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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)
(Stock Code: 639)

APPOINTMENT OF DIRECTORS AND RE-DESIGNATION OF EXECUTIVE DIRECTORS

The board of directors (the “Board”) of Fushan International Energy Group Limited (the “Company”) announces that:

1. Mr. Wang Qinghai has been appointed as a non-executive director of the Company, whose designation is the Chairman of the Company, with effect from 5 January 2010;
2. Mr. Chen Zhaoqiang has been appointed as an executive director of the Company, whose designation is Deputy Managing Director of the Company, with effect from 5 January 2010;
3. With effect from 5 January 2010, certain executive directors have been re-designated as follows:
 - (i) Mr. Cao Zhong has been re-designated as Vice-chairman and Managing Director of the Company; and
 - (ii) each of Messrs. So Kwok Hoo, Xue Kang and Liu Qingshan has been re-designated as Deputy Managing Director of the Company.

Mr. Wang Qinghai, aged 51, senior engineer. He is the chairman of Shougang Holding (Hong Kong) Limited (“Shougang Holding”), Shougang Concord International Enterprises Company Limited (“Shougang International”) and Shougang Concord Grand (Group) Limited (“Shougang Grand”). Each of Shougang Holding and Shougang International is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Mr. Wang is the general manager of Shougang Corporation, the ultimate holding company of Shougang Holding, and has extensive experience in management and operation.

An engagement letter will be entered into with Mr. Wang with a term commencing on 5 January 2010 and ending on 31 December 2012 subject to renewal. Under the engagement letter, Mr. Wang will receive a director’s fee as may be determined by the Board from time to time pursuant to the authority given by the shareholders of the Company (the “Shareholders”). For the financial year ending 31 December 2010, the director’s fee of Mr. Wang will be HK\$300,000 for a full year which will be paid in proportion to the actual length of services

provided by Mr. Wang. The relevant director's fee was determined by the Board with reference to Mr. Wang's experience and duties as well as the prevailing market conditions.

As at the date of this announcement, Mr. Wang does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

In accordance with the articles of association of the Company, Mr. Wang will hold office until the next general meeting of the Company, at which time he will be eligible for re-election. Thereafter, Mr. Wang will be subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Wang does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the appointment of Mr. Wang which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Chen Zhaoqiang, aged 41, graduated from Jiaozuo Mining Institute with a bachelor degree in mining engineering and obtained a master degree in management science from Huazhong University of Science & Technology. He is a member of the Executive Committee of the Company. Mr. Chen was a director of APAC Resources Limited ("APAC") during the period from 6 July 2007 to 20 October 2009. Mr. Chen has extensive experience in the coal mining industry and has been engaged in many important posts. He had acted as coalmine head, group operating manager, vice general engineer and other positions of Pingdingshan Coal Co. Ltd. from July 1989 to March 2004. He was the deputy managing director and general manager of Henan Pingbao Coal Co. Ltd. from April 2004 to January 2007. He has acted as vice general manager of Henan Company for Coal Seam Gas Development & Application since March 2007. Mr. Chen has extensive experience in production safety management for coal mining, purchase and logistics management, mineral resources development and coal trading.

A service contract has been entered into between Mr. Chen and a wholly-owned subsidiary of the Company commencing on 1 January 2010. Under the service contract, Mr. Chen is entitled to a monthly salary of HK\$220,000 or such higher salary as may be determined by the Board, which was determined with reference to his experience and duties as well as the prevailing market conditions. Mr. Chen is also entitled to a discretionary bonus as may be determined by the Remuneration Committee of the Company from time to time with reference to the then prevailing market conditions, the performance of the Company as well as his individual performance.

As at the date of this announcement, Mr. Chen has a beneficial interest of 280,000 shares in the Company and a beneficial interest of 8,000,000 underlying shares attached to the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Chen does not have any interests in shares of the Company.

In accordance with the articles of association of the Company, Mr. Chen will hold office until the next general meeting of the Company, at which time he will be eligible for re-election. Thereafter, Mr. Chen will be subject to rotation requirements as contained in the articles of

association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Chen does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the appointment of Mr. Chen which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Cao Zhong, aged 50, graduated from Zhejiang University, the People's Republic of China and Graduate School, The Chinese Academy of Social Sciences with a bachelor degree in engineering and a master degree in economics. Mr. Cao was appointed the Chairman of the Company in March 2009 and is also the chairman of each of the Executive Committee and the Nomination Committee of the Company. Mr. Cao is the deputy chairman and general manager of Shougang Holding, the managing director of Shougang International and a director of Fine Power Group Limited ("Fine Power"), each of Shougang Holding, Shougang International and Fine Power is a substantial shareholder of the Company within the meaning of Part XV of the SFO. He is the chairman of each of Shougang Concord Technology Holdings Limited and Shougang Concord Century Holdings Limited, the vice chairman and managing director of Shougang Grand and the chairman of Global Digital Creations Holdings Limited, a non-wholly owned subsidiary of Shougang Grand. He is also a director of Mount Gibson Iron Limited, a company listed on the Australian Securities Exchange. Mr. Cao was an executive director of APAC in April 2007 and was the chairman of APAC concurrently during the period from May 2007 to October 2009. He also acts as the assistant general manager of Shougang Corporation and the chairman of Shougang International Trade and Engineering Corporation. Mr. Cao has extensive experience in corporate management and operation.

A service contract has been entered into between Mr. Cao and a wholly-owned subsidiary of the Company commencing on 1 January 2010. Under the service contract, Mr. Cao is entitled to a monthly salary of HK\$350,000 or such higher salary as may be determined by the Board, which was determined with reference to his experience and duties as well as the prevailing market conditions. Mr. Cao is also entitled to a discretionary bonus as may be determined by the Remuneration Committee of the Company from time to time with reference to the then prevailing market conditions, the performance of the Company as well as his individual performance.

As at the date of this announcement, Mr. Cao has a beneficial interest of 3,000,000 shares in the Company and a beneficial interest of 15,000,000 underlying shares attached to the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Cao does not have any interests in shares of the Company.

Mr. Cao is subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Cao does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the re-designation of Mr. Cao which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. So Kwok Hoo, aged 55, holds bachelor degrees in applied science with major in chemical engineering and business administration obtained in Canada. Mr. So was appointed as a director of the Company in March 1998 and was also the chief executive officer of the Company. He is a member of each of the Executive Committee and the Remuneration Committee of the Company. Mr. So is a non-executive director of APAC. Mr. So has over 20 years of experience in marketing of electrochemical and industrial products sales in Asia Pacific Region together with property investment experience in Hong Kong.

A service contract has been entered into between Mr. So and a wholly-owned subsidiary of the Company commencing on 1 January 2010. Under the service contract, Mr. So is entitled to a monthly salary of HK\$250,000 or such higher salary as may be determined by the Board, which was determined with reference to his experience and duties as well as the prevailing market conditions. Mr. So is also entitled to a discretionary bonus as may be determined by the Remuneration Committee of the Company from time to time with reference to the then prevailing market conditions, the performance of the Company as well as his individual performance.

As at the date of this announcement, Mr. So has a beneficial interest of 4,000,000 shares in the Company and a beneficial interest of 3,500,000 underlying shares attached to the share options granted by the Company. Save as disclosed above, Mr. So does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. So is subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. So does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the re-designation of Mr. So which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Xue Kang, aged 46, holds a diploma of electrical and mechanical engineering from Shanxi Yangquan Coal Mine Vestibule School Electro-mechanics Specialist and a diploma of logistic management from Shanxi Coal-Mining Administrative College Logistic Management Specialist. Mr. Xue was appointed an executive director of the Company in January 2008. He is a member of the Executive Committee of the Company. He is also the general manager as well as a director of Jinshan Energy Group Limited, a non-wholly owned subsidiary of the Company in the PRC. He is also a director of certain subsidiaries of the Group in the PRC. Before joining 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 and has over 20 years' experience in the field of mine industry in the PRC.

A service contract has been entered into between Mr. Xue and a wholly-owned subsidiary of the Company commencing on 1 January 2010. Under the service contract, Mr. Xue is entitled to a monthly salary of HK\$200,000 or such higher salary as may be determined by the Board, which was determined with reference to his experience and duties as well as the prevailing market conditions. Mr. Xue is also entitled to a discretionary bonus as may be determined by the Remuneration Committee of the Company from time to time with reference to the then prevailing market conditions, the performance of the Company as well as his individual performance.

As at the date of this announcement, Mr. Xue has a beneficial interest of 6,000,000 shares and a beneficial interest of 3,000,000 underlying shares attached to the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Xue does not have any interests in shares of the Company.

Mr. Xue is subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Xue does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the re-designation of Mr. Xue which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Liu Qingshan, aged 51, graduated from Shanxi University of Finance and Economics Department of Accounting and obtained a master of business administrative from Capital University of Economics and Business . Mr. Liu was appointed an executive director of the Company in November 2008 and is the PRC regional chief financial controller of the Company. Mr. Liu is a member of the Executive Committee of the Company. Mr. Liu has over 25 years' experience in the fields of accounting and finance in the mining industry in the PRC. Before he joined the Group, Mr. Liu worked as chief financial controller in Fortune Dragon Group Limited which is engaged in coal mining in the PRC, during the period from January 2005 to July 2008 and had worked as chief financial controller in sizable energy resources companies in the PRC.

A service contract has been entered into between Mr. Liu and a wholly-owned subsidiary of the Company commencing on 1 January 2010. Under the service contract, Mr. Liu is entitled to a monthly salary of HK\$200,000 or such higher salary as may be determined by the Board, which was determined with reference to his experience and duties as well as the prevailing market conditions. Mr. Liu is also entitled to a discretionary bonus as may be determined by the Remuneration Committee of the Company from time to time with reference to the then prevailing market conditions, the performance of the Company as well as his individual performance.

As at the date of this announcement, Mr. Liu has a beneficial interest of 6,000,000 underlying shares attached to the share options granted by the Company. Save as disclosed above, Mr. Liu does not have any interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. Liu is subject to rotation requirements as contained in the articles of association of the Company and shall retire from office by rotation at least once every three years.

Save as disclosed above, Mr. Liu does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years and is independent of and not connected with the directors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries. There is no information relating to the re-designation of Mr. Liu which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to welcome Mr. Wang Qinghai and Mr. Chen Zhaoqiang to join the Board.

By order of the Board
Fushan International Energy Group Limited
Cao Zhong
Vice-chairman and Managing Director

Hong Kong, 5 January 2010

As at the date of this announcement, the Board comprises Mr. Wang Qinghai (Chairman), Mr. Cao Zhong (Vice-chairman and Managing Director), Mr. Wong Lik Ping (Vice-chairman), Mr. So Kwok Hoo (Deputy Managing Director), Mr. Xue Kang (Deputy Managing Director), Mr. Liu Qingshan (Deputy Managing Director), Mr. Chen Zhaoqiang (Deputy Managing Director), Mr. Chen Zhouping (Non-executive Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Zhang Yaoping (Non-executive Director), Mr. Kee Wah Sze (Independent Non-executive Director), Mr. Choi Wai Yin (Independent Non-executive Director) and Mr. Chan Pat Lam (Independent Non-executive Director).