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SINO DRAGON NEW ENERGY HOLDINGS LIMITED
中國龍新能源控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0395)

**RESIGNATION AND APPOINTMENT OF
INDEPENDENT NON-EXECUTIVE DIRECTOR**

Resignation of Independent Non-Executive Director

The board of directors (the “Board”) of Sino Dragon New Energy Holdings Limited (the “Company”) announces that Mr. Victor Tong has resigned as an independent non-executive director, member of the audit committee and nomination committee of the Company with effect from 29 January 2010, for the reason that he is occupied by other commitments.

Mr. Tong has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

Appointment of Independent Non-Executive Director

The Board also announces that Mr. Poon Lai Yin Michael was appointed as an independent non-executive director of the Company with effect from 29 January 2010. He was also appointed as a member of the audit committee and the nomination committee of the Company to replace Mr. Tong.

The biography of Mr. Poon is as follows:

Mr. Poon Lai Yin Michael, aged 37, had acted as the Chief Financial Officer in two companies listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited since 2002, and was mainly responsible for the overall financial management, internal control function and accounting function. Mr. Poon has over 14 years of experience in financial reporting, business advisory, auditing, taxation, accounting, merger and acquisition. Mr. Poon is a fellow member of Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. He holds a bachelor degree in administrative studies with York University in Canada and a master degree in practicing accounting with Monash University in Australia. Mr. Poon had been working for an international accounting firm and was responsible for providing business advisory and assurance services for some listed clients.

Mr. Poon is the independent non-executive director of China Uptown Group Company Limited (Stock code: 2330) and Sun International Group Limited (Stock Code: 8029) since November 2006 and September 2008, respectively. Save as disclosed, Mr. Poon did not hold a directorship in any other listed company during the last three years preceding the date of appointment. Mr. Poon will enter into an employment agreement with the Company for a term of two years commencing on 29 January 2010 and shall be terminated unless and until either party serving not less than 30 days' notice in writing. The emolument in connection with Mr. Poon's directorship is HK\$90,000 per annum. As at the date of this announcement, Mr. Poon has no relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Poon did not hold any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance and did not receive any other remunerations from the Company.

The above appointment is subject to rotation and re-election at the annual general meeting of the Company in accordance with the articles of association. Save as disclosed above, the Board is not aware of any other matters that need to be brought to the attention of the shareholders. Nor is there any information regarding Mr. Poon required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to thank Mr. Tong for his contributions to the Company during his tenure of office and to offer its best wishes to him.

The Board would also like to express their warm welcome to Mr. Poon for joining the Company.

By Order of the Board

Yang Xin Min

Chairman

Hong Kong, 29 January 2010

As at the date of this announcement, the Directors of the Company are Mr. Yang Xin Min, Ms. Huang Yue Qin, Mr. Zhou Quan, Mr. Li Fu Ping and Mr. Fang Guo Hong as Executive Directors, and Mr. Cheng Faat Ting Gary, Prof. Ji Chang Ming and Mr. Poon Lai Yin Michael as Independent Non-Executive Directors.

** for identification purposes only*