
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular, you should consult a 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 Lingbao Gold Company Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or other 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



LINGJIN
灵 金

Lingbao Gold Company Ltd.

靈寶黃金股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 3330)

CONTINUING CONNECTED TRANSACTIONS

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



亞洲資產管理

ASIA INVESTMENT MANAGEMENT

A letter from the board of directors of Lingbao Gold Company Ltd. is set out on pages 4 to 11 of this circular. A letter from the Independent Board Committee (as defined herein) of the Company is set out on page 12 of this circular. A letter from Asia Investment Management containing its advice to the Independent Board Committee (as defined herein) of the Company is set out on pages 14 to 18 of this circular.

A notice convening the extraordinary general meeting of Lingbao Gold Company Ltd. to be held at 2nd floor of the registered office of the Company at Xin Village, Yin Zhuang Town, Daonan Industrial Area, Lingbao, Henan, the PRC at 10:00 a.m. on Wednesday, 1 April 2009 is set out on pages 24 to 25 of this circular. A reply slip and a form of proxy are also enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon. In order to be valid, the proxy form must be deposited by hand and by post, for holders of H Shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and, for holders of domestic shares of the Company, to the registered address of the Company not less than 24 hours before the time for holding the meeting or not less than 24 hours before the time appointed for taking the poll. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the EGM if you so wish.

12 February 2009

CONTENTS

| | <i>Page</i> |
|----------------------------------------------------------|-------------|
| Definitions | 1 |
| Letter from the Board | 4 |
| Letter from the Independent Board Committee | 12 |
| Letter from Asia Investment Management | 14 |
| Appendix – General information | 19 |
| Notice of Extraordinary General Meeting | 24 |

DEFINITIONS

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

| | |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Announcement” | the announcement made by the Company dated 22 January 2009 |
| “Asia Investment Management” | Asia Investment Management Limited, a licensed corporation under the SFO to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (assets management) regulated activities under the SFO, and has been appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the transactions contemplated under New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011 |
| “associate(s)” | has the meaning as ascribed to it in the Listing Rules |
| “Board” | the board of Directors |
| “Company” | Lingbao Gold Company Ltd., a joint stock limited company incorporated in the PRC with limited liability and the shares of which are listed on the main board of the Stock Exchange |
| “Directors” | the directors of the Company |
| “EGM” | the extraordinary general meeting of the Company to be held on Wednesday, 1 April 2009 to approve the New Electricity Supply Agreements and the proposed annual caps thereunder |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | The Hong Kong Special Administrative Region of the People’s Republic of China |

DEFINITIONS

| | |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Independent Board Committee” | the independent board committee comprising all independent non-executive Directors namely, Mr. Niu Zhongjie, Mr. Wang Han, Mr. Yan Wanpeng and Ms. Du Liping, established for the purpose of advising the Independent Shareholders in relation to the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011 |
| “Independent Shareholders” | Shareholders other than Founder and its associates |
| “Latest Practicable Date” | 9 February 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “Lingbao Electric” | Lingbao Electric Company, a wholly state owned company established in the PRC as a result of restructuring of Lingbao Electric Bureau |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “New Electricity Supply Agreements” | the seven electricity supply agreements dated in the year 2006, 2007 and 2008 between Lingbao Electric and the Group in relation to the supply of electricity by Lingbao Electric to the Group |
| “Old Electricity Supply Agreements” | the seven electricity supply agreements entered into between Lingbao Electric and the Group in 2005 in relation to the supply of electricity by Lingbao Electric to the Group, which had all expired in November 2008 |
| “PRC” | the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular |
| “Promoter” | has the meaning as ascribed to it in the Listing Rules |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong (as amended from time to time)) |

DEFINITIONS

| | |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Shareholder(s)” | holder(s) of ordinary share(s) of RMB0.2 each in the issued share capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Waiver” | a waiver from strict compliance with the announcement and independent shareholders’ approval requirements pursuant to Rule 14A.42(3) of the Listing Rules in relation to the Old Electricity Supply Agreements entered into between Lingbao Electric and the Company in 2005, particulars of which are set forth in the prospectus published by the Company on 30 December 2005. |

LETTER FROM THE BOARD



LINGJIN

灵 金

Lingbao Gold Company Ltd.

靈寶黃金股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 3330)

Executive Directors:

Mr. Xu Gaoming
Mr. Wang Jianguo
Mr. Lu Xiaozhao
Mr. Jin Guangcai
Mr. Liu Pengfei
Mr. Zhang Guo

Registered office:

Xin Village
Yin Zhuang Town
Daonan Industrial Area
Lingbao
Henan
The PRC

Non-executive Directors:

Mr. Wang Yumin

*Principal place of business
in Hong Kong:*

Room 1902
MassMutual Tower
38 Gloucester Road
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Niu Zhongjie
Mr. Wang Han
Mr. Yan Wanpeng
Ms. Du Liping

12 February 2009

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

(A) INTRODUCTION

Reference is made to the Announcement in relation to the transactions contemplated under the New Electricity Supply Agreements.

The Group has been relying on Lingbao Electric, which is a PRC government entity, for the supply of electricity. Pursuant to the Old Electricity Supply Agreements which were entered into between Lingbao Electric and the Company in 2005 for the supply of electricity to the Group, Lingbao Electric agreed to supply electricity to the Group for a period of three years and the Old Electricity Supply Agreements had expired by November 2008.

LETTER FROM THE BOARD

In contemplation of the expiry of the Old Electricity Supply Agreements and in order to ensure continuous and stable supply of electricity to support normal operations of the Group, the Group had between September 2007 and October 2008 entered into six of the New Electricity Supply Agreements with Lingbao Electric for a term of three years.

As Lingbao Electric is a Promoter and hence a connected person of the Group, the transactions contemplated under New Electricity Supply Agreements are considered to be continuing connected transactions under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the New Electricity Supply Agreements will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

The purpose of this circular is (i) to provide you with more information relating to the New Electricity Supply Agreements; (ii) to set out the opinions and recommendations of the Independent Board Committee on the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011; (iii) to set out the opinions and recommendations of Asia Investment Management to the Independent Board Committee and the Independent Shareholders in this regard; and (iv) to give you the notice of EGM.

(B) THE NEW ELECTRICITY AGREEMENTS

The New Electricity Supply Agreements consist of seven electricity supply agreements entered into between Lingbao Electric and the Group with details as follows:

- | | |
|--------------------------------|------------------------------------------------------------------------------------------------------------------|
| 1. Date: | 30 January 2008 |
| Parties: | Lingbao Electric; and Gold Metallurgical Branch of the Company (冶煉分公司) |
| Nature of Transaction: | Supply of electricity |
| Term: | 30 January 2008 to 30 January 2011 |
| Site of supply of electricity: | Yinzhuang Town, South Industrial Zone, Lingbao City (靈寶市尹莊鎮道南工業區) |
| Payment of consideration: | Payment is based on consumption of electricity each month and is payable in arrear on the 20th day of each month |

LETTER FROM THE BOARD

2. Date: 11 February 2008
- Parties: Lingbao Electric; and Qiangma Gold Mine Branch of the Company (槍馬金礦分公司)
- Nature of Transaction: Supply of electricity
- Term: 11 February 2008 to 11 February 2011
- Site of supply of electricity: Zhuyang Town, Qiangma Gold Mine, Lingbao City (靈寶市朱陽鎮槍馬金礦)
- Payment of consideration: Payment is based on consumption of electricity each month and is payable in arrear on the 20th day of each month
3. Date: 21 January 2008
- Parties: Lingbao Electric; and Qiangma Gold Mine Branch of the Company (槍馬金礦分公司)
- Nature of Transaction: Supply of electricity
- Term: 21 January 2008 to 21 January 2011
- Site of supply of electricity: Zhuyang Town, Qiangma Gold Mine, Lingbao City (靈寶市朱陽鎮槍馬金礦)
- Payment of consideration: Payment is based on consumption of electricity each month and is payable in arrear on the 20th day of each month
4. Date: 10 October 2008
- Parties: Lingbao Electric; and Yinxin Gold Mine Branch of the Company (峯鑫金礦分公司)
- Nature of Transaction: Supply of electricity
- Term: 10 October 2008 to 10 October 2011
- Site of supply of electricity: Zhuyang Town, Laohugou Village, Lingbao City (靈寶市朱陽鎮老虎溝村)
- Payment of consideration: Payment is based on consumption of electricity each month and is payable in arrear on the 25th day of each month

LETTER FROM THE BOARD

5. Date: 15 September 2007
- Parties: Lingbao Electric; and Yinxin Gold Mine Branch of the Company (峇鑫金礦分公司)
- Nature of Transaction: Supply of electricity
- Term: 15 September 2007 to 15 September 2010
- Site of supply of electricity: Zhuyang Town, Laohugou Village, Lingbao City (靈寶市朱陽鎮老虎溝村)
- Payment of consideration: Payment is based on consumption of electricity each month and is payable in arrear on the 20th day of each month
6. Date: 26 November 2007
- Parties: Lingbao Electric; and Yinxin Gold Mine Branch of the Company (峇鑫金礦分公司)
- Nature of Transaction: Supply of electricity
- Term: 26 November 2007 to 26 November 2010
- Site of supply of electricity: Zhuyang Town, Laohugou Village, Lingbao City (靈寶市朱陽鎮老虎溝村)
- Payment of consideration: Payment is based on consumption of electricity each month and is payable in arrear on the 20th day of each month
7. Date: 30 July 2006 *(Note)*
- Parties: Lingbao Electric; and Lingbao Wason Copper-Foil Company Limited (靈寶華鑫銅箔有限責任公司), a wholly-owned subsidiary of the Company
- Nature of Transaction: Supply of electricity
- Term: 30 July 2006 to 30 July 2009
- Site of supply of electricity: Lingbao City, 131 Huanghe Road, Lingbao City (靈寶市黃河路131號)
- Payment of consideration: Payment is based on consumption of electricity each month and is payable in arrear on the 25th day of each month

LETTER FROM THE BOARD

Note: The Company acquired the entire interest in Lingbao Wason Copper-Foil Company Limited (“Wason”) on 24 March 2008. The electricity supply agreement between Wason and Lingbao Electric was entered into prior to the acquisition of Wason by the Company.

Consideration

Under the New Electricity Supply Agreements, the electricity fee payable by the Company is calculated with reference to the readings on the meters separately installed by Lingbao Electric at the sites and the prevailing unit rate of the electricity tariff as approved by the relevant authorities. The unit rate of the electricity tariff will vary with the consumption of the electricity and the unit rate of the electricity tariff in Henan Province is a standard rate as pre-determined by Henan Development and Reform Commission from time to time. Accordingly, the unit rate of electricity tariff charged by Lingbao Electric is comparable with that of other independent third parties in the same region.

Annual Caps and Basis of Annual Caps

The following table sets out the electricity payment made by the Company to Lingbao Electric for the three years ended 31 December 2008 for its supply of electricity and the proposed annual caps under the New Electricity Supply Agreements:

| | Year ended 31 December 2006 <i>RMB</i> | Year ended 31 December 2007 <i>RMB</i> | Year ended 31 December 2008 <i>RMB</i> | Year ending 31 December 2009 <i>RMB</i> | Year ending 31 December 2010 <i>RMB</i> | Year ending 31 December 2011 <i>RMB</i> |
|----------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| Electricity fee paid | 50,191,000 | 51,903,000 | 69,435,000 | N/A | N/A | N/A |
| Proposed annual caps | N/A | N/A | N/A | 77,500,000 | 89,100,000 | 93,600,000 |

The proposed annual caps for the electricity payment are determined based on (i) the Group’s historical electricity expenses for the past years, (ii) the estimated increase in the electricity tariff of approximately 5% in the year ending 31 December 2010 with reference to the historic rates of the electricity tariff, (iii) the projected increase in the production capacity of gold bullion, silver, copper products and sulphuric acid of the Group with a projected annual growth rate of not more than 10% for the three years ending 31 December 2011.

(C) REASONS FOR AND BENEFITS OF THE NEW ELECTRICITY SUPPLY AGREEMENTS

The Group is mainly engaged in gold mining, smelting and refining. The principal product of the Group is gold and the principal by-products of the group are silver, copper products and sulphuric acid.

Lingbao Electric is a company incorporated in the PRC and is a PRC government entity that engages in supply of electricity.

LETTER FROM THE BOARD

Lingbao Electric has been supplying electricity to the Company on an ongoing basis. The Board considers it essential to enter into the New Electricity Supply Agreements with Lingbao Electric, being the only electricity provider within the region of Lingbao city, in order to secure regular and stable electricity supply from Lingbao Electric to maintain the Group's daily operations. There is no major difference between the terms of the Old Electricity Supply Agreements and that of the New Electricity Supply Agreements.

The Board considers that the New Electricity Supply Agreements were entered into after arm's length negotiations, is on normal commercial terms and on terms no less favourable to the Group than terms available to independent third parties. The executive Directors and the non-executive Directors consider that the terms of the New Electricity Supply Agreements and the relevant annual caps are fair and reasonable so far as the shareholders of the Company are concerned and are in the interests of the Company and its shareholders as a whole.

(D) LISTING RULES REQUIREMENTS AND NON-COMPLIANCE WITH THE LISTING RULES

As Lingbao Electric is a Promoter and hence a connected person of the Group, the transactions contemplated under New Electricity Supply Agreements are considered to be continuing connected transactions under Chapter 14A of the Listing Rules. As the consideration ratio exceeds 2.5% on an annual basis and the annual consideration of the transactions contemplated under New Electricity Supply Agreements are more than HK\$10,000,000, the transactions contemplated under New Electricity Supply Agreements are subject to the reporting, announcement and independent shareholders' approval requirements under Rule 14A.35 of the Listing Rules.

It has come to the attention of the Company that the Waiver in relation to the Old Electricity Supply Agreements had expired and that certain New Electricity Supply Agreements were entered into by the Group between September 2007 and October 2008. The Company failed to comply with the reporting, announcement and independent shareholders' approval requirements in relation to the transactions under the Old Electricity Supply Agreements which took place upon expiry of the Waiver and the transactions under the New Electricity Agreements pursuant to Chapter 14A of the Listing Rules on a timely basis. The Company considers that this was an inadvertent oversight and an unintentional non-compliance with the Listing Rules. Since Lingbao Electric is the only electricity supplier in Lingbao city, the Company considered it necessary to continue the transactions with Lingbao Electric so as to secure stable electricity supply for its operations.

The Independent Board Committee, which comprises all the independent non-executive Directors, has been established to advise the Independent Shareholders in connection with the terms of the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011.

LETTER FROM THE BOARD

(E) EGM

A notice convening the EGM to be held at 10:00 a.m., on Wednesday, 1 April 2009 at 2nd floor of the registered office of the Company at Xin Village, Yinzhuang Town, Daonan Industrial Area, Lingbao, Henan, the PRC is set out on pages 24 to 25 of this circular for the purpose of considering and, if thought fit, passing the ordinary resolution in relation to the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011.

Voting on the ordinary resolution approving the New Electricity Supply Agreements and the related proposed annual caps will be conducted by poll. Lingbao Electric and together with any of its associates will abstain from voting on the resolutions to be proposed at the EGM to approve the New Electricity Supply Agreements and the related proposed annual caps. As at the Latest Practicable Date, Lingbao Electric holds 17,435,687 shares in the Company, representing approximately 2.26% of the issued share capital of the Company.

A reply slip and a form of proxy are also enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon. In order to be valid, the proxy form must be deposited by hand or post, for holders of H Shares of the Company, to the H shares registrar of the Company, Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and, for holders of domestic shares of the Company, to the registered address of the Company not less than 24 hours before the time for holding the EGM or not less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the EGM.

If you intend to attend the EGM in person or by proxy, you are requested to complete the accompanying reply slip. In order to be valid, the completed and signed reply slip shall be delivered to the H shares registrar of the Company, Computershare Hong Kong Investor Services Limited at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or to the Company's registered office address at Xin Village, Yinzhuang Town, Daonan Industrial Area, Lingbao, Henan, the PRC (for holders of domestic shares) on or before Wednesday, 11 March 2009. This reply slip may be delivered to Computershare Hong Kong Investor Services Limited or the Company by hand or by post.

LETTER FROM THE BOARD

(F) RECOMMENDATION

Asia Investment Management has been appointed to advise the Independent Board Committee on the terms of the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011.

The Independent Board Committee, having taken into account the advice of Asia Investment Management, are of the view that the transactions contemplated under the New Electricity Supply Agreements are on normal commercial terms in the ordinary and usual course of business of the Group, the terms of the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011 are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution set out in the notice of EGM enclosed to this circular.

GENERAL

Your attention is also drawn to the letter from the Independent Board Committee, the letter from Asia Investment Management and the additional information set out in the appendix to this circular and the notice of EGM.

Yours faithfully,
For and on behalf of the Board of Directors
Lingbao Gold Company Ltd.
Xu Gaoming
Chairman



LINGJIN
灵 金

Lingbao Gold Company Ltd.

靈寶黃金股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 3330)

12 February 2009

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular dated 12 February 2009 issued by the Company (the “Circular”) of which this letter forms part. Terms used in this letter shall bear the same meanings as given to them in the Circular unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the terms of the transactions contemplated under the New Electricity Supply Agreements which require approval by the Independent Shareholders and the proposed annual caps of such transactions for the three years ending 31 December 2011 and to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011 and to recommend how the Independent Shareholders should vote at the EGM. Asia Investment Management has been appointed to advise us, the Independent Board Committee in relation to the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011.

We wish to draw your attention to the letter from the Board, as set out on pages 4 to 11 of the Circular, and the letter from Asia Investment Management to the Independent Board Committee containing its advice in respect of the terms of the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps for the three years ending 31 December 2011, as set out on pages 14 to 18 of the Circular.

Having taken into account of the principal factors and reasons considered by Asia Investment Management and its conclusion and advice, we consider that transactions contemplated under the New Electricity Supply Agreements are in the ordinary and usual course of business of the Group and are on normal commercial terms, the terms of the transactions contemplated under the New Electricity Supply Agreements and the proposed

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

annual caps for the three years ending 31 December 2011 are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the transactions contemplated under the New Electricity Supply Agreements and the proposed annual caps of such transactions for the three years ending 31 December 2011.

Yours faithfully,

Independent Board Committee

Niu Zhongjie

*Independent
non-executive
Director*

Wang Han

*Independent
non-executive
Director*

Yan Wanpeng

*Independent
non-executive
Director*

Du Liping

*Independent
non-executive
Director*



亞洲資產管理
ASIA INVESTMENT MANAGEMENT

Asia Investment Management Limited

Unit B, 14/F, Vulcan House,
21-23 Leighton Road,
Causeway Bay, Hong Kong

12 February 2009

*To The Independent Board Committee and
the Independent Shareholders of
Lingbao Gold Company Limited*

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to (i) the seven electricity supply agreements dated between the period from 2006 to 2008 in relation to the supply of electricity by Lingbao Electric Company (“Lingbao Electric”) to the Group, for a respective term of three years (the “New Electricity Supply Agreements”), details of which are contained in an announcement of the Company dated 22 January 2009 (the “Announcement”) and in the “Letter from the Board”, on page 4 to page 11 of the circular of the Company dated 12 February 2009 (the “Circular”) to the Shareholders. Capitalised terms used in this letter shall have the same meanings as defined in the Circular of which this letter forms part unless the content otherwise requires.

The Group has been relying on Lingbao Electric, a PRC government entity which is principally engaged in the business of electricity supply and is the sole supplier of electricity in the Lingbao city. Pursuant to the Old Electricity Supply Agreements which were entered into between the Group and Lingbao Electric in 2005 for the supply of electricity to the Group, Lingbao Electric agreed to supply electricity to the Group for a term of three years. In contemplation of the expiry of the tenures of the Old Electricity Supply Agreements and in order to ensure stable supply of electricity to support normal operations of the Group, the Group has entered into the New Electricity Supply Agreements with Lingbao Electric for a respective term of three years.

As Lingbao Electric is the Promoter and hence a connected a person of the Company, the entering into of the New Electricity Supply Agreements therefore constituted continuing connected transactions of the Company (the “Continuing Connected Transactions”).

LETTER FROM ASIA INVESTMENT MANAGEMENT

As one of the applicable percentage ratios (as defined in the Listing Rules) of the Continuing Connected Transactions, which is calculated based on the annual cap of the aggregate consideration contemplated under the New Electricity Supply Agreements, is higher than 2.5%, the Continuing Connected Transactions fall under Rule 14A.25 of the Listing Rules and are therefore subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. As at the Latest Practicable Date, Lingbao Electric held 17,435,687 shares in the Company, representing approximately 2.26% of the issued share capital of the Company. Lingbao Electric together with its associates will abstain from voting in the relevant resolution at the EGM to approve the Continuing Connected Transactions.

The Independent Board Committee comprising Messrs. Niu Zhongjie, Wang Han, Yan Wanpeng and Du Liping, being the independent non-executive Directors, has been formed to advise the Independent Shareholders in relation to the Continuing Connected Transactions.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have reviewed, inter alia, the Announcement, the Old Electricity Supply Agreements, the New Electricity Supply Agreements and the notice issued by Henan Development and Reform Commission in relation to the pre-determined unit rate of electricity tariff in Henan province dated 3 July 2008 (the "Notice"). We have also reviewed certain information provided by the management of the Company relating to the operations, financial condition and prospects of the Group. We have also (i) considered such other information, analyses and market data which we deemed relevant; and (ii) conducted verbal discussions with the management of the Company regarding the terms of the New Electricity Supply Agreements, the businesses and future outlook of the Group. We have assumed that such information and statements, and any representation made to us, are true, accurate and complete in all material respects as of the date hereof and we have relied upon them in formulating our opinion.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. We have assumed that all information, opinions and representations contained or referred to in the Circular are true, accurate and complete in all material respects as at the date of the Circular and that they may be relied upon in formulating our opinion. We consider that we have been provided with, and we have reviewed, all currently available information and documents which are available under present circumstances to enable us to reach an informed view regarding the terms of, and reasons for, the Continuing Connected Transactions and to justify reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis of our opinion. We have no reasons to suspect that any material information has been withheld by the Directors or management of the Company, or is misleading, untrue or inaccurate. We have not, however, for the purpose of this exercise, conducted any independent detailed investigation or audit into the businesses or affairs or future prospects of the Group. Our opinion is necessarily based on the financial, economic, market and other conditions in effect, and the information made available to us, as at the Latest Practicable Date.

LETTER FROM ASIA INVESTMENT MANAGEMENT

PRINCIPAL FACTORS CONSIDERED

In arriving at our opinion in respect of the terms of the New Electricity Supply Agreements, we have considered the following principal factors and reasons:

Reasons for and benefits of entering into the New Electricity Supply Agreements

The Group is an integrated gold mining enterprise based in Lingbao city, Henan province, the PRC and is principally engaged in the businesses of mining, processing, smelting and sales of gold and other metallic products in the PRC. The Company has been certified by the Shanghai Gold Exchange as a standard gold bullion production enterprise. As noted from the interim report of the Company for the six months ended 30 June 2008, the Group's mineral resources in the PRC were scattered in the provinces of Henan, Xinjiang, Jiangxi, Inner Mongolia and Gansu with 53 mining and exploration rights as at 31 August 2008 covering a total area of approximately 1,278.21 square kilometres. It has been the objective of the Group's strategy to commit and become the leading integrated gold mining enterprise in the PRC and gradually promote its brand within the international market. To achieve this, the Group will focus on the exploration and expansion of production scale and continue to acquire gold resources with potentials.

As mentioned in the Letter from the Board, the purpose of entering into the Old Electricity Supply Agreements and the New Electricity Supply Agreements is to ensure continuous and stable supply of electricity to support the normal daily operations of the Group. Lingbao Electric is a PRC government entity which is engaged in electricity supply. As advised by the management of the Company, the headquarters, the smelting plant and various gold mines of the Group are situated within or in proximity to the area of Lingbao city where Lingbao Electric is the sole electricity supplier within that region. As at the Latest Practicable Date, the Group had three developed gold mines, five processing plants and one smelting plant within such region. We consider it is essential for the Group to maintain continuous and stable supply of electricity for supporting its daily operations within such region and hence the entering into of the New Electricity Supply Agreements is in the ordinary and usual course of business of the Group and is in the interest of the Company and the Shareholders as a whole.

Principal terms of the New Electricity Supply Agreements

As stated in the Letter from the Board, each of the New Electricity Supply Agreements is of a respective tenure of three years and shall continue to be in force upon written confirmation by the relevant contract parties upon expiry of their respective terms. The payments of the Group for the electricity supplied by Lingbao Electric would be payable in arrear on a monthly basis which is calculated with reference to the readings on the meters separately installed by Lingbao Electric at the sites and the prevailing unit rates of electricity tariff as approved by the relevant authorities.

As set out in the appendices to the Notice, the unit rates of the electricity tariff in Henan province will vary with (i) the consumption level of electricity; and (ii) the natures and types of the relevant enterprises/households which consume electricity. Such unit rates are pre-determined by Henan Development and Reform Commission from time to time. As advised by the management of the Company, such set of unit rates of electricity tariff shall be applied

LETTER FROM ASIA INVESTMENT MANAGEMENT

equally to the enterprises or households which consume electricity and hence the unit rate(s) of electricity tariff charged by Lingbao Electric to the Group should be no more favourable than those applicable to other independent third parties within the same region.

We have reviewed the information provided by the management of the Company including the Notice and the invoices issued by Lingbao Electric to the Group between the period from August 2008 to December 2008. We noted that the electricity expenses of the Group during such period were paid with reference to the pre-determined unit rate(s) of electricity tariff as stipulated in the appendices to the Notice.

Given that the unit rates of electricity tariff are pre-determined by Henan Development and Reform Commission from time to time and that such set of unit rates of electricity tariff as set out in the appendices to the Notice shall be applied equally to the enterprises or households which consume electricity and hence the unit rate(s) of electricity tariff charged by Lingbao Electric to the Group should be no more favourable than those applicable to other independent third parties within the same region, we consider the principal terms of the New Electricity Supply Agreements are normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

Annual cap amounts

The table below sets forth the electricity expenses paid by the Group to Lingbao Electric for the three years ended 31 December 2008 and the proposed annual cap amounts for the considerations payable by the Group to Lingbao Electric under the New Electricity Supply Agreements for each of the three years ending 31 December 2011:

| | Year ended 31 December | | | | | |
|-----------------|------------------------|----------------|----------------|----------------|----------------|----------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| | <i>App.</i> | <i>App.</i> | <i>App.</i> | <i>App.</i> | <i>App.</i> | <i>App.</i> |
| | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> | <i>RMB</i> |
| | <i>Million</i> | <i>Million</i> | <i>Million</i> | <i>Million</i> | <i>Million</i> | <i>Million</i> |
| Electricity | | | | | | |
| expenses paid | 50.2 | 51.9 | 69.4 | | | |
| Proposed annual | | | | | | |
| cap amounts | | | | 77.5 | 89.1 | 93.6 |

As noted from the Letter of the Board and based on our discussion with the management of the Company, we understand that the annual cap amounts of the New Electricity Supply Agreements for the three years ending 31 December 2011 were determined on the bases of (i) the historical electricity expenses of the Group for the past year; (ii) the expected increase in the cost of electricity expenses of the Group after taken into account the estimated increase in the electricity tariff of approximately 5% for the year ending 31 December 2010 with reference to the historic rates of the electricity tariff; and (iii) the expected increase in demand for electricity by the Group as a result of the estimated increase in the production capacity of gold bullion, silver, copper products and sulphuric acid of the Group with an estimated annual growth rate of not more than 10% for the three years ending 31 December 2011. We have reviewed the calculation of the annual cap amounts of the Continuing Connected Transactions and the bases and assumptions thereunder. Based on our review, we noted that (i) the expected

LETTER FROM ASIA INVESTMENT MANAGEMENT

increase in electricity tariff for the year ending 31 December 2010; and (ii) the estimated increase in the production capacity of the Group for the three years ending 31 December 2011 were determined with reference to the respective historic rates of increment of electricity expenses and the historic data of the Group's production capacity. We are of the view that the respective annual cap amounts for the Continuing Connected Transactions for the three years ending 31 December 2011 are determined after due and careful consideration and that it is fair and reasonable for the management of the Company to make reference to the aforesaid factors as the bases to determine such annual cap amounts.

However, the Shareholders should note that as the annual cap amounts as set out above are relating to future events and are estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2011, they do not represent forecasts of revenue to be generated from the operations of the Group. Consequently, we express no opinion as to how closely the actual payments of the Group under the New Electricity Supply Agreements will correspond with the above annual cap amounts.

RECOMMENDATION

Having considered the principal factors and reasons referred to in the above, we are of the view that (i) it is essential for the Group to maintain continuous and stable supply of electricity for supporting its daily operations and hence the entering into of the New Electricity Supply Agreements is in the ordinary and usual course of business of the Group and is in the interest of the Company and the Shareholders as a whole; (ii) the principal terms of the New Electricity Supply Agreements are normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned; and (iii) the respective annual cap amounts for the Continuing Connected Transactions for the three years ending 31 December 2011 are determined after due and careful consideration and that it is fair and reasonable for the management of the Company to make reference to the aforesaid factors as the bases to determine such annual cap amounts. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the extraordinary general meeting to be convened to approve, inter alia, the New Electricity Supply Agreements (including the annual cap amounts).

Yours faithfully,

For and on behalf of

Asia Investment Management Limited

Alice Kan

Hidulf Kwan

Managing Director Associate Director

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS BY DIRECTORS AND SUPERVISORS

As at the Latest Practicable Date, the Directors, supervisors and the chief executive of the Company had the following interests or short positions in the shares, debentures or underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to the Company and the Stock Exchange:

Supervisors' interests in shares of the Company

| Name | Nature of interest | Number of domestic shares held | Approximate percentage of the Company's total issued share capital |
|-----------------|----------------------------------------------------|--------------------------------|--------------------------------------------------------------------|
| Mr. Meng Fanrui | Interest of controlled corporation <i>(note 1)</i> | 18,000,000 | 2.34% |
| Mr. Guo Xuchang | Interest of controlled corporation <i>(note 2)</i> | 12,250,000 | 1.59% |

Notes:

- Henan Xuanrui Assets Company Limited ("Henan Xuanrui") owns approximately 2.34% interest in the Company. Mr. Meng Fanrui (孟凡瑞先生) owns approximately 61.6% interest in Henan Xuanrui and together with his wife Ms. Ma Xianting (馬仙婷小姐), hold approximately 96.1% of the shareholding in Henan Xuanrui. Under the SFO, Mr. Meng Fanrui (孟凡瑞先生) is deemed to be interested in the Shares held by Henan Xuanrui.
- Lingbao Guoshi Mining Limited Liability Company ("Lingbao Guoshi Mining") owns approximately 1.59% interest in the Company. Mr. Guo Xuchang (郭續長先生) owns approximately 78.8% interest in Lingbao Guoshi Mining and together with his wife Ms. Yang Yuqin (楊玉琴小姐), hold 100% of the shareholding in Lingbao Guoshi Mining. Under the SFO, Mr. Guo Xuchang (郭續長先生) is deemed to be interested in the Shares held by Lingbao Guoshi Mining.

Save as disclosed above, as far as the Directors were aware, as at the Latest Practicable Date, none of the Directors, supervisors or the chief executive of the Company had any interest or short position in the securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were deemed or taken to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein.

As at the Latest Practicable Date, none of the Directors or supervisors had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2007, being the date to which the latest published audited consolidated accounts of the Company were made up.

No Director was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to, or can be ascertained after reasonable enquiry by, the Directors, the following corporation (not being a Director, supervisor or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

| Name | Nature of interest | Number of domestic shares held | Approximate percentage of the Company's total issued share capital |
|------------------------------------------------------------------------------------|--------------------|--------------------------------|--------------------------------------------------------------------|
| Lingbao State-owned Assets Operation Limited Liability Company ^(Note 1) | Beneficial owner | 373,840,620 | 48.54% |
| Sanmenxia Jinqu Group Company Limited | Beneficial owner | 37,698,784 | 4.89% |

Notes:

- In addition to its direct interest in 373,840,620 domestic shares, Lingbao State-owned Assets has an indirect interest in the Company through its equity interest of approximately 43.4% in Lingbao Gold Machinery Limited Liability Company (靈寶市黃金機械有限責任公司), which in turn holds approximately 21.1% equity interest in Lingbao Jinxiang Auto Parts Limited Liability Company (靈寶市金象汽車零部件有限責任公司) (“Lingbao Jinxiang Motors”). Lingbao Jinxiang Motors is a promoter of the Company, which held approximately 1.7% shareholding in the Company as at the date of this report.

As at the Latest Practicable Date, the following persons or corporations (not being a Director, supervisor or the chief executive of the Company) were, directly or indirectly, interested in 10% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the following subsidiaries of the Company:

| Name of subsidiary | Name of shareholder | Percentage of shareholding |
|--------------------------------------------------------|----------------------------|-----------------------------------|
| (a) Lingbao Hongxin Mining Limited Liability Company | 靈寶市紅土領金礦 | 20% |
| (b) Jiangxi Mingxin Mining Company Limited | 江西省地球物理地球化學勘探公司 | 20% |
| (c) Chi Feng City Zheng Ji Mining Company Limited | 于克新 | 18% |
| (d) Chi Feng Lingjin Mining Company Limited | 瀋陽市金路物資有限公司 | 20% |
| (e) Full Gold Mining Limited Liability Company | 中國路橋工程有限責任公司 | 10% |
| (f) Linbao Yixin Mining Limited Liability Company | 劉寬亮 | 20% |
| (g) Tianshui Hongwu Mining Development Company Limited | 劉海榮 | 16% |
| (h) Tianshui Hongwu Mining Development Company Limited | 劉海峰 | 10% |

Save as disclosed herein, the Directors of the Company are not aware of any person (other than a Director, supervisor or the chief executive of the Company or his associates or a member of the Group) who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or who has, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital as at the Latest Practicable Date.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any other member of the Group which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. EXPERT

Asia Investment Management is a licensed corporation to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (assets management) regulated activities under the SFO.

As at the Latest Practicable Date, Asia Investment Management was not beneficially interested in the securities of any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Asia Investment Management did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2007, being the date to which the latest published audited consolidated accounts of the Company were made up.

Asia Investment Management has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name, in the form and context in which they appear.

6. COMPETING INTERESTS

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors and their respective associates were considered to have any interests in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group.

7. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2007, being the date to which the latest published audited consolidated accounts of the Company were made up.

8. LITIGATION

As at the Latest Practicable Date, neither the Company nor any other member of the Group was engaged in any litigations or claims and no litigations or claims of material importance is pending or threatened against the Company or any member of the Group.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The Old Electricity Supply Agreements and the New Electricity Supply Agreements will be available for inspection at the principal place of business of the Company in Hong Kong at Room 1902, MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong during normal business hours on any weekday (public holidays excluded) from the date of this circular up to and including Wednesday, 1 April 2009, the date of the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING



LINGJIN

灵 金

Lingbao Gold Company Ltd.

靈寶黃金股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code: 3330)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that a extraordinary general meeting of Lingbao Gold Company Ltd. (“Company”) will be held at the 2nd floor of the registered office of the Company at Xin Village, Yinzhuang Town, Daonan Industrial Area, Lingbao, Henan, the People’s Republic of China at 10:00 a.m. on Wednesday, 1 April 2009 for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

“THAT:

- (a) the New Electricity Supply Agreements (as defined in the circular to shareholders of the Company dated 12 February 2009 (the “Circular”)) in relation to the supply of electricity by Lingbao Electric Company (as defined in the Circular) to the Group (as defined in the Circular), and all the transactions contemplated under the New Electricity Supply Agreements be and are hereby approved;
- (b) the proposed annual caps in relation to the transactions contemplated under the New Electricity Supply Agreements for each of the three years ending 31 December 2009, 2010 and 2011, being RMB77,500,000, RMB89,100,000 and RMB93,600,000 respectively, be and are hereby approved; and
- (c) any one director of the Company be and is hereby authorised on behalf of the Company to do all such acts or things, as he/she may in his/her absolute discretion consider necessary or desirable, to give effect to the New Electricity Supply Agreements and the transactions contemplated therein.”

By order of the Board of Directors
Lingbao Gold Company Ltd.

Xu Gaoming

Chairman

Henan, the PRC, 12 February 2009

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. The register of members of the Company will be closed from Monday, 2 March 2009 to Wednesday, 1 April 2009 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) or the registered office address of the Company (for holders of domestic shares), no later than 4:30 p.m. on Friday, 27 February 2009.
2. Holders of domestic shares and H shares whose names appear on the H share register of members of the Company at the close of business on Friday, 27 February 2009 are entitled to attend and vote at the EGM and may appoint one or more proxies to attend and, in the event of a poll, vote on their behalf. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form must be deposited by hand or post, for holders of H shares of the Company, to the H shares registrar of the Company, Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and, for holders of domestic shares of the Company, to the registered address of the Company not less than 24 hours before the time for holding the meeting or not less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
4. Shareholders or their proxies shall produce their identity documents when attending the meeting.
5. Shareholder who intends to attend the EGM should complete and return the reply slip and return it by hand or by post to the share registrar of the Company (for holders of H shares) or to the registered office address of the Company (for holders of domestic shares) on or before Wednesday, 11 March 2009.
6. The registered office address of the Company is as follows:

Xin Village
Yinzhuang Town
Daonan Industrial Area
Lingbao
Henan
The People's Republic of China
Tel: 86 398 8862220
Fax: 86 398 8860166
7. The EGM is expected to be held for less than half a day. Shareholders who attend the meeting shall bear their own travelling and accommodation expenses.
8. The Board confirms that there is no other matter which should be brought to the attention of the shareholders.
9. In accordance with Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), Lingbao Electric Company and its associates (as defined in the Listing Rules) are required to abstain from voting on the above ordinary resolution.
10. The ordinary resolution as set out above will be determined by way of a poll.
11. As at the date of this notice, the Board comprises six executive Directors, namely Mr. Xu Gaoming, Mr. Wang Jianguo, Mr. Lu Xiaozhao, Mr. Jin Guangcai, Mr. Liu Pengfei and Mr. Zhang Guo; one non-executive Director, namely Mr. Wang Yumin; and four independent non-executive Directors, namely Mr. Niu Zhongjie, Mr. Wang Han, Mr. Yan Wanpeng and Ms. Du Liping.