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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult an exchange participant or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares in Minmetals Resources Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

**RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES**

The Notice of Annual General Meeting of Minmetals Resources Limited to be held at Kowloon Room I, M/F, Kowloon Shangri-La Hotel, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 17 May 2007 at 10:30 a.m. is set out on pages 14 to 17 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting should you so wish.

23 April 2007

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Kowloon Room I, M/F, Kowloon Shangri-La Hotel, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 17 May 2007 at 10:30 a.m.;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors of the Company including independent non-executive directors or any duly authorised committee thereof;
“China Minmetals”	China Minmetals Corporation, a stated-owned enterprise incorporated in the PRC and the ultimate controlling Shareholder;
“CMN”	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Company Limited), a joint stock limited company incorporated in the PRC and owned as to approximately 82.23% by China Minmetals;
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
“Company”	Minmetals Resources Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange;
“Coppermine”	Coppermine Resources Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of Minmetals HK, currently holding approximately 16.06% of the issued share capital of the Company;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries (within the meaning of the Companies Ordinance and/or the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants) for the time being and from time to time;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;

DEFINITIONS

“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Issue Mandate”	the general and unconditional mandate to the Directors to exercise the powers of the Company to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution approving such mandate;
“Latest Practicable Date”	18 April 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Minmetals Group”	China Minmetals and its subsidiaries;
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of China Minmetals;
“PRC”	People’s Republic of China;
“Repurchase Mandate”	the general and unconditional mandate to the Directors authorising the repurchases by the Company on the Stock Exchange of Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution approving such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
“Shareholder(s)”	holder(s) of Shares;
“Share(s)”	fully paid shares of HK\$0.05 each or such other nominal amount prevailing from time to time in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“Top Create”	Top Create Resources Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of CMN, currently holding approximately 58.84% of the issued share capital of the Company.

LETTER FROM THE BOARD



五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

Chairman:

ZHOU Zhongshu

(Non-executive Director)

Executive Directors:

XU Huizhong

WANG Lixin

REN Suotang

Non-executive Directors:

SHEN Ling

ZHANG Shoulian

LI Linhu

ZONG Qingsheng

Independent Non-executive Directors:

LIU Hongru

CHAN Wai Dune

TING Leung Huel, Stephen

Registered Office:

9th Floor

China Minmetals Tower

79 Chatham Road South

Tsimshatsui

Kowloon

Hong Kong

23 April 2007

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES**

1. INTRODUCTION

The purpose of this circular is to provide you with requisite information regarding resolutions to be proposed at the AGM. The proposed resolutions include (i) re-election of Directors; and (ii) grant of general mandates to issue and to repurchase Shares.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently comprises eleven Directors, of which three are executive Directors, namely Mr. Xu Huizhong, Mr. Wang Lixin and Mr. Ren Suotang; five are non-executive Directors, namely Mr. Zhou Zhongshu, Ms. Shen Ling, Mr. Zhang Shoulian, Mr. Li Linhu and Mr. Zong Qingsheng; and three are independent non-executive Directors, namely Mr. Liu Hongru, Mr. Chan Wai Dune and Mr. Ting Leung Huel, Stephen.

In accordance with Article 101 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (save and except those Directors in respect of whom the provision of Article 85 applies) or, if their number is not three or a multiple of three, then the number nearest but greater than one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last re-election but as between persons who became Directors on the same day, those to retire shall (unless otherwise agree between themselves) be determined by lot. Accordingly, Mr. Xu Huizhong, Mr. Wang Lixin, Mr. Liu Hongru and Mr. Ting Leung Huel, Stephen will retire by rotation and, being eligible, offer themselves for re-election at the AGM.

The biographical and other details of the Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

3. GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 15 May 2006, ordinary resolutions were passed to grant general mandates to the Directors, inter alia, (i) to allot, issue and deal with Shares up to a limit equal to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of Shares repurchased by the Company under the Repurchase Mandate and (ii) a Repurchase Mandate to purchase not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution. Such mandates will lapse at the conclusion of the AGM.

It will be proposed at the AGM to grant to the Directors new Issue Mandate and Repurchase Mandate as well as to extend the Issue Mandate by adding to it the aggregate nominal amount of the Shares repurchased by the Company pursuant to the Repurchase Mandate.

An explanatory statement, as required by the Listing Rules to be given to Shareholders in connection with the Repurchase Mandate, is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. ANNUAL GENERAL MEETING

A notice convening the AGM to be held on Thursday, 17 May 2007 is set out on pages 14 to 17 of this circular. A form of proxy for use at the AGM is also enclosed with the Annual Report 2006. You are requested to complete the form of proxy and return it to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof, whether or not you intend to be present at the AGM. Completion and return of the form of proxy will not prevent you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

5. PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 65 of the Articles of Association, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or the withdrawal of any other demand for a poll) a poll is demanded by:

- (i) the chairman of the meeting; or
- (ii) at least three Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person or by proxy and holding Shares in the Company conferring a right to vote at a meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

Article 66 further provides that the demand for a poll may be withdrawn with the consent of the chairman of the meeting, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

6. RECOMMENDATION

The Board is of the opinion that the re-election of Directors and the granting of general mandates to Directors to issue and repurchase Shares are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
By Order of the Board
Xu Huizhong
Executive Director and President

The biographical and other details of the Directors proposed to be re-elected at the AGM are set out as follows:

MR. XU HUIZHONG

Mr. XU Huizhong, aged 49, was appointed as an executive director of the Company in April 2002 and has become the president of the Company since May 2002. Mr. Xu is responsible for the management of the operations and the strategic planning of the Group. He is an employee of China Minmetals. He has also served as a director of a number of subsidiaries and certain associated companies of the Company.

Mr. Xu graduated from the University of International Business and Economics, the PRC in 1979. He joined the China Minmetals Group in 1979 and has been a qualified economist in the PRC since 1987. Prior to joining the Group, he held senior management positions with corporations engaged in international trading and property development in the PRC, Japan and New Zealand for over twenty years. Mr. Xu has extensive experience in international trading, property development and investment, investment strategies and corporate management.

Mr. Xu has not held any directorship in any listed public companies in the three years prior to the date of this circular. Save as disclosed above, Mr. Xu does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Xu has an interest in share options of the Company to subscribe for 2,600,000 Shares.

Mr. Xu has entered into a service agreement with the Company as an executive director for a term of three years commencing on 18 May 2005. Mr. Xu is subject to retirement by rotation and re-election pursuant to the Articles of Association. The amount of director's emolument of Mr. Xu is HK\$2,440,000 per annum, including an accommodation benefit of HK\$360,000 per annum. The emolument of an executive director is determined by reference to the management function of the individual director, the Company's performance and profitability as well as remuneration benchmark in the industry and the prevailing market conditions. In addition, on or before 30 April of each year, Mr. Xu is also entitled to a management bonus to be determined by the Board, in its absolute discretion, by reference to the net profits after taxation (but before extraordinary items and non-recurring items as to be determined by the Board) of the group comprising the Company and its subsidiaries in respect of any financial year ending 31 December.

In relation to the proposed re-election of Mr. Xu as a Director at the AGM, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of the Shareholders.

MR. WANG LIXIN

Mr. WANG Lixin, aged 39, was appointed as an executive director and a vice president of the Company in October 2005. Mr. Wang is responsible for the management of the Group's alumina and aluminium operations. He has also served as a director of six subsidiaries of the Company, namely First Harvest Limited, Minmetals Aluminium Company Limited (also acts as the general manager), Minmetals Non-ferrous Lianyungang Company Limited, Orientmet Aluminium Company Limited, Sino Mining Alumina Limited and Sino Mining International Limited.

Mr. Wang earned his Bachelor of Arts degree in International Trade from the University of International Business and Economics in the PRC in 1990. Mr. Wang joined the Ministry of Foreign Trade and Economic Cooperation in 1990 and subsequently, the China Minmetals Group in 1995. He has over eleven years of experience in foreign trade and corporate management, as well as five years of experience with government services.

Mr. Wang has not held any directorship in any listed public companies in the three years prior to the date of this circular. Save as disclosed above, Mr. Wang does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Wang has an interest in share options of the Company to subscribe for 2,000,000 Shares.

Mr. Wang has entered into a service agreement with the Company as an executive director for a term of three years commencing on 6 October 2005. Mr. Wang is subject to retirement by rotation and re-election pursuant to the Articles of Association. The amount of director's emolument of Mr. Wang is HK\$1,860,000 per annum, including an accommodation benefit of HK\$300,000 per annum. The emolument of an executive director is determined by reference to the management function of the individual director, the Company's performance and profitability as well as remuneration benchmark in the industry and the prevailing market conditions. In addition, on or before 30 April of each year, Mr. Wang is also entitled to a management bonus to be determined by the Board, in its absolute discretion, by reference to the net profits after taxation (but before extraordinary items and non-recurring items as to be determined by the Board) of the group comprising the Company and its subsidiaries in respect of any financial year ending 31 December.

In relation to the proposed re-election of Mr. Wang as a Director at the AGM, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of the Shareholders.

MR. LIU HONGRU

Mr. LIU Hongru, aged 76, was appointed as an independent non-executive director of the Company in September 2004. Mr. Liu graduated from the University of Moscow in 1959 with an associate doctorate's degree. He was a vice governor of each of the Agricultural Bank of China and the People's Bank of China, a deputy director of the State Economic Restructuring Committee, and the chairman of the China Securities Regulatory Commission. Mr. Liu is currently the chairman of The Chinese Financial Education Development Foundation and Capital Market Research Institute, an independent non-executive director of each of PetroChina Company Limited and CITIC 21CN Company Limited, and a non-executive director of Concepta Investments Limited. He is also a professor at the Postgraduate School of the People's Bank of China, Peking University, Tsinghua University and the City University of Hong Kong.

Mr. Liu does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. He does not have any interests (within the meaning of Part XV of the Securities and Futures Ordinance) in the Shares.

Mr. Liu has entered into a service agreement with the Company for a term of three years commencing on 18 May 2005. Mr. Liu is subject to retirement by rotation and re-election pursuant to the Articles of Association. The amount of director's fee of Mr. Liu is HK\$200,000 per annum. The emoluments of the independent non-executive Directors are determined by reference to remuneration benchmark in the industry and the prevailing market conditions.

In relation to the proposed re-election of Mr. Liu as a Director at the AGM, there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of the Shareholders.

MR. TING LEUNG HUEL, STEPHEN

Mr. TING Leung Huel, Stephen, aged 53, was appointed as an independent non-executive director of the Company in June 2002. He is also a non-executive director of Chow Sang Sang Holdings International Limited and an independent non-executive director of six listed companies namely Tong Ren Tang Technologies Company Limited, eForce Holdings Limited, Tongda Group Holdings Limited, MACRO-LINK International Holdings Limited, Computer and Technologies Holdings Limited and Texhong Textile Group Limited. From 29 April 2006 to 28 May 2006, Mr. Ting was a non-executive director of Premium Land Limited, a listed company in Hong Kong. He is a member of the 9th Chinese People's Political & Consultative Conference, Fujian. Mr. Ting is an accountant in public practice. He is the managing partner of Messrs. Ting Ho Kwan & Chan, Certified Public Accountants.

Mr. Ting does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. He does not have any interests (within the meaning of Part XV of the Securities and Futures Ordinance) in the Shares.

Mr. Ting has entered into a service agreement with the Company for a term of three years commencing on 18 May 2005. Mr. Ting is subject to retirement by rotation and re-election pursuant to the Articles of Association. The amount of director's fee of Mr. Ting is HK\$200,000 per annum. The emoluments of the independent non-executive Directors are determined by reference to remuneration benchmark in the industry and the prevailing market conditions.

In relation to the proposed re-election of Mr. Ting as a Director at the AGM, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, and there is no other matters which need to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to Shareholders for their consideration of the proposed Repurchase Mandate.

REASONS FOR REPURCHASE MANDATE

Whilst the Directors do not presently intend to repurchase any Shares, they believe that the flexibility afforded by the mandate granted to them if the ordinary resolution no. 5 set out in the notice of AGM is passed would be beneficial to the Company and its Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years and if there are occasions in the future when Shares are being traded at a discount to their underlying value, the ability of the Company to repurchase Shares can be beneficial to those Shareholders who retain their investment in the Company since this may, depending on the circumstances, result in increases to the fully diluted net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

SHARE CAPITAL

As at the Latest Practicable Date, the total issued share capital of the Company is 1,714,953,341 fully paid-up ordinary Shares of HK\$0.05 each.

The exercise of the Repurchase Mandate up to 10% limit would enable the Company to repurchase 171,495,334 Shares.

SOURCE OF FUNDS FOR REPURCHASES

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cash flow or working capital facilities, which will be funded legally available for such purpose in accordance with its Memorandum and Articles of Association and the Companies Ordinance. Such funds include but are not limited to the Company's profits available for distribution.

Whilst the Repurchase Mandate, if exercised in full, may have a material adverse impact on the working capital or gearing position of the Company, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

DISCLOSURE OF INTERESTS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to Repurchase Mandate in accordance with the Listing Rules and the Companies Ordinance.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, presently intend to sell any Shares to the Company under the Repurchase Mandate in the event that the latter is granted by the Shareholders.

The Company has not been notified by any connected persons of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company, in the event that Repurchase Mandate is granted by the Shareholders.

TAKEOVERS CODE

If as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a 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.

As at the Latest Practicable Date, Top Create and Coppermine (both are the subsidiaries of China Minmetals), has an attributable interest of approximately 58.84% and 16.06% respectively in the issued share capital of the Company. In the event that the Repurchase Mandate being exercised in full, the aggregate interests of Top Create and Coppermine in the Company will be increased to approximately 83.22% and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Assuming that there is no issue of Shares in the Company between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole would result in insufficient public float, the Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than the minimum public float requirement.

MARKET PRICE

The highest and lowest traded market prices for Shares recorded on the Stock Exchange during each of previous twelve months before the printing of this circular were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
April	2.925	2.200
May	2.525	1.900
June	2.275	1.680
July	2.275	2.050
August	2.450	1.960
September	2.390	2.140
October	2.330	2.050
November	2.550	2.130
December	2.440	2.270
2007		
January	2.520	2.240
February	3.450	2.400
March	3.200	2.440

SHARES REPURCHASES MADE BY THE COMPANY

No repurchases of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (the “Meeting”) of Minmetals Resources Limited (the “Company”) will be held at Kowloon Room I, M/F, Kowloon Shangri-La Hotel, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on 17 May 2007 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2006;
2. To re-elect the retiring directors of the Company and to authorise the board of directors of the Company (the “Directors”) to fix the remuneration of the Directors;
3. To re-appoint auditors and to authorise the Directors to fix their remuneration;
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) an issue of shares upon the exercise of the subscription rights under any option scheme or similar arrangement for

NOTICE OF ANNUAL GENERAL MEETING

the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company or (iv) any script dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution and the said approval shall be limited accordingly; and

(d) 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 expiration of the period within which the next annual general meeting of the Company is required by Hong Kong law or the Articles of Association of the Company to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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 recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the securities of

NOTICE OF ANNUAL GENERAL MEETING

the Company may be listed and is recognised by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of securities of the Company repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution and the authority pursuant to paragraph (a) above 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 expiration of the period within which the next annual general meeting of the Company is required by Hong Kong law or the Articles of Association of the Company to be held; and
 - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution."
6. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

"**THAT** power be given to the Directors to add the number of shares purchased by the Company pursuant to the general mandate referred to in Resolution 5 set out in this notice to the 20 per cent. general mandate to issue new shares referred to in Resolution 4 set out in this notice."

7. To transact any other business.

By Order of the Board
Xu Huizhong
Executive Director and President

Hong Kong, 11 April 2007

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notorially certified copy of such power of attorney or authority, must be deposited with the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 46/F., Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjourned Meeting.
3. The Transfer Books and Register of Members will be closed from 14 May 2007 to 17 May 2007, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the Meeting convened by the above notice, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17/F., Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 11 May 2007.