBO) HYDROELECTRICITY CO., LTD. AND CHANGE IN USE OF PROCEEDS

The Board of Directors (the "**Board**") of Asia Power Corporation Limited (the "**Company**" and together with its subsidiaries and associated companies, the "**Group**") wishes to announce that 成都安河鑫源电力有限公司, a third party unrelated to the Company, had made a capital injection of RMB 23,000,000 in cash into Asia Power (Leibo) Hydroelectricity Co., Ltd. ("**Leibo**"), a subsidiary of the Company (the "**Capital Injection**").

The increase in the registered capital of Leibo has been approved by the Administration for Industry and Commerce of Liangshan County, Sichuan Province (凉山州工商行政管理局) on 14 October 2009.

The principal activities of Leibo are owning, managing and operating a hydro-power plant, which is presently under construction. As the Group's investment strategy in respect of its projects in the People's Republic of China is to partner with local strategic investors, 成都安河鑫源电力有限公司 had been brought in as a strategic investor to invest RMB 23,000,000 in the Leibo project. Leibo may invite additional investor(s) to contribute further capital.

Following the Capital Injection:

- (1) 成都安河鑫源电力有限公司 now holds an equity interest of 27.31% in the enlarged registered capital of RMB 84,210,000 of Leibo;
- (2) the equity interest of Asia Hydro Power Investment Pte. Ltd. in the enlarged registered capital of Leibo decreased from 75.00% to 53.44%;
- (3) the equity interest of Asia Power (Neijiang) Hydroelectricity Co., Ltd. in the enlarged registered capital of Leibo decreased from 20.00% to 14.25%; and
- (4) the equity interest of 雷波县金沙江国有资产经营有限公司, an existing minority shareholder of Leibo, in the enlarged registered capital of Leibo remained at 5.00% due to 雷波县金沙江国有资产经营有限公司 making a capital contribution of approximately RMB 1,212,000 in cash into Leibo.

The book value of 成都安河鑫源电力有限公司's 27.31% equity interest in Leibo following the Capital Injection is approximately RMB 22,170,000.

The Capital Injection is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company and the Group for the financial year ending 31 December 2009.

Further to the announcements made on 21 May 2008, 25 August 2008 and 29 September 2009 in relation to the usage of proceeds from the placement of 40,000,000 ordinary shares in the capital of the Company announced on 16 January 2008, the Board wishes to inform that to date, the Company has utilised approximately S\$7,756,000 towards the Leibo project, out of the net placement proceeds



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of approximately S\$13,200,000 raised in January 2008. The balance of approximately S\$5,444,000 from the net placement proceeds will be used by the Company for general working capital purposes. The Board will continue to provide periodic announcements on the utilisation of the balance of the net placement proceeds as and when the proceeds are materially disbursed.

None of the Directors and/or controlling shareholders of the Company has any interest, direct or indirect, in the Capital Injection.

By Order of the Board

Sha Guangwen
Executive Director & Chief Executive Officer
15 October 2009