

SANMENXIA TIANYUAN ALUMINUM COMPANY LIMITED
TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

Constitution

1. The board of directors (the “Board”) of Sanmenxia Tianyuan Aluminum Company Limited (the “Company” or collectively with its subsidiaries, the “Group”) hereby resolves to establish a nomination committee of the Board (the “Committee”).

Membership

2. Members of the Committee shall be appointed by the Board from amongst the directors of the Company. The Committee shall consist of not less than three members, the majority of whom should be independent non-executive directors.
3. The chairman of the Committee shall be appointed by the Board.

Secretary of the Committee

4. The company secretary of the Company shall be the secretary of the Committee.

Attendance at meetings

5. A quorum shall be two members. Members of the Board, other than those who are members of the Committee, have the right to attend any meetings of the Committee. However, they will not be counted in the quorum.

Frequency of meetings

6. Members of the Committee may convene a meeting whenever they consider that one is necessary or appropriate.

Authorization

7. The Committee is authorized by the Board to seek any data it requires from any employee of the Group (including members of the Board) within its terms of reference.
8. The Committee is authorized by the Board to obtain independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary or appropriate.

SANMENXIA TIANYUAN ALUMINUM COMPANY LIMITED
TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

Duties

9. The duties of the Committee shall include, but are not limited to, the following items:
- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
 - (b) to identify individuals suitably qualified to become directors and select or make recommendations to the Board on the selection of individuals nominated for directorship;
 - (c) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive officer;
 - (d) to assess the independence of independent non-executive directors; and
 - (e) where the Board proposes a resolution to elect an individual as an independent non-executive director at a general meeting, the Committee shall set out in the circular to shareholders and/ or explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.

Sanmenxia Tianyuan Aluminum Company Limited
13 June 2004