

CITY WINDMILLS HOLDINGS PLC Registered in England, Co. # 0894545 Incorporated under the Companies Act 2006

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CITY WINDMILLS PLC. – Chinese Production Partner Agreement

HACC IN CHINA TO ESTABLISH CW PRODUCTION FACILITIES

CW has signed an agreement with Hebei Always Composite Co. ("HACC") to establish production facilities in various locations in China, for its full wind turbine range. As part of the agreement, initial small scale production will take place in Iowa to satisfy current orders, and where HACC have a small facility. The composite material CerarmixTM to be used in the wind turbine design.

Matt Merchant, partner in HACC, has used CerarmixTM in a number of applications, finding it lightweight, strong and durable – ideal for a wind turbine manufacture.

David Mapley, CEO of CW, will assist Michael Cunningham, Chairman of CW and Matt Merchant, in establishing the production facilities in China. Thereafter, a revenue sharing agreement will operate for sales to domestic China and to export markets. David already has extensive connections into Asia, being based there for 10 years.

HACC will refine the manufacturing process to support mass production – thereafter, similar facilities can be established worldwide to support local production.

For further information, please contact the company on info@city-windmills.com.

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