
THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Fushan International Energy Group Limited, you should at once hand this supplemental circular and the accompanying new form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the 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)
(Stock Code: 639)

SUPPLEMENTAL CIRCULAR
TO
THE CIRCULAR TO SHAREHOLDERS DATED 29 APRIL 2010
– TO PROVIDE FURTHER INFORMATION IN RESPECT OF
RE-ELECTION OF DIRECTORS AT THE ANNUAL GENERAL MEETING

This supplemental circular should be read together with the circular to Shareholders dated 29 April 2010.

A revised notice of annual general meeting of Fushan International Energy Group Limited to be held at 10:45 a.m. on Tuesday, 8 June 2010 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong is set out on pages 8 to 12 of this supplemental circular. Whether or not you are able to attend the meeting, please complete the enclosed new form of proxy in accordance with the instructions printed thereon and return it to the share registrars of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of the new form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting (as the case may be) should you so wish.

10 May 2010

DEFINITIONS

In this supplemental circular (other than in the revised notice of Annual General Meeting), the following expressions shall have the following meanings unless the context indicates otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at 10:45 a.m. on Tuesday, 8 June 2010 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong or any adjournment thereof
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Circular”	the circular of the Company dated 29 April 2010 relating to proposals for general mandates to issue and repurchase Shares and re-election of retiring Directors and adoption of new memorandum and articles of association and notice of Annual General Meeting
“Closing Time”	48 hours before the time appointed for holding the Annual General Meeting
“Company”	Fushan International Energy Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	7 May 2010, being the latest practicable date prior to the printing of this supplemental circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange and any amendments thereto
“PRC”	the People’s Republic of China but excluding, for the purpose of this supplemental circular, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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)

(Stock Code: 639)

Directors:

Wang Pingsheng (*Chairman*)
Chen Zhougping
(Vice Chairman and Managing Director)
Wong Lik Ping (*Vice Chairman*)
So Kwok Hoo (*Deputy Managing Director*)
Chen Zhaoqiang (*Deputy Managing Director*)
Xue Kang (*Deputy Managing Director*)
Liu Qingshan (*Deputy Managing Director*)
Leung Shun Sang, Tony (*Non-executive Director*)
Zhang Yaoping (*Non-executive Director*)
Zhang Wenhui (*Non-executive Director*)
Kee Wah Sze (*Independent non-executive Director*)
Choi Wai Yin (*Independent non-executive Director*)
Chan Pat Lam (*Independent non-executive Director*)

Registered Office:

6th Floor
Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

10 May 2010

To the Shareholders

Dear Sir or Madam,

SUPPLEMENTAL CIRCULAR TO THE CIRCULAR TO SHAREHOLDERS DATED 29 APRIL 2010 – TO PROVIDE FURTHER INFORMATION IN RESPECT OF RE-ELECTION OF DIRECTORS AT THE ANNUAL GENERAL MEETING

INTRODUCTION

This supplemental circular should be read together with the Circular, which contains, among other things, information of re-election of the Directors at the Annual General Meeting. In particular, Shareholder's attention is drawn to the details of the Directors who are proposed to be re-elected at the Annual General Meeting under the section headed "Annual General Meeting" on pages 5 to 9 of the Circular. The purpose of this supplemental circular is to give you further information relating to re-election of Directors at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Subsequent to the despatch of the Circular, (i) Mr. Wang Qinghai has resigned as a Non-executive Director and the Chairman; (ii) Mr. Cao Zhong has resigned as an Executive Director and the Vice Chairman and Managing Director; (iii) Mr. Wang Pingsheng (“Mr. Wang”) has been appointed as an Executive Director and the Chairman; (iv) Mr. Chen Zhouping has been redesignated as an Executive Director and the Vice Chairman and Managing Director; and (v) Mr. Zhang Wenhui (“Mr. Zhang”) has been appointed as a Non-executive Director, details of which are contained in an announcement of the Company dated 7 May 2010.

Pursuant to Article 90 of the Articles, each of Mr. Wang and Mr. Zhang shall hold office only until the next following general meeting of the Company, being the Annual General Meeting, and being eligible, offers himself for re-election as a Director. Biographical details of Mr. Wang and Mr. Zhang are set out as follows:

Mr. Wang, aged 59, steel engineer and senior economist, graduated from Beijing Institute of Iron and Steel. Mr. Wang has been appointed as an Executive Director and the Chairman of the Company with effect from 10 May 2010 and is the chairman of each of the Executive Committee and the Nomination Committee. He joined Shougang Corporation, the ultimate holding company of Shougang Holding (Hong Kong) Limited (“Shougang Holding”), in 1975 and is the vice chairman of Shougang Holding. Shougang Holding is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Mr. Wang also acts as the vice chairman of Shougang International Trade and Engineering Corporation. He has extensive experience in management and operation of steel industry.

A service contract will be entered into between Mr. Wang and a wholly-owned subsidiary of the Company effective from his date of appointment, which may be terminated by either party by giving to other party not less than three month’s written notice without payment of compensation (other than statutory compensation). Under the service contract, Mr. Wang will be entitled to a monthly salary of HK\$350,000 (or such higher salary as may be determined by the Board from time to time) and discretionary bonus, which was/will be determined with reference to the prevailing market conditions, the performance of the Company as well as Mr. Wang’s individual performance.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Wang does not have any interests in Shares.

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

LETTER FROM THE BOARD

Mr. Zhang, aged 54, graduated from the University of Science and Technology Beijing. Mr. Zhang has been appointed as a Non-executive Director of the Company with effect from 10 May 2010. He is a deputy managing director of Shougang Holding and 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. Mr. Zhang joined Shougang Corporation, the ultimate holding company of Shougang Holding, in 1982 and had been working in various companies under Shougang Corporation during the period from 1990 to 2001. He has extensive experience in management and operations of corporations.

An engagement letter will be entered into with Mr. Zhang with a term commencing on the date of his appointment and expiring on 31 December 2012. Under the engagement letter, Mr. Zhang will be entitled to a director’s fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ending 31 December 2010, the director’s fee of Mr. Zhang will be HK\$300,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Zhang. Such director’s fee was determined with reference to Mr. Zhang’s experience and duties as well as the prevailing market conditions.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Zhang does not have any interests in Shares.

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

Save as disclosed above, Mr. Zhang 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 proposed re-election of Mr. Zhang which is required to be disclosed pursuant to any of the requirements of the provisions under 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.

Besides, as a result of his resignation, Mr. Wang Qinghai will not offer himself for re-election as a Director at the Annual General Meeting as stated in the Circular and notice of Annual General Meeting.

REVISED NOTICE OF ANNUAL GENERAL MEETING AND SECOND PROXY FORM

Since both (i) the notice of the Annual General Meeting and (ii) the form of proxy (“First Proxy Form”) sent together with the Circular do not contain the proposed resolutions for re-election of each of Mr. Wang and Mr. Zhang as a Director but contain the proposed resolution for re-election of Mr. Wang Qinghai as a Director, a revised notice of Annual General Meeting has been set out on pages 8 to 12 of this supplemental circular, and a new form of proxy (“Second Proxy Form”) is enclosed with this supplemental circular.

LETTER FROM THE BOARD

Whether or not you are able to attend the Annual General Meeting, please complete the enclosed Second Proxy Form in accordance with the instructions printed thereon and return it to the share registrars of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than the Closing Time. Special arrangements about completion and submission of the Second Proxy Form are also set out in the Appendix to this supplemental circular. Shareholders who have appointed or intend to appoint proxy/proxies to attend the Annual General Meeting are requested to pay particular attention to the special arrangements set out therein.

RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for re-election of each of Mr. Wang and Mr. Zhang as a Director is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions in respect thereof to be proposed at the Annual General Meeting.

Yours faithfully
For and on behalf of
Fushan International Energy Group Limited
Wang Pingsheng
Chairman

SPECIAL ARRANGEMENTS ABOUT COMPLETION AND SUBMISSION OF THE SECOND PROXY FORM

A Shareholder who has not yet lodged the First Proxy Form with the Company's share registrars is requested to lodge the Second Proxy Form if he/she wishes to appoint proxy/proxies to attend the Annual General Meeting on his/her behalf. In this case, the First Proxy Form should **not** be lodged with the Company's share registrars.

A Shareholder who has already lodged the First Proxy Form with the Company's share registrars should note that:

- (i) **If no Second Proxy Form is lodged with the Company's share registrars, the First Proxy Form will be treated as a valid proxy form lodged by him/her if correctly completed.** The proxy/proxies so appointed by the Shareholder will be entitled to vote at his/her discretion or to abstain from voting on any resolution properly put to the Annual General Meeting other than those referred to in the notice convening the Annual General Meeting dated 29 April 2010 and the First Proxy Form including, the resolutions for the re-election of an additional candidates set out in this supplemental circular as Directors.
- (ii) **If the Second Proxy Form is lodged with the Company's share registrars before the Closing Time, the Second Proxy Form will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Proxy Form will be treated as a valid proxy form lodged by the Shareholder if correctly completed.**
- (iii) **If the Second Proxy Form is lodged with the Company's share registrars after the Closing Time, the Second Proxy Form will be invalid. However, it will revoke the First Proxy Form previously lodged by the Shareholder, and any vote that may be cast by the purported proxy/proxies (whether appointed under the First Proxy Form or the Second Proxy Form) will not be counted in any poll which will be taken on a proposed resolution. Accordingly, Shareholders are advised not to lodge the Second Proxy Form after the Closing Time.** If such Shareholders wish to vote at the Annual General Meeting, they will have to attend in person and vote at the Annual General Meeting themselves.

Shareholders are reminded that completion and delivery of the First Proxy Form and/or the Second Proxy Form will not preclude Shareholders from attending and voting in person at the Annual General Meeting or at any adjourned meeting should they so wish.

REVISED 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)

(Stock Code: 639)

REVISED NOTICE IS HEREBY GIVEN that the Annual General Meeting of Fushan International Energy Group Limited (the “Company”) will be held at 10:45 a.m. on Tuesday, 8 June 2010 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong for the following purposes:

AS ORDINARY BUSINESS

1. To receive the report of the directors and the audited financial statements for the year ended 31 December 2009.
2. To declare a final dividend for the year ended 31 December 2009.
3. To re-elect the retiring directors.
4. To authorise the board of directors to fix the directors’ remuneration for the year ending 31 December 2010 and all subsequent years.
5. To appoint auditors and to authorise the directors to fix their remuneration.

AS SPECIAL BUSINESS

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and it is hereby generally and unconditionally approved;

REVISED NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend on shares of the Company 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 this resolution; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any territories outside Hong Kong).”

REVISED NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, and that the exercise by the directors of all the powers of the Company to repurchase such shares subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and it is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of shares repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.”

REVISED NOTICE OF ANNUAL GENERAL MEETING

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolution no. 7 as set out in the notice convening this meeting of which this resolution forms part, the aggregate nominal amount of the shares in the Company which are repurchased by the Company pursuant to and in accordance with the said resolution no. 7 shall be added to the aggregate nominal amount of the shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to and in accordance with resolution no. 6 as set out in the notice convening this meeting of which this resolution forms part.”

9. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT** the new memorandum and articles of association of the Company, a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose, be hereby adopted as the memorandum and articles of association of the Company in substitution for and to exclusion of the existing memorandum and articles of association of the Company.”

By Order of the Board
Cheng Man Ching
Company Secretary

Hong Kong, 10 May 2010

REVISED NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) With respect to Resolution 3 above, Messrs. Wang Pingsheng, Chen Zhouping, Wong Lik Ping, So Kwok Hoo, Chen Zhaoqiang, Liu Qingshan, Zhang Wenhui and Zhang Yaoping will retire from office at the above meeting pursuant to the articles of association of the Company and, being eligible, offer themselves for re-election at the above meeting.
- (2) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (3) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
- (4) A new form of proxy ("Second Proxy Form") in respect of the meeting is enclosed. In order to be valid, the Second Proxy Form together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with the share registrars of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof (as the case may be).
- (5) Completion and return of the Second Proxy Form will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the Second Proxy Form shall be deemed to be revoked.
- (6) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.
- (7) The register of members of the Company will be closed from Monday, 7 June 2010 to Tuesday, 8 June 2010 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 4 June 2010 for registration.
- (8) **IMPORTANT: A SHAREHOLDER OF THE COMPANY ("SHAREHOLDER(S)") WHO HAS ALREADY LODGED THE FORM OF PROXY ("FIRST PROXY FORM") WHICH WAS SENT TOGETHER WITH THE CIRCULAR OF THE COMPANY DATED 29 APRIL 2010 SHOULD NOTE THAT:**
 - (i) **If no Second Proxy Form is lodged with the Company's share registrars, the First Proxy Form will be treated as a valid proxy form lodged by him/her if correctly completed.** The proxy/proxies so appointed by the Shareholder will be entitled to vote at his/her discretion or to abstain from voting on any resolution properly put to the above meeting other than those referred to in the notice convening the meeting dated 29 April 2010 and the First Proxy Form including, the resolutions for re-election of additional candidates set out in the supplemental circular of the Company dated 10 May 2010 as directors.
 - (ii) **If the Second Proxy Form is lodged with the Company's share registrars before 48 hours prior to the time appointed for holding the above meeting ("Closing Time"), the Second Proxy Form will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Proxy Form will be treated as a valid proxy form lodged by the Shareholder if correctly completed.**
 - (iii) **If the Second Proxy Form is lodged with the Company's share registrars after the Closing Time, the Second Proxy Form will be invalid. However, it will revoke the First Proxy Form previously lodged by the Shareholder, and any vote that may be cast by the purported proxy/proxies (whether appointed under the First Proxy Form or the Second Proxy Form) will not be counted in any poll which will be taken on a proposed resolution. Accordingly, Shareholders are advised not to lodge the Second Proxy Form after the Closing Time.** If such Shareholders wish to vote at the above meeting, they will have to attend in person and vote at the above meeting themselves.