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A new contract for the New Year CLS has been authorized to engage in sales of Welfare lotteries via telephone in Ningxia

On 29 December 2009, a wholly-owned subsidiary of China LotSynergy Holdings Limited ("CLS") entered into a cooperation Agreement with Ningxia Welfare Lottery Issuance Centre in relation to the project on sales of welfare lotteries via telephone (mobile phone) in Ningxia. Pursuant to the Agreement, the two parties will cooperate to promote the sales of welfare lotteries in Ningxia Hui Autonomous Region via telephone. The conclusion of this agreement is the fourth authorization of its kind that CLS has obtained in less than four months in the second half of 2009. The development is rapid and impressive.

In 2009, CLS has made proper plans for and greatly enhanced its technological strength in the three main areas of its lottery business including VLT, CTG (high-frequency lottery) and mobile lottery. By collaborating closely with the leading companies in the public welfare lottery sector in China and worldwide, taking into account circumstances peculiar to China, CLS has developed and introduced the latest technology and operational experiences to enhance its overall strength, which has been gradually recognized by its cooperation partners. From the second half of 2009, CLS has made substantial progress one after another in the mobile lottery segment. At end of September, an agreement was concluded with Tianjin Welfare Lottery to engage in sales of welfare lotteries via telephone (mobile phone) in Tianjin; in mid-November, two agreements were concluded with Chongqing Welfare Lottery in relation to the sales of welfare lotteries via telephone and information terminal. This fourth agreement for sales of welfare lotteries in Ningxia via telephone marks a perfect conclusion for the business developments of CLS in 2009.