

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Taung Gold International Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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TAUNG GOLD | **TAUNG GOLD INTERNATIONAL LIMITED**
壇金礦業有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 621)

PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening Annual General Meeting of Taung Gold International Limited to be held at Unit 1901, 19/F, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong on 31 August 2016, at 11:00 a.m. is set out on pages 13 to 15 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed.

Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at 22 Level, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not prevent members from attending and voting at the meeting if they so wish.

DEFINITIONS

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

“Annual General Meeting”	the Annual General Meeting of the Company dated 31 August 2016, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which are set out on pages 13 to 15 of this circular
“associate(s)”	has the same meaning as defined in the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, as amended from time to time, and “Bye-law” construes any bye-law thereof
“Company”	Taung Gold International Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the same meaning as defined in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate Resolutions”	the ordinary resolutions to be proposed at the Annual General Meeting for approving the granting of the Repurchase Mandate and the Issuance Mandate to the Directors
“GoldCom”	Gold Commercial Services Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, whose principal business activities consist of investment holding and related activities
“Group”	the Company and its Subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issuance Mandate”	a general and unconditional mandate to be given to the Directors to exercise the powers of the Company to allot, issue or deal with Shares of an aggregate nominal amount of up to twenty per cent of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution
“Latest Practicable Date”	22 July 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Member(s)” or “Shareholder(s)”	the holder(s) of Share(s) of the Company
“Repurchase Mandate”	a general and unconditional mandate to be given to the Directors to exercise the powers of the Company to purchase Shares on the Stock Exchange of an aggregate nominal amount of up to ten per cent of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution
“SFC”	Securities and Futures Commission in Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary for the time being of the Company (within the meaning of Section 2 of the Companies Ordinance), whether incorporated in Hong Kong or elsewhere
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“TGL”	Taung Gold (Proprietary) Limited, a principal subsidiary of the Company
“HK\$”	Hong Kong dollars

TAUNG GOLD | **TAUNG GOLD INTERNATIONAL LIMITED**
壇金礦業有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 621)

Executive Directors:

Mr. Li Hok Yin (*Co-chairman*)
Mr. Christiaan Rudolph de Wet de Bruin (*Co-chairman*)
Mr. Neil Andrew Herrick
Ms. Cheung Pak Sum
Mr. Igor Levental

Non-executive Director:

Mr. Phen Chun Shing Vincent

Independent Non-executive Directors:

Mr. Chui Man Lung, Everett
Mr. Li Kam Chung
Mr. Tsui Pang

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal Place of Business:

Unit 1901, 19th Floor
Nina Tower
8 Yeung Uk Road
Tsuen Wan
New Territories
Hong Kong

29 July 2016

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with notice of the Annual General Meeting and information on matters to be dealt with at the Annual General Meeting. They are: (a) general mandates to repurchase the Company's own fully-paid Shares and to issue new Shares; (b) re-election of Directors of the Company; (c) and a notice of the Annual General Meeting.

* For identification purpose only

LETTER FROM THE BOARD

2. REPURCHASE AND ISSUANCE MANDATES

Ordinary resolutions will be proposed at the Annual General Meeting to approve the grant of new general mandates to the Directors:

- (a) to repurchase Shares on the Stock Exchange of an aggregate nominal amount of up to ten per cent of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution;
- (b) to allot, issue or deal with Shares of an aggregate nominal amount of up to twenty per cent of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution (i.e. not exceeding 2,974,926,738 Shares based on the issued share capital of the Company of 14,874,633,693 Shares as at the Latest Practicable Date and assuming that such issued share capital remains the same on the date of passing such resolution); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolutions no. 4 and no. 5 as set out in the notice of Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate. An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

The Repurchase and Issuance Mandates, unless revoked or varied by way of an ordinary resolution of the shareholders in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company, which will be convened on or before 30 November 2017.

3. RE-ELECTION OF DIRECTORS

Pursuant to the bye-law 97 of the Bye-laws, Mr. Neil Andrew Herrick and Mr. Tsui Pang were respectively appointed as Executive Director and Independent Non-executive Director before the Annual General Meeting, shall hold office until the Annual General Meeting and being eligible, have offered themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

Pursuant to bye-law 98 of the Company's Bye-laws, Mr. Li Hok Yin, who is currently Executive Director of the Company, shall also hold office until the Annual General Meeting of the Company and being eligible, have offered himself for re-election at the Annual General Meeting.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of Annual General Meeting is set out on pages 13 to 15 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, at the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited at 22 Level, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

5. VOTE BY POLL

Under Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the Annual General Meeting will be taken by way of poll.

6. RECOMMENDATION

The Directors consider that the (i) granting of the Repurchase Mandate and granting/extension of the Issuance Mandate; and (ii) re-election of Directors of the Company are in the interests of the Company, the Group and the Members as a whole. Accordingly, the Directors recommend Members to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is also drawn to the additional information as set out in Appendix I and Appendix II to this circular being an explanatory statement on the Repurchase Mandate (Appendix I) and details of Directors proposed to be re-elected at the Annual General Meeting (Appendix II).

Yours faithfully,
By order of the Board
TAUNG GOLD INTERNATIONAL LIMITED
Li Hok Yin **Christiaan Rudolph**
de Wet de Bruin
Co-chairmen

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to Members for consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised of 14,874,633,693 Shares.

Subject to the passing of ordinary resolution no. 4 as set out in the notice of Annual General Meeting and on the basis that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 1,487,463,369 Shares (represents ten per cent of the issued Shares of the Company as at the date of passing the resolution to approve the Repurchase Mandate) during the period in which the Repurchase Mandate remains in force.

The Repurchase and Issuance Mandates, unless revoked or varied by way of an ordinary resolution of the shareholders in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company, which will be convened on or before 30 November 2017.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the proposed granting of the Repurchase Mandate is in the interests of the Company and the Members as a whole.

Repurchases may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net assets and/or earnings per Share. The Directors are seeking granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. FUNDING OF REPURCHASES

Any repurchases will only be funded out of funds of the Company legally available for the purpose of making the proposed Repurchase Mandate in accordance with its Memorandum of Association and Bye-laws and the applicable laws of Bermuda.

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares. Under Bermuda law, repurchases may only be effected out of either the capital paid up on the relevant shares or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

4. EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts contained in the annual report of the Company for the year ended 31 March 2016) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

None of the Directors and, to the best of their knowledge having made all reasonable enquiries, none of their respective associates, have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

6. DIRECTOR'S UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Bermuda.

7. TAKEOVERS CODE CONSEQUENCE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, the following Shareholders are interested in more than 5 per cent of the Shares in issue:

Name	Number of Shares	Percentage Holding
Electrum Strategic Exploration Limited (<i>note 1</i>)	2,295,047,831	15.43%
Gold Commercial Services Limited (<i>note 2</i>)	1,458,755,084	9.81%
Mandra Esop Limited (<i>note 3</i>)	28,218,369	0.19%
Mandra Materials Limited (<i>note 3</i>)	1,608,854,156	10.82%
Woo Foong Hong Limited (<i>note 3</i>)	426,530,727	2.87%

Notes:

- (1) Electrum Strategic Exploration Limited is principally owned and controlled by GRAT Holdings LLC. Hence, GRAT Holdings LLC is deemed to be interested in the Shares held by Electrum Strategic Exploration Limited for the purpose of SFO.
- (2) On 8 September 2011, the Company issued 1,130,141,116 new Shares of the Company. On 8 September 2011, the Company issued 1,130,141,116 shares of the Company to GoldCom for granting the put options to South African resident shareholders of TGL in relation to the sale to the Company through GoldCom of 21,174,316 shares of TGL (Please refer to the Company's circular dated 28 July 2011). On 21 November 2014, the Shareholders passed a special resolution to grant each of the TG Optionholders the right to sell a maximum number of 23,645,210 TG Shares to the Company or GoldCom for a maximum of 1,262,020,649 New Put Option Consideration Share (Please refer to the Company's circular dated 2 November 2014).
- (3) Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited are 50% owned by Mr. Zhang Songyi. Hence, Mr. Zhang Songyi is deemed to be interested in the Shares held by Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited for the purpose of SFO.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

Name	Percentage Holding
Electrum Strategic Exploration Limited	17.14%
Gold Commercial Services Limited	10.90%
Mandra Esop Limited	0.21%
Mandra Materials Limited	12.02%
Woo Foong Hong Limited	3.19%

The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchase made under the Repurchase Mandate. However, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25% as prescribed in the Listing Rules.

8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the last six months immediately preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

9. CONNECTED PERSON

No connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

10. MARKET PRICES OF SHARES

The highest and lowest prices at which the Shares were traded on Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
July	0.194	0.101
August	0.136	0.102
September	0.115	0.088
October	0.095	0.084
November	0.096	0.081
December	0.085	0.070
2016		
January	0.099	0.049
February	0.098	0.076
March	0.090	0.072
April	0.082	0.070
May	0.082	0.064
June	0.070	0.062
July (up to Latest Practicable Date)	0.133	0.091

Mr. Tsui Pang

Mr. Tsui Pang (“**Mr. Tsui**”), aged 33, is currently a general manager of Chang Yang (Hubei) Mining Limited, which is engaged in exploration and the mining of barium sulphate at barite ores in Yichang City, Hubei Province in China. Before joining the Company, Mr. Tsui worked in Yuet Sing Group from 2004 to 2011 in different positions to participate in mine planning and feasibility study of mines in Enshi City, Hubei Province in China. Mr. Tsui holds a bachelor degree in Arts & Design in Education from the Hong Kong Polytechnic University.

There is no service contract entered into between Mr. Tsui and the Company. Mr. Tsui is appointed by way of a letter of appointment without specific term but will be renewable automatically for successive term of one year. His appointment will be subject to normal retirement and re-election by shareholders of the Company (the “**Shareholders**”) pursuant to the Bye-laws. Mr. Tsui is entitled to a Director’s fee of HK\$250,000 per annum. The Director’s fee for Mr. Tsui will be reviewed annually by the Board with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation. The ordinary remuneration payable to Mr. Tsui is governed by the Bye-law 106(A) of the Company and will be determined by the Shareholders at the Company’s annual general meeting.

Mr. Neil Andrew Herrick

Mr. Neil Andrew Herrick (“**Herrick**”), aged 52, is the chief executive officer of the Company and an alternate to Mr. Christiaan Rudolph de Wet de Bruin, an executive director of the Company. He was an executive director of the Company from 26 April 2013 to 27 July 2015. He is also a director and chief executive officer of Taung Gold (Proprietary) Limited (“**TGL**”) as well as a director of Taung Gold Secunda (Pty) Ltd (previously Pluriclox (Pty) Ltd), which is a wholly-owned subsidiary of TGL. He has over 20 years of experience in the gold mining industry, having joined the Gold Division of Anglo American in 1988 and became section manager at Anglogold Limited from 1994 to 1997 with responsibility for an underground section of a mine and a shaft system. He became production manager at Anglogold Limited from 1997 to 1999 and was responsible for an entire shaft complex. From 1999 to 2002 he was the general manager of the North West Operations of Durban Roodepoort Deep Limited. In 2002, he joined Gold Fields Limited as senior manager and was responsible for the completion of two pre-feasibility studies for the exploitation of below infrastructure resources at Kloof mine and later as Senior Manager in charge of Kloof mine’s underground operations. From 2006 to 2007, he was a mine manager at Anglo Platinum Limited, after which he joined Norilsk Nickel Africa (Pty) Limited as a mining executive. He is registered as a professional engineer with the Engineering Council of South Africa, and is a past president and council member of the Association of Mine Managers of South Africa. He is a former Chairman of the Mines Professional Associations Committee of Management. Mr. Herrick graduated from the University of Newcastle upon Tyne in 1987 with a Bachelor of Engineering degree (Honours) in Mining Engineering.

As at the date hereof, Mr. Herrick is interested in 4,500 shares in TGL and is deemed to be interested in 62,391,851 Shares as follows:

- (a) Mr. Herrick holds 4,500 shares in TGL;
- (b) Mr. Herrick has a put option to sell the 4,500 shares in TGL to GoldCom (which in turn has a put option to sell same to the Company) within a period from 5 September 2014 to 7 September 2016, in consideration for a sum of money equivalent to the cash proceeds from selling 240,179 Shares of the Company on the market on the date of exercise of such put option;
- (c) Mr. Herrick also has 42,936,035 Shares in the Company in the name of GoldCom after exercising his put options in TGL (including additional Shares upon full exercise of the First Refusal Right at Maximum Exchange Ratio as defined in the Company's circular dated 4 November 2014); and
- (d) Mr. Herrick also holds 19,215,637 share options (the "Share Options") in the Company which entitle him to purchase up to 19,215,637 Shares at exercise price of HK\$0.149. The validity period of the Share Options are from 16 July 2015 to 15 July 2020. Mr. Herrick is entitled to exercise the Share Options upon vesting on 15 July 2016.

There is no service contract entered into between Mr. Herrick and the Company. Mr. Herrick is appointed by way of a letter of appointment without specific term but will be renewable automatically for successive term of one year. His appointment will be subject to normal retirement and re-election by shareholders of the Company pursuant to the Bye-laws. Mr. Herrick will not receive any remuneration from the Company in respect his appointment.

Mr. Li Hok Yin

Mr. Li Hok Yin, aged 39, is the Co-chairman and an Executive Director of the Company. He was previously the Investment Manager of Cheever Capital Management (Asia) Ltd. from September 2007 to December 2009. He was the Territory Manager of Ecolab Ltd, a company listed on the New York Stock Exchange, from March 2004 to July 2007. Mr. Li also obtained a Bachelor of Engineering degree from The Chinese University of Hong Kong. He was appointed as an Executive Director of the Company on 8 January 2010.

Mr. Li had not entered into a service contract but was appointed by way of a letter of appointment with an initial term of one year and be renewable automatically for successive term of one year. His appointment will be subject to normal retirement and re-election by the Shareholders pursuant to the Bye-laws. Mr. Li will receive Director's fee of HK\$595,200 per annum which is determined with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. The Director's fee for Mr. Li will be reviewed annually by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

As at the Latest Practicable Date, Mr. Li holds Share Option granted to him under the existing share option scheme of the Company entitling him to subscribe for 19,215,637 Shares and holds 17,380,622 Shares.

Save as disclosed above, none of the above Directors (i) hold any other position in the Company or any of its subsidiaries nor did he hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (ii) have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company and (iii) is interested in any interest, deemed interest or short position in any Shares, underlying shares or debentures of the Company as at the Latest Practicable Date (within the meaning of Part XV of the SFO).

Save as disclosed above, there is no other matter that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in respect of the above Directors who stand for re-election at the Annual General Meeting.

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壇金礦業有限公司*
(Incorporated in Bermuda with limited liability)
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NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Members of Taung Gold International Limited (the “Company”) will be held at Unit 1901, 19/F, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong on 31 August 2016, at 11:00 a.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Report of the Directors and of the Auditors for the year ended 31 March 2016;
2. To re-elect retiring Directors and to authorise the Board of Directors to fix the Directors’ remuneration;
3. To re-appoint Deloitte Touche Tohmatsu as the Company’s auditors and to authorise the Board of Directors to fix their remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the issued share capital of the Company on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

(iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.”;

5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers, agreements and options which would or might require shares to be allotted, issued or dealt with during or after the end of the Relevant Period (as defined below), be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to (i) a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong), or (ii) 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 and/or any eligible grantee pursuant to the scheme of shares or rights to acquire shares of the Company, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, the total nominal amount of additional shares to be issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with shall not in total exceed 20% of the total nominal amount of the issued share capital of the Company on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (b) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and

