

Shandong Tianye Australia Limited

ACN 004 450 033

201 National Innovation Centre, Australian Technology Park, Eveleigh NSW 1430

7 July 2010

ANNOUNCEMENT FOR RELEASE TO THE MARKET

SHANDONG TIANYE AUSTRALIA LIMITED

ASX: SDT

Recapitalisation Progress Report

The Company announces that it is now taking the final steps required for the re-quotation of its securities on ASX.

As such, the company anticipates the release of an updated prospectus later this month. Following receipt of the requisite subscription monies, the company will apply for the reinstatement to quotation of its securities.

The Company will keep the market apprised of any other developments.

Ian Sanderson
Company Secretary