

FUSHAN INTERNATIONAL ENERGY GROUP LIMITED

NOMINATION COMMITTEE

TERMS OF REFERENCE

(As adopted on 11 December 2009)

Constitution

The nomination committee (“Committee”) is a committee of the board of directors (“Board”).

Membership

The Committee members shall be appointed by the Board from amongst the Company’s directors (“Directors”). A majority of the Committee members should be independent non-executive Directors.

The chairman of the Committee shall be appointed by the Board.

Secretary of Committee

The company secretary shall be the secretary of the Committee.

Attendance at meetings

A quorum shall be 2 members.

Other Directors, apart from the Committee members, have the right to attend any Committee meetings, though they will not be counted in the quorum.

Frequency of meetings

Meetings shall be held not less than once a year. The Committee members may call any meetings as and when necessary.

Authority

The Committee is authorized by the Board to seek any necessary information which is within the Committee’s scope of duties from the employees.

The Committee is authorized by the Board to obtain outside independent professional advice, and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

Duties

1. To review the structure, size and composition of the Board (including the skills, knowledge and experience) on a regular basis and make recommendations to the Board regarding any proposed changes.
2. To identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of, individuals nominated for directorships.
3. To make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer.
4. To assess the independence of independent non-executive Directors.
5. Where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, the Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.