Ms. Zou Jiayi  
Director General  
International Department  
Ministry of Finance  
Beijing, China  

Mr. Gao Jianmin  
Vice Governor  
Taiyuan  
Shanxi Province, China  

Re: China: Shanxi Coal Bed Methane Development and Utilization Project  
(Ln. No. 7705-CN)  
Amendment to Loan and Project Agreements  

Dear Ms. Zou and Mr. Gao:

I refer to the Loan Agreement (the Loan Agreement) dated July 2, 2009 between the People’s Republic of China (the Borrower) and the International Bank for Reconstruction and Development (the Bank) and the Project Agreement (the Project Agreement) of the same date between the Bank and Shanxi Province (the Project Implementing Entity), both for the above-referenced project (the Project) (collectively, the Agreements). I also refer to the Ministry of Finance’s letter dated June 18, 2013, on behalf of the Borrower, requesting certain amendments to the Loan Agreement, and the Bank’s letter dated April 5, 2013 to Mr. Gao Jianmin, Vice Governor, Shanxi Province, regarding the change in the name of Shanxi Energy Coal Bed Methane Investment Holding Company Limited, the company implementing the Project.

I am pleased to inform you that the Bank concurs with the request and, also following up on its above-mentioned letter dated April 5, 2013, proposes to amend the Agreements as set forth below.

1. “Shanxi Energy Coal Bed Methane Investment Holding Company Limited” and “SECBMIH”, wherever they appear in the Agreements, are replaced by “Shanxi Coal Bed Methane Company Limited” and “SCBMC”, respectively.

2. Part A of Schedule 1 to the Loan Agreement is amended to read as follows:

   “Part A:  
   CBM and LNG Development  
   1. Exploration and development of CBM production wells with an estimated annual production capacity of 260 million normal cubic meters.
   2. Construction of collection pipelines, gathering stations, and transmission pipelines required for the above-mentioned production of CBM.
   3. Construction of an LNG plant with an estimated production capacity of 200,000 tons per year.”
3. Section IV.B.2 of Schedule 2 to the Loan Agreement is amended to read as follows (emphasis added):

   “2. The Closing Date is June 30, 2016.”

4. Section I (7) (a) of the Appendix to the Loan Agreement is amended to read as follows (emphasis added):

   “(a) the environmental management plan dated April 10, 2008 and the supplementary environmental management plan dated May 2013 prepared by SCBMC for Part A.1 of the Project.”

5. Section I (17) of the Appendix to the Loan Agreement is amended to read as follows (emphasis added):

   “(21) “Resettlement Action Plans” and its acronym “RAPs” mean, collectively, the resettlement action plan, dated March 2008, and the supplementary resettlement action plan, dated November 2012, which set out the principles and procedures governing the acquisition of land and other assets, and the resettlement, compensation and rehabilitation of Displaced Persons on account of the execution of the Project and the Related Activities, as well as monitoring and reporting arrangements to ensure compliance with said plans, as the same may be revised from time to time with the prior agreement of the Bank.”

6. Section I (19) of the Appendix to the Loan Agreement is amended to read as follows (emphasis added):

   “(19) “SCBMC” means Shanxi Coal Bed Methane Company Limited, the limited liability company established and operating pursuant to its Charter dated February 15, 2013 and Business License No. 140191105002865 1-1 dated May 30, 2013, issued by Taiyuan Municipality Industry and Commerce Administrative Bureau, and any successor thereto.”

7. “Resettlement Action Plan” and “RAP”, wherever they appear in the Project Agreement, are replaced by “Resettlement Action Plans” and “RAPs”, respectively (emphasis added).

   Except as specifically amended by this amendment letter, all other provisions of the Agreements remain in full force and effect.

   Please confirm the agreement of the Borrower and the Project Implementing Entity to this amendment letter by countersigning and dating the form of confirmation set forth below, and returning one fully signed original of this amendment letter to us. This amendment letter shall become effective as of the date of the second countersignature upon our receipt of your confirmations.
Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[Signature]

Klaus Rohland
Country Director, China
East Asia and Pacific Region

CONFIRMED

PEOPLE’S REPUBLIC OF CHINA

By: [Signature]
Authorized Representative

Name: Yang Yingming
Title: Deputy Director General
Date: ______________________

CONFIRMED

SHANXI PROVINCE

By: [Signature]
Authorized Representative

Name: Mr. Gao Jianmin
Title: Vice Governor
Date: ______________________

Cc: Mr. Yao Licheng, Director, International Department, Ministry of Finance
Mr. Wang Ruigang, Director, International Financial Division, Shanxi Provincial Finance Bureau
Mr. Wang Zhenbiao, Chief Executive Officer, Shanxi Coal Bed Methane Company Limited