



福 山 國 際 能 源 集 團 有 限 公 司

FUSHAN INTERNATIONAL ENERGY GROUP LIMITED

(Incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)

(Stock Code: 639)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Fushan International Energy Group Limited (the “Company”) will be held at the Falcon Room Basement Luk Kwok Hotel, No. 72 Gloucester Road, Wanchai, Hong Kong on Friday, 18 July 2008 at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following ordinary resolutions:–

ORDINARY RESOLUTIONS

1. **“THAT:**

- (i) the conditional sale and purchase agreement dated 9 May 2008 (the “Agreement”) in relation to the acquisition of the Sales Shares and the Sale Loans (both as defined and described in the circular of the Company dated 25 June 2008 to the shareholders of the Company (the “Circular”) of which this notice forms a part) and the transactions contemplated thereunder (including but not limited to the arrangement regarding Mr. Xing’s Net Indebtedness (as defined in the Circular)) be and are hereby approved, confirmed and ratified;
- (ii) the issue and allotment of 1,260,000,000 shares of HK\$0.1 each in the capital of the Company credited as fully paid at HK\$4.5 each share in partial satisfaction of the consideration payable under the Agreement be and is hereby approved; and
- (iii) the executive directors of the Company be and are hereby authorised on behalf of the Company to do all such acts and sign, seal, execute and deliver all such documents and take all such actions as they may consider necessary or desirable for the purpose of or in connection with or to give effect to the Agreement and the transactions contemplated thereunder.”

2. **“THAT:**

- (i) the Supply Contract (as defined and described in the circular of the Company dated 25 June 2008 to the shareholders of the Company (the “Circular”) of which this notice forms a part) entered between each of PRC Subsidiaries (as defined in the Circular) and Mr. Xing (as defined in the Circular) and his associates dated 2 June 2008 and the transactions contemplated thereunder be and are hereby approved on the condition that the annual caps on the amounts of coking coal, electricity and raw materials and fixed assets to be purchased or sold shall not exceed the amount shown below tables for the financial year ending 31 December 2008, 31 December 2009 and 31 December 2010.

The annual caps on the amounts of coking coal that may be purchased under the Supply Contract in monetary terms are as follows:

Supplier	Purchaser	For the financial year ending 31 December		
		2008 RMB (exclusive of VAT)	2009 RMB (exclusive of VAT)	2010 RMB (exclusive of VAT)
Mr. Xing and his associates	PRC Subsidiary A (as defined in the Circular)	220,863,000	111,790,000	369,119,000
Mr. Xing and his associates	PRC Subsidiary B (as defined in the Circular)	–	–	165,335,000
Mr. Xing and his associates	PRC Subsidiary C (as defined in the Circular)	–	–	469,858,000
PRC Subsidiary A	Mr. Xing and his associates	13,009,000	–	–
PRC Subsidiary B	Mr. Xing and his associates	74,727,000	–	–
PRC Subsidiary C	Mr. Xing and his associates	68,978,000	–	–
Total		<u>377,577,000</u>	<u>111,790,000</u>	<u>1,004,312,000</u>

The annual caps on the amounts of the electricity in monetary terms that PRC Subsidiary A may sell to Party D (as defined in the Circular) under the Supply Contract are as follows:

Supplier	Purchaser	For the financial year ending 31 December		
		2008 RMB	2009 RMB	2010 RMB
PRC Subsidiary A	Mr. Xing and his associates	<u>2,651,000</u>	<u>2,863,000</u>	<u>3,092,000</u>

The annual caps on the amounts of raw materials and fixed assets in monetary terms that the PRC Subsidiaries may purchase from Party D under the Supply Contract are as follows:

Supplier	Purchaser	For the financial year ending 31 December		
		2008 RMB	2009 RMB	2010 RMB
Mr. Xing and his associates	PRC Subsidiary A	1,000,000	1,000,000	1,000,000
Mr. Xing and his associates	PRC Subsidiary B	1,000,000	1,000,000	1,000,000
Mr. Xing and his associates	PRC Subsidiary C	1,000,000	1,000,000	1,000,000
Total		<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>

- (ii) the Mutual Coal Supply Contract (as defined and described in the Circular) entered among each of PRC Subsidiaries dated 2 June 2008 and the transactions contemplated thereunder be and are hereby approved on the condition that the annual caps on the amounts of coking coal to be purchased or sold shall not exceed the amount shown below table for the financial year ending 31 December 2008, 31 December 2009 and 31 December 2010.

Supplier	Purchaser	For the financial year ending 31 December		
		2008 RMB <i>(exclusive of VAT)</i>	2009 RMB <i>(exclusive of VAT)</i>	2010 RMB <i>(exclusive of VAT)</i>
PRC Subsidiary A	PRC Subsidiary C	–	561,982,000	842,636,000
PRC Subsidiary B	PRC Subsidiary C	–	280,991,000	360,118,000
PRC Subsidiary C	PRC Subsidiary A	95,592,000	229,987,000	–
PRC Subsidiary C	PRC Subsidiary B	–	854,442,000	757,463,000
Total		<u>95,592,000</u>	<u>1,927,402,000</u>	<u>1,960,217,000</u>

- (iii) the executive directors of the Company be and are hereby authorised on behalf of the Company to do all such acts and sign, seal, execute and deliver all such documents and take all such actions as they may consider necessary or desirable for the purpose of or in connection with or to give effect to the Supply Contract and the Mutual Coal Supply Contract and the transactions contemplated thereunder.”

By Order of the Board
So Kwok Hoo
Executive Director

Hong Kong, 25 June 2008

Registered Office:
12th Floor
Kwan Charter Tower
6 Tonnochy Road
Wanchai
Hong Kong

Notes:

- (1) Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his behalf in accordance with the Company's Articles of Association. A proxy need not be a shareholder of the Company. A form of proxy for use at the meeting is enclosed herewith.
- (2) Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the meeting or poll concerned if he so wishes. In the event of a member who has lodged a form of proxy attending the meeting, his form of proxy will be deemed to have been revoked.
- (3) Where there are joint registered holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders is present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof.
- (4) To be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited with the Company's share registrars, Tricor Tengis Limited at 26th Floor, Tesbury Centre, No.28 Queen's Road East, Wanchai, Hong Kong at least 48 hours before the time appointed for holding the meeting or any adjournment thereof as the case may be and in default thereof the form of proxy and such power or authority shall not be treated as valid.
- (5) The votes to be taken at the meeting will be taken by poll.

As at the date of this announcement, the Board comprises Mr. Wong Lik Ping, Mr. So Kwok Hoo, and Mr. Xue Kang as executive Directors, Mr. Li King Luk as a non-executive Director, Mr. Kee Wah Sze, Mr. Choi Wai Yin and Mr. Chan Pat Lam as independent non-executive Directors.