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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Fushan International Energy Group Limited (the “Company”), you should at once hand this circular accompanying with the form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS
FOR (i) GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SECURITIES,
(ii) RE-ELECTION OF RETIRING DIRECTORS,
(iii) TO REFRESH THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at the Taishan Room, Level 5, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road Central, Hong Kong on Tuesday, 2 June 2009 at 10:30 a.m. is set out at pages 15 to 19 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Whether or not you are able to attend the meeting, please complete and return the proxy form in accordance with the instructions printed thereon to the Company’s share registrars, Trico Tengis Limited at 26th Floor, Tesbury Centre, No. 28 Queen’s Road East, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting or adjourned meeting thereof should you so wish.

Hong Kong, 30 April 2009

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:-

“AGM”	the annual general meeting of the Company to be held at 10:30 a.m. on Tuesday, 2 June 2009 at the Taishan Room, Level 5, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road Central, Hong Kong, for the purpose of considering and if thought fit, approving the resolutions proposed in this circular and set out in the notice of AGM as contained in this circular
“Articles”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors
“Company”	Fushan International Energy Group Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the laws of Hong Kong)
“Directors”	the directors of the Company
“General Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue, and otherwise deal with new Shares and other securities with an aggregate nominal amount not exceeding the sum of 20% of the existing issued share capital of the Company as at the date of passing of the relevant resolutions, and the aggregate nominal value of the share capital of the Company repurchased by the Company (if any)
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	27 April 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	The People’s Republic of China, for the purpose of this circular only, excludes Hong Kong, Taiwan and Macau Special Administrative Region
“Proposed Refreshment”	the 10% limit under the Share Option Scheme proposed to be refreshed by the Shareholders at the AGM pursuant to which the Board may grant share options to eligible participants to subscribe up to 10% of the Shares in issue as at the date of the AGM
“Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to repurchase shares in the capital of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolutions
“Scheme Mandate Limit”	the maximum number of Shares that may be issued upon the exercise of all options to be granted under the Share Option Scheme and other share option schemes of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share Option Scheme”	the share option scheme approved and adopted by the Company pursuant to an ordinary resolution passed at an extraordinary general meeting held on 20 June 2003
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Cao Zhong (*Chairman*)
Mr. Wong Lik Ping (*Vice-chairman*)
Mr. So Kwok Hoo
Mr. Xue Kang
Mr. Liu Qingshan

Registered Office:

12th Floor, Kwan Chart Tower
No. 6 Tonnochy Road
Wanchai
Hong Kong

Non-Executive Directors:

Mr. Chen Zhouping
Mr. Leung Shun Sang, Tony
Mr. Shi Jianping

Independent non-Executive Directors:

Mr. Kee Wah Sze
Mr. Choi Wai Yin
Mr. Chan Pat Lam

30 April 2009

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR (i) GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SECURITIES,
(ii) RE-ELECTION OF RETIRING DIRECTORS,
(iii) REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM to enable you to make an informed discussion on whether to vote for or against those resolutions. At the AGM, resolutions, amongst others, will be proposed for the Shareholders to approve (i) the granting of the General Mandate and the Repurchase Mandate and the extension of the General Mandate to include Shares repurchased pursuant to the Repurchase Mandate; (ii) the re-election of the retiring Directors in accordance with the Articles; and (iii) the Proposed Refreshment. These resolutions will be proposed at the AGM and are set out in the notice of AGM as contained in this circular.

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2. RENEWAL OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 13 June 2008 and the special general meeting on 15 December 2008, the Directors were granted general mandates (i) to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of the relevant resolutions; and (ii) to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolutions. Such general mandates will expire at the conclusion of the forthcoming AGM.

At the AGM, separate ordinary resolutions will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing the resolution. The General Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Articles or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company. Based on 4,564,555,352 Shares in issue as at the Latest Practicable Date and on the basis that none of the outstanding share options of the Company is exercised pursuant to the Share Option Scheme and assuming no further Shares will be issued or repurchased prior to the date of the AGM, the Directors will be authorised to issue up to 912,911,070 Shares under the General Mandate;
- (b) to grant the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this circular. Under such Repurchase Mandate, the maximum number of Shares that the Company may be repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution. As at the Latest Practicable Date, the number of Shares in issue of the Company is 4,564,555,352 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Repurchase Mandate and on the basis that none of the outstanding share options of the Company is exercised pursuant to the Share Option Scheme and no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 456,455,535 Shares, being 10% of the entire issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the

LETTER FROM THE BOARD

Company is required to be held by the Articles or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and

- (c) subject to the passing of the aforesaid ordinary resolutions of the General Mandate and the Repurchase Mandate, to extend the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to renew the grant of the Repurchase Mandate at the AGM.

3. PROPOSED REFRESHMENT

The Share Option Scheme was adopted by the Company on 20 June 2003. At the time of the adoption of the Share Option Scheme, the Company had 2,080,800,000 Shares in issue. The Company has granted 104,000,000 share options to eligible participants and as at the Latest Practicable Date, 5,000,000 share options have been exercised, no share options have been cancelled and lapsed, and 99,000,000 share options remain outstanding, representing approximately 2.17% of the 4,564,555,352 Shares in issue as at the Latest Practicable Date. The Company has only 104,080,000 share options available to be granted under the Scheme Mandate Limit to eligible participants, representing approximately 2.28% of the 4,564,555,352 Shares in issue as at the Latest Practicable Date. Since the adoption of the Share Option Scheme on 20 June 2003, the Scheme Mandate Limit of the Share Option Scheme has not been refreshed.

The Share Option Scheme was adopted to recognise and acknowledge the contributions of the Group's employees and other selected grantees made or may have made to the Group. The Share Option Scheme will provide the grantees with an opportunity to have a personal stake in the Company with the view to achieving the objectives of motivating the grantees to optimise their performance efficiency for the benefit of the Company, and to attract and retain or otherwise maintain on-going relationships with the grantees whose contributions are or will be beneficial to the long-term growth of the Group.

As the existing Scheme Mandate Limit available to be granted to eligible participants represents only approximately 2.28% of the total number of Shares in issue, the Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the Scheme Mandate Limit to the 10% provided under Chapter 17 of the Listing Rules so as to provide the Company with the flexibility of granting further share options under the Share Option Scheme and to provide incentives to, and recognize the contributions of, the Group's employees and other selected grantees.

LETTER FROM THE BOARD

It is proposed that subject to the approval of the Shareholders at the AGM and such other requirements prescribed under the Listing Rules, the Scheme Mandate Limit will be refreshed so that the total number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all other schemes of the Company shall not exceed 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the AGM and share options previously granted under the Share Option Scheme and/or any other share option scheme(s) of the Company, including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other schemes of the Company will not be counted for the purpose of the Proposed Refreshment.

Pursuant to the Listing Rules, the Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time will not exceed 30% of the Shares in issue from time to time. No share options will be granted under any scheme(s) of the Company if it will result in the 30% limit being exceeded.

As at the Latest Practicable Date, there were 4,564,555,352 Shares in issue. Assuming that no further Shares will be issued or repurchased prior to the date of approving the Proposed Refreshment by the Shareholders, the maximum number of Shares which fall to be issued upon the exercise of all share options that may be granted by the Company under the Proposed Refreshment would be 456,455,535 Shares, representing 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the AGM.

Application will be made to the Stock Exchange by the Company for the approval of the listing of and permission to deal in the Shares, representing a maximum of 10% of the Shares in issue as at the date of the AGM approving the refreshment of the Scheme Mandate Limit, which may be issued pursuant to the exercise of the options under the Share Option Scheme and any other share option schemes of the Company.

Conditions of the Proposed Refreshment

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the AGM to approve the Proposed Refreshment. The adoption of the Proposed Refreshment is conditional upon:

- (i) the Shareholders passing an ordinary resolution to approve the Proposed Refreshment at the AGM; and
- (ii) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Shares to be issued pursuant to the exercise of any share options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment not exceeding 10% of the number of Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders.

LETTER FROM THE BOARD

4. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 98 of the Articles, at each annual general meeting one-third of the Directors for the time being or, if the number is not three or a multiple of three, the number nearest to one-third (but not less than one-third) shall retire from office provided that every Director (including those appointed for a specific term) shall be subject to retirement at least once every three years. The retiring Directors shall be eligible for re-election.

As at the Latest Practicable Date, the Board comprised eleven members and four out of eleven Directors shall retire at the AGM. Accordingly, Mr. Kee Wah Sze, Mr. Choi Wai Yin, Mr. Chan Pat Lam and Mr. Xue Kang will retire from office as Directors by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM.

The biographical details of the Directors proposed to be re-elected in the AGM are set out in the Appendix II to this circular.

5. ANNUAL GENERAL MEETING

The AGM will be held at 10:30 a.m. on Tuesday, 2 June 2009 at the Taishan Room, Level 5, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road Central, Hong Kong, at which resolutions, amongst others, will be proposed for the purpose of considering and if thought fit, approving the resolutions proposed in this circular. The notice of AGM is set out on pages 15 to 19 of this circular.

A form of proxy for use in connection with the AGM is enclosed herewith. Whether or not you are able to attend the AGM, you are requested to complete the proxy form and return it to the Company's share registrars Trico Tengis Limited at the address stated therein in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the accompanying form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting thereof should you so wish.

6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the AGM will be by poll. Therefore, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to the Articles. The Company will appoint scrutineers to handle vote-taking procedures at the AGM.

7. RECOMMENDATIONS

The Directors believe that the granting of the General Mandate, the Repurchase Mandate, the re-election of retiring Directors as well as the Proposed Refreshment are in the best interests of the Company and the Shareholders as a whole and recommend you to vote in favor of such resolutions at the AGM.

LETTER FROM THE BOARD

8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable inquiries and that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully
By Order of the Board
So Kwok Hoo
Executive Director

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate. This appendix also constitutes the memorandum as required under Section 49BA(3)(b) of the Companies Ordinance.

1. LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below.

2. SHAREHOLDERS' APPROVAL

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,564,555,352 Shares.

Subject to the passing of the ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate, on the basis of 4,564,555,352 existing Shares in issue as at the Latest Practicable Date, would result in up to 456,455,535 Shares being repurchased by the Company.

4. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per Share of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

5. FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum and Articles and the laws of Hong Kong (including the Companies Ordinance and the Listing Rules). The Companies Ordinance provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of shares made for the purpose of the repurchase and any premium payable on repurchase shall be paid out of distributable profits of the Company unless such repurchased shares were issued at a premium, in which case, any premium payable on repurchase may be paid out of the proceeds of a fresh issue of shares made for the purpose of the repurchase to such extent allowable under the Companies Ordinance.

The Directors consider that there may be material adverse impact on the working capital and on gearing position of the Company as compared with the position disclosed in the Company's audited financial statements for the year ended 31 December 2008, if the general mandate to repurchase Shares is exercised in full at the currently prevailing market value during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in any circumstances, have a material adverse effect on the working capital or gearing ratio of the Company.

6. SHARE PRICES

The highest and lowest traded prices for the Shares on the Stock Exchange during each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:-

	Price per Share	
	Highest HK\$	Lowest HK\$
2008:		
April	4.95	3.50
May	5.20	4.50
June	6.24	4.53
July	6.20	5.10
August	5.75	3.75
September	4.38	2.10
October	3.00	1.00
November	1.95	1.16
December	1.98	1.48
2009:		
January	2.04	1.69
February	2.15	1.72
March	1.85	1.49
April to the Latest Practicable Date	2.49	1.63

7. DISCLOSURE OF INTERESTS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the laws of Hong Kong and the provisions set out in the memorandum of association of the Company and the Articles.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates presently intend to sell Shares to the Company or its subsidiaries under the Repurchase Mandate in the event that the Repurchase Mandate is approved by its Shareholders.

The Company has not been notified by any connected persons of the Company that they have present intention to sell any Shares to the Company or its subsidiaries, or that they have undertaken not to do so in the event that the Repurchase Mandate is approved by its Shareholders.

8. TAKEOVERS CODE

If on the exercise of the power to repurchase securities pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company will increase, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning under the Takeovers Code) could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Shougang Concord International Enterprises Company Limited ("Shougang International"), Shougang Holding (Hong Kong) Limited ("Shougang Holding"), Mr. Wong Lik Ping ("Mr. Wong") and Mr. Xing Libin ("Mr. Xing"), which held respectively approximately 12.05%, approximately 9.86%, approximately 19.13% and approximately 14.67% of the issued share capital of the Company, were the substantial shareholders (as defined under the SFO) holding more than 5% of the issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate, on the basis that no further Shares are issued or repurchased prior to the date of the AGM, the shareholding of Shougang International, Shougang Holding, Mr. Wong and Mr. Xing in the Company would be increased to approximately 13.39%, 10.95% (or together with Shougang International, 24.34%), 21.25% and 16.30%, respectively and such increase would not give rise to an obligation to make a mandatory offer under Rule 26.1 of the Takeovers Code.

The Directors are not aware of any consequences which may arise under the Takeover Code as a result of any repurchases made under the Repurchase Mandate. The Company will not purchase Shares which would result in the number of Shares held by the public being reduced to less than 25%.

9. SHARES REPURCHASES MADE BY COMPANY

No purchases of Shares have been made by the Company on the Stock Exchange or otherwise in the six months preceding the date of this circular.

The biographical details of those Directors to be retired and re-election at the AGM in accordance with Article 98 of the Articles of Association of the Company are as follows:

Mr. Kee Wah Sze

Mr. Kee Wah Sze, age 61, was appointed as an independent non-executive director of the Company on 11 April 1997. Mr. Kee is a partner of Messrs. Michael Cheuk, Wong & Kee and is a practicing solicitor in Hong Kong for over 20 years specialized in both the commercial and conveyancing fields. He is a Notary Public of Hong Kong, a China Appointed Attesting Offices and holder of Master Degree in Chinese and Comparative Law of City University of Hong Kong and Master Degree in Law of the People's University of the PRC. Mr. Kee also currently serves as an executive director of Goldbond Group Holdings Limited, which is Hong Kong listed company. Mr. Kee was an independent non-executive director of Hengli Properties Development (Group) Limited (formerly named as China Fair Land Holdings Limited) which is also Hong Kong listed company until he resigned on 31 October 2007.

Mr. Kee entered into a service contract with the Company on 31 December 2008 for a term of one year, which is subject to renewal. Mr. Kee's directorship with the Company is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Kee is entitled to receive a monthly remuneration of HK\$15,000 for his employment as an independent non-executive director of the Company with reference to the current remuneration packages of other independent non-executive directors of the Company and time commitment to the Group. As the Latest Practicable Date, Mr. Kee holds 800,000 share options granted under the Share Option Scheme.

Save as disclosed above, Mr. Kee does not hold any other positions in the Company or other members of the Group and did not hold any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. Kee does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company nor any interests in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Choi Wai Yin

Mr. Choi Wai Yin, age 50, was appointed as an independent non-executive director of the Company on 1 July 2004. Mr. Choi has over 20 years' experience in the fields of finance and fund management. He currently serves as a General Manager of Upbest Group Limited which is a Hong Kong listed company and an executive director of a company which is the investment manager of other two Hong Kong listed companies. Mr. Choi is an investment adviser registered under the SFO. He holds a Master degree of Science in Finance from the City University of Hong Kong, a Bachelor degree in Business Administration from the Chinese University of Hong Kong and a Bachelor degree in law from the Peking University. Mr. Choi was an executive director of Incutech Investment Limited which is a listed company in Hong Kong until he resigned on 31 October 2007.

Mr. Choi entered into a service contract with the Company on 31 December 2008 for a term of one year, which is subject to renewal. Mr. Choi's directorship with the Company is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Choi is entitled to receive a monthly remuneration of HK\$15,000 for his employment as an independent non-executive director of the Company with reference to the current remuneration packages of other independent non-executive directors of the Company and time commitment to the Group. As the Latest Practicable Date, Mr. Choi holds 800,000 share options granted under the Share Option Scheme.

Save as disclosed above, Mr. Choi does not hold any other positions in the Company or other members of the Group and did not hold any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. Choi does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company nor any interests in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Chan Pat Lam

Mr. Chan Pat Lam, aged 60, was appointed as an independent non-executive director of the Company on 31 December 2004. Mr. Chan has over 35 years' experience in the field of international banking industry in Hong Kong, Macau and California. Currently, he is the assistant to the Managing Director of a private company, which is engaged in acting as an international container shipping agency in the Western region of Pearl River Delta. He is also the business advisor of a commercial bank in Macau and a partner of another private company, which is engaged in trading and wholesaling of grocery items.

Mr. Chan entered into a service contract with the Company on 31 December 2008 for a term of one year, which is subject to renewal. Mr. Chan's directorship with the Company is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Company's Articles of Associations. Mr. Chan is entitled to receive a monthly remuneration of HK\$15,000 for his employment as an independent non-executive director of the Company with reference to the current remuneration packages of other independent non-executive directors of the Company and time commitment to the Group. As the Latest Practicable Date, Mr. Chan holds 800,000 share options granted under the Share Option Scheme.

Save as disclosed above, Mr. Chan does not hold any other positions in the Company or other members of the Group and did not hold any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. Chan does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company nor any interests in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Xue Kang

Mr. Xue Kang, aged 46, was appointed as an executive director of the Company on 21 January 2008. Mr. Xue has over 20 years' experience in the field of mine industry in the PRC. Mr. Xue has joined our Group since May 2003. Currently, he is the general manager and director of 山西金山能源有限公司 (Shanxi Jinshan Energy Limited) (“**Jinshan**”), which is a non-wholly owned subsidiary of the Company. He is also the director of another three non-wholly owned subsidiaries of the Group, namely 山西曜鑫煤焦有限責任公司 (Shanxi Yao Zin Coal and Coking Company Limited) and 柳林縣聯山煤化有限公司 (Liulin Luenshan Coking Company Limited) and 太原西山日盛煤焦有限公司 (Taiyuan Xishan Risheng Coal and Coking Company). Before he joined the Group, Mr. Xue was the assistant to general manager of a company engaged in provision of mine related services in the PRC for several years. Mr. Xue holds a diploma of Electrical and Mechanical engineering from 山西省陽泉煤校機電專業 (Shanxi Yangquan Coal Mine Vestibule School Electro-mechanics Specialist) and a diploma of logistic management from 山西煤炭管理幹部學院物資供應專業 (Shanxi Coal-Mining Administrative College Logistic Management Specialist), respectively.

Mr. Xue entered into a service contract with the Company on 31 December 2008 for a term of one year, which is subject to renewal. Mr. Xue's directorship with the Company is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Xue is entitled to receive a monthly remuneration of HK\$20,000 for his employment as an executive director of the Company with reference to the current remuneration packages of directors of the Company and time commitment to the Group. In addition, Mr. Xue was also appointed as the general manager of Jinshan, in which he is entitled to receive annual remuneration of RMB84,000 with reference to the PRC local remuneration standard. As the Latest Practicable Date, Mr. Xue holds 6,000,000 share options granted under the Share Option Scheme.

Save as disclosed above, Mr. Xue does not hold any other positions in the Company or other members of the Group and did not hold any other directorships in any other listed public companies in the last three years.

Save as disclosed above, Mr. Xue does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company nor any interests in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Others

Each of Mr. Kee Wah Sze, Mr. Choi Wai Yin, Mr. Chan Pat Lam and Mr. Xue Kang has confirmed that there is no information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters in relation to their respective re-election that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



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 IS HEREBY GIVEN that the Annual General Meeting of shareholders of Fushan International Energy Group Limited (the “**Company**”) will be held at the Taishan Room, Level 5, Island Shangri-La Hong Kong, Two Pacific Place, Supreme Court Road Central, Hong Kong on Tuesday, 2 June 2009 at 10:30 a.m. for the following purposes:-

As Ordinary Business

1. To receive, consider and adopt the audited financial statements and reports of the directors and auditors of the Company for the year ended 31 December 2008.
2. To re-elect the retiring directors and authorize the board to fix their remuneration.
3. To re-appoint Grant Thornton auditors and authorize the board to fix their remuneration.

As Special Business

4. To consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

“THAT:

- (a) subject to the paragraph (c) of this resolution and pursuant to section 57B of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares or such securities in the capital of the Company, and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option, warrant or otherwise) and issued by the Directors pursuant to the approval granted in paragraph (a) of this resolution, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined);
 - (ii) the rights of subscription or conversion under the terms of any warrants issued by the Company or any securities when are convertible into shares;
 - (iii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the approval granted in paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next general meeting of the Company is required by the articles of association of the Company or the Companies Ordinance to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting, and

“Rights Issue” means an offer of shares, or offer of warrants or options to subscribe for shares, open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their holdings of such shares of the Company (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having

NOTICE OF ANNUAL GENERAL MEETING

regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

5. To consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

“THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own issued shares in the capital of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of share capital of the Company which are authorised to be repurchased by the Company pursuant to the approval granted in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the Shares in issue as at the date of the passing of this resolution, and the approval granted under paragraph (a) of this resolution shall be limited accordingly;
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next general meeting of the Company is required by the articles of association of the Company or the Companies Ordinance to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked and varied by way of ordinary resolution of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the passing of resolutions nos. 4 and 5 as set out in the notice convening this meeting of which these resolutions form part, the general mandate granted to the Directors pursuant to the resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution no. 5 as set out in notice convening the meeting of which this resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”
7. “**THAT**
- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Share to be issued pursuant to the exercise of share options which may be granted under the Scheme Mandate Limit (as defined below), the refreshment of the limit in respect of the granting of share options under the share option scheme of the Company adopted on 20 June 2003 and all other share option scheme(s) up to 10% of the number of shares of the Company in issue at the date of the passing of this resolution (the “**Scheme Mandate Limit**”) be and is hereby approved; and
- (b) any Director be and is hereby authorised to do all such acts and execute all such documents to effect the refreshment of the Scheme Mandate Limit.”

By Order of the Board
SO Kwok Hoo
Executive Director

Hong Kong, 30 April 2009

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 in his stead in accordance with the Company’s Articles of Association. A proxy need not be a shareholder of the Company. This circular containing further details regarding above Resolutions 2 and 4 to 7 will be sent to the shareholders together with the 2008 Annual Report of the Company and a form of proxy for use at the meeting.
- (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.

NOTICE OF ANNUAL GENERAL MEETING

- (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.
- (6) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.