
DIRECTORS AND SENIOR MANAGEMENT

AN OVERVIEW OF THE DIRECTORS AND SENIOR MANAGEMENT

Chapter 18 of the Listing Rules contains a series of requirements applicable to mineral companies. Such companies include those engaged in the exploration for or production of natural resources, consisting of substances such as metal ores and industrial minerals.

With the exclusive right to mine and extract dolomite from the Dolomite Land, the retention of a quarry contractor and the steps being taken to complete the construction of the Perak Magnesium Smelter and commence the production of magnesium, the Company's listing application has been made on the basis of Chapter 18 of the Listing Rules. Key to the application is that our Directors and management have sufficient and satisfactory experience, of at least three years, in magnesium (or similar) exploration and production activities.

We have a management team, comprising, principally, three executive Directors and three senior managers, who we believe possess the requisite mining experience to operate the CVM Project. This experience has been derived, in some cases, from many years' of involvement in the magnesium production business, aside from participation in the CVM Project, and, in other cases, from the various elements of the CVM Project itself, which has been pursued for more than three years, and which has been supplemented by other experience and activities which we consider to be directly relevant to the successful implementation and commercialisation of large-scale, resource-driven projects such as the CVM Project.

We believe that our Directors and senior management, together, have the requisite blend of talent, experience and expertise necessary to bring the CVM Project to commercial production. Mr. Chong Wee Chong, our executive Director and Chief Executive Officer, has worked on the CVM Project for more than four years and before that worked on natural resources projects in Malaysia and infrastructure projects in the PRC. During his involvement in certain highways projects in the PRC, he gained two years of experience in managing many operations for the supply of rock for these projects. Mr. Chong is in charge of the overall strategic planning and decision making in respect of the Perak Magnesium Smelter. Our Board believes that the contributions of Mr. Chong are instrumental to the decision of CVM to pursue the CVM Project. Mr. Gao Qi Fu, our executive Director for Mining and Exploration, Mr. Zhou Wu, our Head of Mining and Exploration and Mr. Wen Guo Qiang, our Head of Magnesium Smelting, have extensive experience in mining and smelting of magnesium in the PRC. Mr. Gao, Mr. Zhou and Mr. Wen also assisted us, in conjunction with the SAMI team in China, in relation to SAMI's feasibility study, in December 2004, as regards the suitability and economic value of the mining assets at the Dolomite Land and the technical issues in relation to the construction of a magnesium smelter. Our Board considers that the full-time participation of Mr. Gao, Mr. Zhou and Mr. Wen in the CVM Project going forward will be of significant benefit to the Company. Please refer to the detailed biographies of Mr. Chong, Mr. Gao, Mr. Zhou and Mr. Wen set out below.

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In addition to Mr. Chong, Mr. Gao, Mr. Zhou and Mr. Wen, our Directors and senior management team includes Mr. Lim Ooi Hong, our executive Director for Special Projects, who has also worked on the CVM Project for more than four years and who has prior experience of undertaking feasibility studies and business development activities in respect of mineral projects on behalf of HWGB when he was an executive director of HWGB and Mr. Ha Bin Khean, our Head of Finance, whose financial and accounting knowledge predates his joining the CVM Project taskforce in December 2005. Please refer to the detailed biographies of Mr. Lim and Mr. Ha set out below.

The blend of management experience will, we believe, drive the successful commercialisation of the CVM Project. The CVM Project, itself, has been substantially advanced over the course of the past four years and the experience derived from that process, we believe, has further enhanced the capability of our management team. In particular, Mr. Chong and Mr. Lim, who already possessed strong general commercial backgrounds and the relevant exploration experience in other mineral sectors, were able to supplement that experience with the direct knowledge and experience that has come from aspects of the CVM Project to date, such as the identification and testing of the Dolomite Hills, appointing and working with the Quarry Contractor in preparation for the full-scale quarrying of dolomite, the many steps associated with design and build of the Perak Magnesium Smelter and conclusion of off-take agreements to sell the magnesium ingots to be produced at the Perak Magnesium Smelter.

Much of the day-to-day responsibility for the quarrying and smelting activities will, we intend, fall to Mr. Gao, Mr. Zhou and Mr. Wen given their material past experience of magnesium smelting activities in the PRC. This experience has included academic background in metallurgy and engineering, knowledge of the properties of dolomite and the comparatively simple processes of quarrying dolomite, and the design, management and operation of magnesium smelting plants. Mr. Chong will continue to make all strategic and important business decisions in respect of the operations and management of the Perak Magnesium Smelter.

The table below sets out the information regarding our Directors and senior management and the time over which they have been involved in the CVM Project:

Name	Age	Years of involvement in the CVM Project as at the Latest Practicable Date	Position
<i>Executive Directors</i>			
Chong Wee Chong	48	4 years 8 months	Chief Executive Officer
Gao Qi Fu	67	4 years 9 months	Executive Director for Mining and Exploration
Lim Ooi Hong	32	4 years 9 months	Executive Director for Special Projects

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Name	Age	Years of involvement in the CVM Project as at the Latest Practicable Date	Position
Independent non-executive Directors			
Tony Tan	58	3 years 7 months	Chairman of the Board
Wong Choi Kay	41	None	Chairman of our Audit Committee
Chong Lee Chang	49	None	Independent non-executive Director
Lam Cheung Shu	36	None	Independent non-executive Director
Senior Management			
Zhou Wu	39	4 years 9 months	Head of Mining and Exploration
Wen Guo Qiang	43	4 years 8 months	Head of Magnesium Smelting
Ha Bin Khean	38	3 years 7 months	Head of Finance

Executive Directors

Chong Wee Chong, aged 48, Malaysian, is our Chief Executive Officer. He joined our Board on 9th November, 2007 and the board of CVM on 2nd March, 2004. Mr. Chong obtained his Bachelor of Science in Actuarial Science in 1986 and the Master of Science in Actuarial Science/Statistics in 1987 from the University of Iowa, USA. He is a Certified Financial Planner and a member of the Financial Planning Association of Malaysia. Mr. Chong has over 10 years of relevant experience in managing natural resources projects in Malaysia and infrastructure projects in the PRC before joining the Group in 2004. Mr. Chong had not held any directorship in other listed companies during the Track Record Period.

Due to the previous working relationship established between Mr. Chong and SEDC in the MASCO aluminium smelting project (as referred to below), SEDC issued a letter, in October 2003, to Mr. Chong inviting Mr. Chong to participate and organise a team to work with SEDC in the then proposed CVM Project. In 2004, Mr. Chong identified suitable members for the CVM Project taskforce, including Mr. Gao Qi Fu, Mr. Zhou Wu and Mr. Wen Guo Qiang, and representatives from SEDC and the then potential investor, HWGB.

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On 27th February, 2004, SEDC confirmed the establishment of the taskforce of the CVM Project and reiterated the commitment of SEDC, as a state statutory body, to promote the development and advancement of ferrous and non-ferrous industries in Malaysia through acquiring technology and knowledge.

Mr. Chong headed the CVM Project's task force and is responsible for the overall project implementation. He has contributed substantially to all aspects of CVM's development, including the exploration activities in the Dolomite Hills, conducting feasibility studies in relation to the CVM Project, securing the Old CVM Project Finance Loan as substituted by the New CVM Project Finance Loan and selecting the EPC Contractor.

In relation to the feasibility studies of the CVM Project in which Mr. Chong was involved, he first met with the representatives from SAMI in July 2004 when he and the other members of the CVM Project taskforce were briefed about the design, technology and operational issues regarding the magnesium manufacturing business. Over the course of SAMI's feasibility studies, which were completed in October 2005, Mr. Chong worked with SAMI on the sampling of the Dolomite Land, the scoping of the Smelter Land and the designs for a magnesium smelter.

Over the years, Mr. Chong has visited aluminium and magnesium smelting factories in Henan, Ningxia, Xi'an and Shanxi, the PRC for the purpose of acquiring on-site knowledge and experience of magnesium smelting. Mr. Chong through such visits, has been able to gain a more complete understanding of magnesium smelting technologies and the key elements of and environmental issues associated with the Pidgeon Process.

On the quarrying and mining side, Mr. Chong first visited the Dolomite Land in April 2004. That visit and sampling work conducted by Mr. Chong later in the same year led to the appointment of the Quarry Contractor.

Mr. Chong also visited a zircon (also a non-ferrous metal) sand mining project site in Indonesia in October 2006 and a zircon sand mining project site and processing plant in Hainan Province, the PRC in December 2006. By such visits the Board believes that Mr. Chong has been able to broaden his knowledge of relevant mining and quarrying techniques.

Mr. Chong attended the World Magnesium Conference in Beijing in May 2006 organised by CMA and the China Magnesium and Automotive Conference in Chongqing in June 2007 organised by CMA to exchange views with experts and other industry players on the current development of the magnesium industry. In June 2006, he visited CMA and a ferrosilicon production factory in the PRC with representatives from BPMB. He was also involved in negotiations with the raw materials suppliers in the PRC.

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Mr. Chong led the negotiation with the Perak State Government in relation to the exclusive mining rights which led to the execution of the Mining Agreement. He was also instrumental to the Group entering into the following agreements over the course of the Track Record Period:

- the Old CVM Project Finance Loan as substituted by the New CVM Project Finance Loan;
- Off-take agreements between CVM and each of Sumikin Bussan International (M) Sdn. Bhd., Magnesium.com, Corus Metals (M) Sdn. Bhd. and Hyosung Corporation;
- the Ferrosilicon Supply Contract and Flux Supply Contract;
- the agreement between CVM and Perunding Utama Sdn. Bhd. in relation to the preliminary site assessment and EIA study of the Smelter Land;
- the Smelter Land Agreement;
- the EPC Contract;
- the agreement between CVM and the Quarry Contractor dated 16th October, 2006; and
- the agreement between CVM and the Infrastructure Contractor dated 16th October, 2006.

Mr. Chong is based in our head office in Kuala Lumpur and he travels/will travel to the Perak Magnesium Smelter regularly to monitor the construction progress of the Perak Magnesium Smelter and the future operation and management of the Perak Magnesium Smelter.

Prior to joining the Group, Mr. Chong worked on the commercialisation and management of a number of 'large-scale' projects including highways in China and natural resource exploitation (timber and aluminium). During his involvement in the highways projects in China, he had 2 years of experience in managing quarry operations for the supply of rock for these projects.

For the FACB Berhad group (for whom he worked in the 1990s), he was engaged in two so-called 'build, operate and transfer' projects for highways in Guangdong Province and Zhejiang Province. As start-up projects, rather like the CVM Project, he was responsible for commissioning feasibility studies and for negotiating relevant project agreements with venture partners, contractors, suppliers and the like. During his involvement in the highways projects in the PRC, Mr. Chong had gained experience in managing quarry operations for the supply of rock for these projects.

Mr. Chong's experience of timber and forestry projects derived from time spent working for Innovest Berhad between 2000 and 2002. His role was a management one and included supervision and responsibility for a wood processing factory which exported timber from Malaysia to customers in Japan, the US and Europe.

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From December 2002 to August 2003, Mr. Chong was an executive committee member of MASCO Aluminium Berhad, which was set up to build a proposed aluminium smelter in Malaysia with a planned annual production of 500,000 tonnes per year of primary aluminium ingot. The Perak State Government started a relationship that ultimately led to Mr. Chong being approached in relation to the CVM Project. He worked with the relevant EPC contractor, China Metallurgical Equipment Company (MECC) on the technical aspects of the plant and with SAMI on the feasibility study for the project. Also in the context of that project, he was engaged in the study and sourcing of raw materials, including bauxite (a primary raw material to the production of alumina), the appraisal of downstream applications for aluminium, involving site visits to factories in Guangdong, the PRC, and the preparation of financial, sensitivity and risk-assessment analyses relevant to the project. As aluminium, like magnesium, is a non-ferrous metal, the Directors consider Mr. Chong's experience of working on the MASCO Aluminium Berhad smelting project as being of relevance to the CVM Project. Ultimately, the commercial decision was taken not to launch the project due, as the Directors understand it, to financing constraints.

Gao Qi Fu (高齊富), aged 67, Chinese, has been our executive Director for Mining and Exploration since 27th December, 2007. Mr. Gao graduated from Central South University (formerly known as Central South University of Technology or Central South Mining and Metallurgy College) majoring in non-ferrous metallurgy in 1963. Mr. Gao had not held any directorship in other listed companies during the Track Record Period.

He has been involved in the mining and exploration activities of CVM as a member of its project task force since February 2004. Mr. Gao has accumulated more than 40 years of mining and magnesium smelting experience. He joined SAMI in the 1960s and over the course of his long employment history with SAMI has worked on the feasibility studies of more than 15 magnesium plants located in amongst others, Hunan, Ningxia, Hebei, Gansu, Heilongjiang, Guangxi and Shanxi in the PRC.

After retirement from SAMI, Mr. Gao has been assisting magnesium plants in the PRC in various areas including plant development, magnesium production reengineering and new product development, such as high grade magnesium metal. In 2001, Mr. Gao, as the Chief Designer for Ningxia Jiameihua Magnesium Company Limited (寧夏加美華鎂業有限公司), prepared the report on the research, development and commercialisation of high-purity durable magnesium alloys. In 2004, Mr. Gao, as the Chief Designer, took part in the feasibility studies for Weixin (Inner Mongolia) Magnesium Company Limited's 50,000 tonnes per annum magnesium alloy factory (維信(內蒙古)鎂業有限公司年產5萬噸鎂合金廠).

Apart from his participation in the above projects, Mr. Gao was also involved in designing the engineering works in relation to the exploration activities of dolomite hills and mines, including the open pit dolomite mines in Linxiang, Hunan and Zhenjiang, Jiangsu. He advised on the mining techniques involving, amongst other things, the use of explosives and the methods of crushing, grading, storage and transportation of the dolomite. Mr. Gao's extensive mining and, or exploration experience and knowledge of the PRC magnesium industry is also demonstrated in the various articles and commentaries published by him which include "Suggestions on the strategic development of the magnesium industry in the PRC", "Evaluation of internal heating method for producing magnesium" and "Current market conditions and future development of

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the magnesium industry in the PRC”. Mr. Gao is also co-author of the publication titled “Pidgeon Production Magnesium Smelting” Guideline issued by the CMA in October 2005. This guideline sets out in detail, amongst other things, characteristics of magnesium, the magnesium production process, application of magnesium, analyses of dolomite, other raw materials and ingredient required in the production process, related technology and equipment, calculation of the amounts on the various inputs and materials in the production process and environmental protection issues.

Mr. Gao has held the position of Deputy Head of the CMA Magnesium Production Expert Group set up in 2004, and was accredited professor rank senior engineer in recognition of his expertise in magnesium minerals. In 2007, Mr. Gao also participated in the training programme provided by experts from the CMA to Shanxi Dongyi Coal, Electricity and Aluminium Group Company (山西東義煤電鋁業集團公司). Mr. Gao was responsible for training the staff at the company on environmental compliance issues.

Mr. Gao regularly participates in seminars and training courses organised for the PRC magnesium industry and is a regular speaker on the topic.

Mr. Gao’s principal contributions to the Group have related to our development generally, and specifically, as regards the design of the Perak Magnesium Smelter. In April 2004, at the request of Mr. Chong, Mr. Gao prepared a proposal to CVM setting out, amongst other things, an industry review, the magnesium production methods, utilities and other technical requirements in relation to the construction and operation of a magnesium smelter plant, based on the then prevailing market conditions in the PRC. He also shared his knowledge and technical skills relating to the Pidgeon Process with the management of CVM.

Despite the strategic role Mr. Gao played in helping CVM in establishing important milestones such as the commissioning of the SAMI feasibility study report, the appointment of the EPC Contractor and in making the decision to construct the Perak Magnesium Smelter using the Pidgeon Process, no remuneration was paid to Mr. Gao during the Track Record Period for his consultancy services. The Perak Magnesium Smelter will be the first magnesium smelting plant outside the PRC that Mr. Gao helped. In view of the satisfactory construction progress of the Perak Magnesium Smelter and in contemplation of the Listing, the Company has decided to provide a remuneration package for Mr. Gao in accordance with terms as set out in his service contract. In determining his remuneration, the remuneration committee of the Company has taken into account of his past contribution to the Group and will reward him with options under the Post-IPO Share Option Scheme as well as a special bonus in the financial year ending 31st December, 2008, the details of which will be disclosed in the Company’s audited financial statement for the year ending 31st December, 2008. Please also refer to the section headed “Appendix VII — Statutory and General Information — “Further Information About Directors, Management and Staff — Directors’ remuneration”” in this prospectus.

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Mr. Gao will be based at the Perak Magnesium Smelter when the plant becomes fully operational. As the Perak Magnesium Smelter is still being constructed, it is premature to start applying for a valid employment visa for Mr. Gao. Nonetheless, in view of the administrative nature of the application process for a valid employment visa as well as the difficulty in recruiting a candidate in Malaysia having similar experience as Mr. Gao for the position of executive Director for Mining and Exploration, the Directors and Ben & Partners of the Company do not foresee any legal impediment in obtaining such a valid employment visa in Malaysia for Mr. Gao in due course.

Lim Ooi Hong, aged 32, Malaysian, is our executive Director for Special Projects. He joined our Board on 9th November, 2007 and the board of CVM on 3rd May, 2006. Mr. Lim graduated from RMIT University (formerly known as Royal Melbourne Institute of Technology), obtaining a Bachelor's Degree in Business (Business Administration) in 1998.

Mr. Lim's contribution to our development began from inception, as he was a member of the CVM Project's task force established in February 2004, seconded from HWGB to equip himself with mineral exploitation and mining techniques and to oversee the construction of the Perak Magnesium Smelter.

As the then executive director of Special Projects of HWGB, Mr. Lim took part in HWGB's magnesium feasibility group (comprising Mr. Lim, Mr. Ha Bin Khean and Mr. Tony Tan) set up to look into and report on various aspects of the proposed CVM Project. He was involved in discussions between CVM, SAMI and other PRC experts and took part in recommending a suitable site in Taiping for the construction of the Perak Magnesium Smelter. Since the commission of the SAMI feasibility study report, our Board believes that Mr. Lim has accumulated detailed technical knowledge of plant operation, including as regards, amongst other things, water supply, drainage, power, natural gas, civil and engineering works as well as environmental issues in relation to the magnesium production methods. Due to his active involvement in the CVM Project, he was made an executive Director of the Company on 9th November, 2007 and he resigned as a director of Special Projects of HWGB on 12th December, 2007.

During the Track Record Period, Mr. Lim attended the World Magnesium Conference in Beijing in May 2006 organised by CMA and the China Magnesium and Automotive Conference in Chongqing in June 2007 organised by CMA to exchange views with experts and other industry players on the current development of the magnesium industry. In June 2006, Mr. Lim, together with Mr. Chong and Mr. Gao also visited technical research institutes and a ferrosilicon production factory in the PRC to gain more understanding on the usages of magnesium, the PRC regulations on non-ferrous industries and magnesium smelting technology.

Mr. Lim has contributed to the business development of the Company through the registration and conclusion of off-take agreements with our prospective customers. His other principal contributions to the Company have included his assistance towards obtaining the rights to mine and extract dolomite, the Plant Licence, the EIA approval, Environmental Management Plan approval, sourcing and negotiating the project financing and supervising the SAMI feasibility study.

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Mr. Lim had been involved in the CVM Project for over four years and nine months as at the Latest Practicable Date. He is based in our head office in Kuala Lumpur and he travels/will travel to the Perak Magnesium Smelter regularly to monitor the construction progress of the Perak Magnesium Smelter and the future operation and management of the Perak Magnesium Smelter.

Mr. Lim has broad experience of business development, sales and marketing and project development generally. Mr. Lim was an executive director of HWGB, a public listed company listed on the main board of the Bursa Malaysia, from 3rd March, 2003 to 12th December, 2007. At HWGB, Mr. Lim was responsible for the business strategic planning and overseeing special projects. Save as disclosed above, Mr. Lim had not held any directorship in other listed companies during the Track Record Period.

Mr. Lim's remuneration had been accounted for in the consolidated financial statements of HWGB since his appointment to the board of directors of HWGB in March 2003. As CVM is a subsidiary of HWGB, Mr. Lim had not drawn any additional remuneration separately from CVM since he was appointed as an executive Director of CVM in May 2006. After his resignation from the board of directors of HWGB in December 2007, his remuneration has been accounted for in the combined financial statements of the Group. Please refer to the note 7 to the Accountants' Report set out in Appendix I to this prospectus.

Apart from the mining and, or exploration experience derived from the CVM Project, at HWGB, Mr. Lim was involved in special projects relating to the exploration and processing of zircon and kaolin, both non-ferrous metals, in Kalimantan, Indonesia and a tin mining project in Bentong, Pahang. As a commercial matter, HWGB has chosen to pursue some projects (including the investment in CVM and the tin mining project referred to above) but not others (including the zircon project).

Involvement in zircon mining projects

Throughout the period of 2006 to 2007, Mr. Lim was involved in special projects relating to the exploration and processing of zircon, a non-ferrous metal, in Kalimantan, Indonesia. Details of his involvement are as follows:

- Studying the exploration data and results of the mining assets. Similar to dolomitic limestone found in the Dolomite Hills, zircon sand is categorised as an industrial minerals pursuant to international standards, such as JORC Code, US Code, UK Code and Canada Code, on the classification of reserve estimation;
- Studying the relevant legislation on licensing, accounting standards and tax law in Indonesia;

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- Visiting Kalimantan Palangka Raya in Indonesia in August 2006 to understand the operation of zircon sand mining. He interviewed some of the senior officials to understand the working environment, technology and processes used and conducted a few meetings with the suppliers of various raw materials and the sub-contractors involved;
- Travelling to the PRC to meet up with a design house specialising in conducting feasibilities studies in the PRC to further understand the processing of zircon sand; and
- Studying the machinery requirements for the production of zircon sand.

As a commercial decision, HWGB did not proceed with the zircon sand project in view of the CVM Project.

Involvement in tin mining projects

In late 2006, at the request of HWGB, Mr. Lim conducted exploration works in relation to a few tin mining projects. He visited various potential tin mining sites which included Bentong, the State of Pahang, Sungai Siput and Kampar in the State of Perak (all situated in Malaysia) to explore the land and assess the commercial viability of extracting tin ore from these sites. He was mainly responsible for conducting feasibility studies, including supply and demand of tin ore, pricing and manufacturing processes, assessing the commercial viability of the proposed projects, obtaining preliminary exploration data, studying the relevant licences to be procured and the concession rights involved.

Over the course of assessing various mineral project opportunities for HWGB, Mr. Lim had come to familiarise himself with, amongst other things, the content of the minerals in question, the grades acceptable for commercial exploitation and the capital requirements to exploit them commercially. He conducted research on world-wide pricing of the various minerals and the potential of such minerals for generating revenue for HWGB. Our Board believes that the experience Mr. Lim gained from these mineral projects will assist him in his role as our executive Director for Special Projects.

Before joining HWGB, Mr. Lim was the director of a company involved in the provision of multimedia services, operator of internet cafes and VOIP service provider and was responsible for the overall planning of business strategies, operations, finance, business development and the marketing and administration function of that company.

Independent non-executive Directors

Tony Tan, aged 58, Malaysian, has been our independent non-executive Director and the Chairman of the Board since 9th November, 2007 and the chairman of our Nomination Committee and Remuneration Committee since 14th October, 2008. He graduated from the University of Tasmania, Australia with a Bachelor of Arts' Degree in 1975. He was called to the English Bar at Lincoln's Inn of Court, England in July 1979.

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Mr. Tan was called to the Malaysian Bar in 1980 and is now an Advocate and Solicitor of the High Court of Malaya. He is an advocate solicitor of the legal firm of Messrs N.K.Tan & Rahim. He has more than 27 years of experience in commercial law and is well-versed in conveyancing, litigation and general law.

Mr. Tan has served first as a non-executive Director and then as an executive Director of Antah Holdings Berhad, a public listed company listed on the main board of the Bursa Malaysia from 14th July, 1999 until 30th August, 2001. He was also a director of Naga Sakti Sdn. Bhd., the property arm of Antah and Permanis Sdn. Bhd., the Malaysian franchise holder and bottler of Pepsi-Cola and Seven-Up.

Mr. Tan was also an independent non-executive Director of HWGB, a public listed company listed on the main board of the Bursa Malaysia from 4th July, 2001 until 12th December, 2007. He served as the chairman of the audit committee, nomination and remuneration committee of HWGB until his resignation from the board of directors of HWGB in 12th December, 2007. Save as disclosed above, Mr. Tan had not held any directorship in other listed companies during the Track Record Period.

Wong Choi Kay, aged 41, Malaysian, has been our independent non-executive Director since 27th December, 2007 and the Chairperson of our Audit Committee since 14th October, 2008. Ms. Wong obtained her Bachelor of Arts Degree from Queen's University, Kingston, Canada in 1988. She is a member of the Institute of Chartered Accountants of British Columbia, the Institute of Internal Auditors, a certified fraud examiner of the Association of Certified Fraud Examiners, Texas, USA and a member of the Institute of Corporate Directors, Corporate Governance College, Sauder School of Business, University of British Columbia, Canada.

Ms. Wong has more than 15 years of experience in forensic accounting, organisational design and development and Sarbanes-Oxley financial control reviews. Ms. Wong has provided consulting services to a number of mineral companies, principally in the areas of corporate governance and due diligence. Some of the companies she has advised include Energy Metals Corporation, which is involved in uranium exploitation and is listed on Nasdaq and the Toronto Stock Exchange ("**TSX**"), Peregrine Diamonds Ltd which is also listed on the TSX, and Peregrine Metals Ltd which is engaged in gold and copper exploitation.

From 1990 to 1995 when Ms. Wong was a senior associate and an internal control specialist at PricewaterhouseCoopers, she advised on various internal control or other specialised engagements for clients involved in mining businesses, including Teck-Cominco (zinc, metallurgical coal, gold, copper and specialty metals; listed on TSX and the New York Stock Exchange), and KAP Resources Ltd, Placer Dome Inc (gold; listed on TSX, New York, Swiss and Euronext-Paris). Ms. Wong has also been an independent non-executive Director of Nagacorp Ltd. (Stock Code 3918) since February 2005, a company listed on the Stock Exchange. Save as disclosed above, Ms. Wong had not held any directorship in other listed companies during the Track Record Period.

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After working for PricewaterhouseCoopers, Ms. Wong also worked for the Imperial Parking Group, Great Canadian Gaming Corporation, Vancouver International Airport Authority, Workers Compensation Board of British Columbia and the Royal Canadian Mounted Police. Ms. Wong has no prior involvement with the Company but, we would submit that, over the course of her engagements for and dealings with various mineral resource companies, both as an independent consultant and as an accountant with PricewaterhouseCoopers, Ms. Wong has accumulated significant and relevant experience on the internal control and project management side of exploitation and production businesses.

Chong Lee Chang, aged 49, Malaysian, has been our independent non-executive Director since 27th December, 2007. He graduated with a BA (honours) degree in law from the Manchester Metropolitan University (formerly known as Manchester Polytechnic) in 1982. He was admitted to the Honourable Society of Lincoln's Inn, London, in 1982 and was enrolled as a barrister at law in 1983. In 1984, he was admitted as an advocate and solicitor of the High Court of Malaya and is currently holding a legal practicing certificate to practice law in Malaysia. Mr. Chong has more than 20 years of experience in legal practice in Malaysia.

Mr. Chong is a senior partner of a Kuala Lumpur based law firm, Messrs. LC Chong & Co. His legal experience has included advising various companies from Asia and United Kingdom, including steel millers from China. He has served as an executive Director of Antah Holdings Berhad, a public company listed on the main board of Bursa Malaysia and also held directorship in Permanis Sdn. Bhd., the Malaysian franchise holder and bottler of Pepsi-Cola and Seven-up. Currently, he is a non-executive Director of Midwest Corporation Limited, which has since May 2005 been listed on the Australian Stock Exchange and is engaged in mining, exploring and processing iron ore. Save as disclosed above, Mr. Chong had not held any directorship in other listed companies during the Track Record Period.

Lam Cheung Shu (藍章澍), aged 36, Chinese, has been our independent non-executive Director since 2nd June, 2008. He graduated with a bachelor degree in Mechanical Engineering from University of London, England. Mr. Lam has been working for a number of international financial institutions and has numerous experiences in the banking industry. As at the Latest Practicable Date, he was a senior executive at Barclays Private Bank, a division of Barclays Bank PLC, which he joined since January 2005, serving high net worth customers and institutions. Mr. Lam had not held any directorship in other listed companies during the Track Record Period.

Senior Management

Zhou Wu (周武), aged 39, Chinese, joined the Group in February 2004 and is the Head of Mining and Exploration of the Company. Mr. Zhou graduated from Xi'an Metallurgy College in 1991 with a Bachelor's Degree majoring in Non-ferrous Minerals and Metals. Since graduation, Mr. Zhou has worked with several magnesium smelting plants.

Mr. Zhou has over 16 years of experience in exploration activities and supervision of mining dolomite hills and studying dolomite mines. Mr. Zhou had worked at magnesium smelting companies and, or plants in the PRC including Ningxia Huayuan Metallurgical Company, Ningxia Magnesium Smelting Plant and Ningxia Naite Magnesium Factory. During his previous

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employment, Mr. Zhou was mainly responsible for choosing the suitable mining method, conducting industrial experiments on dolomite, developing the calcination technology and evaluating, on a general basis, the overall magnesium production process. Mr. Zhou was also involved in the research and design of magnesium smelter projects in the PRC and his major responsibilities were preparing factory layout. He gave advice and recommendations on technical issues relating to the application and technology of deoxidization furnace.

Under the referral of Mr. Gao Qi Fu, Mr. Zhou joined CVM as a member of the CVM Project task force in March 2004 with particular responsibility for mining and exploration aspects. His participation in the CVM Project included:

- assisting Mr. Gao in reviewing the proposed Pidgeon Process and analysing the technical findings of the dolomite samples set out in the SAMI feasibility study;
- visiting the Dolomite Land to identify and discuss with the members of the CVM Project task force issues relating to quarrying, extraction and transportation;
- advising us on issues arising from the use of the Pidgeon Process in the Perak Magnesium Smelter, including but not limited to the choice of good quality dolomite and raw material supplies (such as ferrosilicon and flux), utilities and source of energy (such as natural gas, electricity, water, etc.); and
- advising us on the applications of magnesium.

Prior to the commencement of the operation of the Perak Magnesium Smelter, Mr. Zhou will assist Mr. Gao Qi Fu, our executive Director for Mining and Exploration, in monitoring the construction progress of the Perak Magnesium Smelter and supervising our training programme to be conducted in the Shanxi Training Plant. He will be based at the Perak Magnesium Smelter as the Head of Mining and Exploration in order to assist in the supervision of the mining process and quality assurance of dolomite and the overall supervision of the operation and management of the Perak Magnesium Smelter.

Mr. Zhou contributed articles to “*China Magnesium*”, the official periodical magazine of CMA, which has featured such things as technical analyses on the reduction of MgO to magnesium and suggestions on ways to lower the cost of magnesium production and enhance the quality of magnesium products.

Wen Guo Qiang (溫國強), aged 43, Chinese, joined the Group in March 2004 and is the Head of Magnesium Smelting of the Company. Mr. Wen graduated from the South Eastern University (formerly known as Nanjing Energy Engineering College) in 1986, majoring in engineering (工業熱工). Mr. Wen has worked at various magnesium plants, and has more than 20 years’ experience in magnesium and magnesium alloy. He has supervised magnesium mining and exploration activities from a quality control perspective.

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After graduation in 1986, Mr. Wen worked at various magnesium mining companies and, or plants in the PRC including Nanjing Dolomite Mines, Nanjing Metallurgical Research Institute, Hubei Guangshui Magnesium Plant, Nanjing Huahong Group Company and Nanjing Huahong New Material Company. His mining experience, derived from his involvement in the Nanjing Dolomite Mines over a period of approximately 20 years, has enabled him to assess and determine the suitable environmental and geological conditions for the operation of a mine, the skills in the use of explosives for the blasting works, the choice of appropriate equipment and facilities for use in the mine (including the crushing machines and grading and storage facilities), the method of transportation of the dolomite extracted from the mine as well as the target markets and customers of the end products. In addition, Mr. Wen is also experienced in the design of the smelting system of the plants, supervision of the production and management of the plants, provision of technical advice, updates and support.

Under the referral of Mr. Gao, Mr. Wen joined CVM as a member of the CVM Project's task force in March 2004. His participation in the CVM Project included:

- assisting Mr. Gao in analysing the proposed Pidgeon Process to be adopted in the Perak Magnesium Smelter and the key raw materials required for the process;
- assisting with estimating the capital expenditure required for the construction of the Perak Magnesium Smelter and hence evaluating the economic viability of the CVM Project;
- advising us on issues arising from the use of the Pidgeon Process in the Perak Magnesium Smelter, including but not limited to the choice of raw material supplies (mainly ferrosilicon and flux), utilities, source of energy (such as natural gas, electricity, water, etc) and the application of vacuum pump system in the reduction process;
- contributing to the selection of EPC Contractor and ensuring that all important technical areas are covered by the EPC Contract; and
- attending progress meetings with the EPC Contractor especially on the design of the Perak Magnesium Smelter to ensure the overall energy and cost efficiency of the Perak Magnesium Smelter.

Due to his mining experience and to enable us better to supervise the future quarrying activities of the Quarry Contractor over the Dolomite Land, Mr. Wen advised us on the characteristics of the dolomitic limestone found in the Dolomite Hills. He analysed and compared the dolomitic limestone found in the Dolomite Hills to those found in other dolomite hills in Ningxia, Inner Mongolia and Chongqing. Mr. Wen has also advised on the set up, within the Dolomite Land, for the overall workflow of the quarrying. Mr. Wen had also advised on the implementation of an effective information technology system in the Perak Magnesium Smelter.

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Prior to the commencement of the operations of the Perak Magnesium Smelter, Mr. Wen will assist Mr. Gao Qi Fu, our executive Director for Mining and Exploration, in monitoring the construction progress of the Perak Magnesium Smelter and supervising our training programme to be conducted in the Shanxi Training Plant.

Mr. Wen will also work together with the EPC Contractor to prepare the operations manual and procedural checklists for the Cold Test and Hot Test prior to the commencement of the operations of the Perak Magnesium Smelter. He will be based at the Perak Magnesium Smelter as the Head of Magnesium Smelting after the commencement of operations of the Perak Magnesium Smelter in order to oversee the day-to-day operations.

Mr. Wen is a qualified engineer in Nanjing. He was accredited by Nanjing Dolomite Mines, then a part of Nanjing Huahong Group Company, for his technical contributions as an engineer in the field of magnesium alloys.

Ha Bin Khean, *FCCA*, aged 38, Malaysian, is the Head of Finance of the Company and the qualified accountant of our Group. He was previously seconded from HWGB to the Group in December 2005 and officially joined our Group in September 2007 and is a fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. Mr. Ha has more than 18 years of experience in accounting and finance industry.

Prior to joining our Group, Mr. Ha worked for HWGB as a Vice President, leading the Corporate Management Division which oversees HWGB's company affairs, human resources, administration department and information technology department. Mr. Ha had also been promoted as the general manager of Ho Wah Genting Poipet Casino Resorts Co. Ltd since 2005 where he was in charge of accounting and finance related matters and hotel/casino operation. He also worked in several other companies such as AmSecurities Sdn. Bhd., Arab-Malaysian Securities (H.K.) Ltd and NEC Sales (Malaysia) Sdn. Bhd.. Mr. Ha was Head of Compliance/Operations for Arab-Malaysian Securities (H.K.) Limited from February 2001 to November 2001.

Mr. Ha joined the CVM Project's task force in December 2005 to work with Mr. Chong Wee Chong, Mr. Lim Ooi Hong, and the PRC experts in the CVM Project task force to conduct a feasibility study on the CVM Project. He was involved in the financial aspects of the feasibility studies undertaken by HWGB on its investment in CVM, which required him to have some understanding of mineral exploitation activities and mining techniques. Mr. Ha has been involved in various finance and management accounting functions for CVM, including assessing feasibility studies, preparing monthly management accounts and other financial statements and dealing with auditors. Mr. Ha is based in our head office in Kuala Lumpur and he travels/will travel to the Perak Magnesium Smelter regularly to monitor the construction progress and deal with the financial affairs of the Perak Magnesium Smelter.

DIRECTORS AND SENIOR MANAGEMENT

Company Secretary

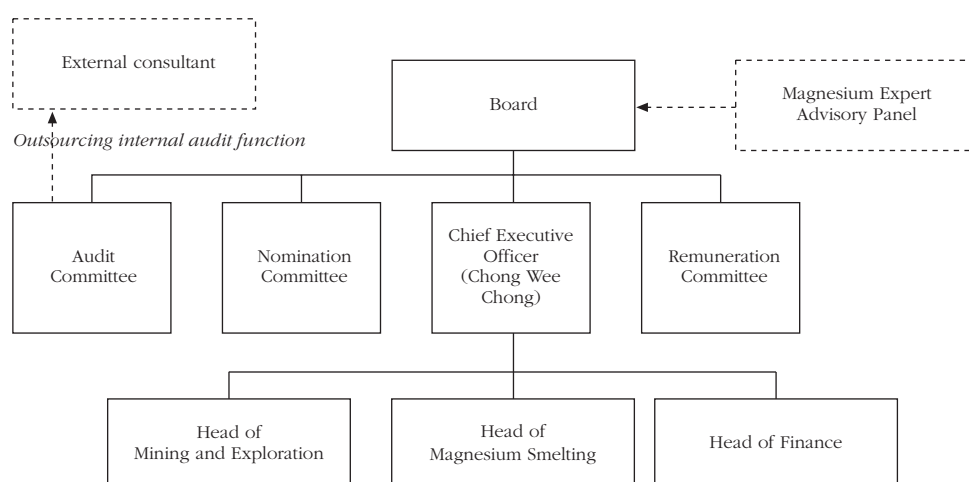
Ngai Wai Fung (魏偉峰), *FCIS, FCS(PE), CPA, ACCA*, aged 46, was appointed as the company secretary of our Company on 20th December, 2007. Mr. Ngai is a director and head of listing services of KCS Hong Kong Limited, a corporate secretarial and accounting services provider in Hong Kong. Mr. Ngai is currently the vice president of the Hong Kong Institute of Chartered Secretaries and the chairman of its Membership Committee. Mr. Ngai is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants in the United Kingdom. Mr. Ngai holds a Master of Corporate Finance Degree from the Hong Kong Polytechnic University, Master of Business Administration Degree from Andrews University of the United States and a Bachelor of Laws (with Honours) Degree from the University of Wolverhampton, the United Kingdom. He is also undertaking a PhD course (thesis stage) in Finance at the Shanghai University of Finance and Economics.

Qualified Accountant

Ha Bin Khean, *FCCA*, aged 38, is the qualified accountant of our Group and his details are set out in the paragraph headed “Senior Management” above.

MANAGEMENT STRUCTURE

Our management structure is as follows:



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AUDIT COMMITTEE

The Company established the Audit Committee pursuant to a resolution of our Directors passed on 14th October, 2008 in compliance with Rules 3.21 to 3.23 of and Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to oversee the financial reporting process and internal control procedure of our Group, to review the financial information of our Group and to consider issues relating to the external auditors. The Audit Committee consists of three independent non-executive Directors, namely, Ms. Wong Choi Kay, Mr. Tony Tan and Mr. Chong Lee Chang. Ms. Wong Choi Kay is the Chairperson of the Audit Committee.

REMUNERATION COMMITTEE

The Company established a remuneration committee pursuant to a resolution of our Directors passed on 14th October, 2008 in compliance with Appendix 14 to the Listing Rules. The primary duties of the remuneration committee are to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The remuneration committee consists of two independent non-executive Directors namely, Ms. Wong Choi Kay and Mr. Tony Tan and an executive Director, namely, Mr. Chong Wee Chong. Mr. Tony Tan is the Chairman of the remuneration committee.

NOMINATION COMMITTEE

The Company established a nomination committee pursuant to a resolution of our Directors passed on 14th October, 2008 in compliance with Appendix 14 to the Listing Rules. The primary duties of the nomination committee are to review and supervise the structure, size and composition of the Board, identify qualified individuals to become members of the Board, assess the independent non-executive Directors and make recommendation to the Board on the appointment and re-appointment of Directors. The nomination committee consists of two independent non-executive Directors namely, Ms. Wong Choi Kay and Mr. Tony Tan and an executive Director, namely, Mr. Chong Wee Chong. Mr. Tony Tan is the Chairman of the nomination committee.

MAGNESIUM EXPERT ADVISORY PANEL (MEAP)

An advisory panel to the Board, the MEAP, will be set up to advise the Company on major strategic issues affecting the magnesium industry and assist the Company in its business and strategic planning. Areas that will be covered by MEAP include:

- Magnesium industry strategic direction (regionally and globally);
- Research inputs in terms of supply, demand and price of magnesium in Malaysia, the ASEAN region and globally;
- Challenges, opportunities and risks facing magnesium industry in Malaysia and globally from time to time;

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- New changes in regulatory environment such as governmental policies, laws and regulations, taxes, etc. and new changes in the political and economic environment facing key magnesium producing countries such as China, United States, Canada, Russia, Kazakhstan, etc.;
- New applications for magnesium industry especially in end usage applications of magnesium in such areas as automobiles, electronics and consumer goods, etc.;
- New applications and technology in the downstream applications such as magnesium alloy, die-casting, etc.;
- New technology, methods or improvements in producing magnesium and new major sources and equipment to be used in the magnesium production process identified (if any);
- Any changes in the demand and supply of raw materials to be used in the magnesium production/reduction process;
- New environmental, labour health and safety issues facing magnesium production countries around the world;
- Advices in opportunities for magnesium production or joint-venture in China on magnesium sector for the Company in the future; and
- Any other areas within the expertise of members of MEAP in furthering the Company's business and strategic plans in Malaysia, the ASEAN region and globally.

The members of MEAP, who are not full-time employees of the Group, are:

CMA, which was established with the approval of the Ministry of Civil Affairs of the PRC, is the sole legal authoritative non-profit organisation representing the PRC magnesium sector. It provides advice and consulting services to its member organisations and also recommendations to the PRC government on macro economic management of the magnesium sector. Given the PRC's status as the leading global producer of magnesium and the body of expertise represented on the CMA, the Board believes that the representation of CMA in the MEAP will be in the interest of our Company and the Shareholders as a whole.

Mr. Li Yi Shu, aged 65, Chinese, graduated from the Northeastern University Lioing Province, China majoring in Machinery Manufacturing Technology and Science. Mr. Li has over 25 years of experience in mining and exploration industry. Mr. Li has worked for Shenzhen Huaxin Machinery Co Ltd, as the General Manager and Senior Engineer, the Ministry of Metallurgy Industry China Metallurgical Equipment Corporation and China Metallurgical Equipment Corporation in which he was the Deputy Chief Engineer (Professor rank) in the Malaysia Aluminium Project Department. Mr. Li was designated as an "engineer" in 1980 by the China

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Premier Office Technical Board, “professional engineer” in 1988 by Ministry of China Metallurgy Personnel Department, “senior engineer” in 1990 by the Ministry of Metallurgical Industry China Metallurgical Equipment Corporation and “professor rank senior engineer” in 1998 by China National Metallurgical Industry Bureau.

The annual remuneration to CMA and Mr. Li Yi Shu are USD30,000 and RM24,000 respectively (or equivalent to approximately HK\$234,000 and HK\$54,237 respectively), both payable quarterly.

REMUNERATION OF DIRECTORS

During each of the three years ended 31st December, 2007 and the five months ended 31st May, 2008, the total remuneration (comprising fees, salaries and allowances, discretionary bonuses and pension scheme contributions) and benefits in kind of our Directors were approximately HK\$147,874, HK\$310,926, HK\$562,278 and HK\$368,452 respectively.

As we were only incorporated on 9th November, 2007 and have not yet commenced revenue generating activities, except for the consultancy fee of HK\$147,874 paid to Mr. Chong Wee Chong in the financial year ended 31st December, 2005 in recognition of his contributions to the project, the amounts of total remuneration and benefits in kind of the directors of CVM were comparatively low during the Track Record Period. Most of our Directors (including the independent non-executive Directors) were only officially appointed as the directors of our Company in November and December 2007. It is estimated that the total amount of remuneration and benefits in kind payable to our Directors for the year ending 31st December, 2008 is approximately HK\$2.75 million, which will include the special bonus of US\$20,000 and remuneration package of Mr. Gao in recognition of his past contributions to the Group. In order to promote better transparency and corporate governance on the one hand and attract and retain competent individuals to work for us on the other hand, our remuneration committee, in developing our remuneration policy, will consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in our Group and desirability of performance-based remuneration, which is line with the guidelines set out in the Code on Corporate Governance Practices in Appendix 14 to the Listing Rules.

In respect of the three years ended 31st December, 2007 and the five months ended 31st May, 2008, no remuneration was paid to our Directors as an inducement to join or upon joining our Group. No compensation was paid to, or received by, our Directors or past Directors for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of the Directors has waived any emoluments.

Further information about the service contracts entered into between the Company and our Directors is set out in the paragraph headed “Particulars of Directors’ service contracts and letters of appointment” in Appendix VII to this prospectus.

DIRECTORS AND SENIOR MANAGEMENT

EMPLOYEES

General

Set out below is a breakdown of employees of our Group as at 31st December, 2005, 2006, 2007 and the Latest Practicable Date.

	As at 31st December,			As at the Latest Practicable Date
	2005	2006	2007	
Management	1	2	4	5
Sales and marketing	0	0	0	0
Finance and administration	2	2	5	7
Technical	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	<u><u>3</u></u>	<u><u>4</u></u>	<u><u>9</u></u>	<u><u>14</u></u>

Amongst the 14 full-time employees as at the Latest Practicable Date, approximately 29% of them were university graduates and 7% held master's degree or doctorate degree.

For each of the three years ended 31st December, 2005, 2006, 2007 and the five months ended 31st May, 2008, our Group incurred staff cost, from its continuing operations, of approximately HK\$224,086, HK\$595,259, HK\$1,052,611 and HK\$837,986 respectively.

Relationship with staff

Our Group has not experienced any significant problems with the employees or disruption to our Group's operations due to labour disputes nor has our Group experienced any difficulties in the recruitment and retention of experienced staff. Our Directors are of the view that our Group has good working relations with its employees. Our Group has also complied with all the relevant requirements of fair labour standards, working environment and code of conduct for our Group's employees and have never been penalised in this regard during the three years ended 31st December, 2007 and the five months ended 31st May, 2008.

In addition, our Directors are of the view that our Group's ability in retaining experienced employees, especially senior executives is mainly attributable to the market competitive compensation packages offered by our Group to its employees. Our Group conducts regular performance reviews of its employees from time to time, in an objective and fair manner. Our Group conducts annual salary review and rewards employees with discretionary bonus every year end, as the efforts to staff retention. Our Group also promotes cross-functional or units transfers to facilitate experience accumulation and career development of the employees.

DIRECTORS AND SENIOR MANAGEMENT

Training and Development

Our Group is committed to enhancing the capabilities of its employees. This is achieved through on-the-job training programmes as well as sponsoring the participation in external programmes.

In-house programmes organised range from orientation programmes for new employees, providing them with an understanding of our Group's vision and values, code of conduct and compliance, terms and conditions of employment, performance management and benefits, to on-the-job training programmes alongside various external technical consultants engaged by our Group in relation to the implementation of the CVM Project to enhance the employees' technical knowledge in the magnesium industry. Employees are also sponsored to attend external programmes to acquire requisite knowledge or skills related to their job.

Benefit schemes

Our Group offers benefit programmes that are in compliance with the local regulatory requirements as well as competitive with the market practice. Such benefits include annual leave and other kinds of leave, medical benefits and reimbursement of membership fees to professional societies.

Other than contributions made to the Malaysian Employees Provident Fund Board as required under Malaysian law, our Group does not have in place any pension, retirement or similar benefits for our employees. Our Group is required to pay in respect of each relevant employee of our Group a monthly contribution to the Employees Provident Fund at the required rate in accordance with the laws of Malaysia. The contributions by our Group to the Employees Provident Fund for the three years ended 31st December, 2007 and the five months ended 31st May, 2008 were approximately HK\$8,010, HK\$48,304, HK\$93,738 and HK\$86,522 respectively.

Other than the disclosed sum of staff benefits (as required statutorily or otherwise), there were no material expenditures paid by our Group in respect of its employees in all jurisdictions in which our Group operates.

Share option scheme

Our Group has adopted the Post-IPO Share Option Scheme. Please refer to Appendix VII for details.

COMPETING INTEREST

As at the Latest Practicable Date, our Directors did not have any interests in any business, except for our Group's business, which competes or may compete, directly or indirectly with our Group's business pursuant to Rule 8.10(2) of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

COMPLIANCE ADVISER

We have appointed Anglo Chinese as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules to provide advisory services to us pursuant to the requirements thereunder. Anglo Chinese has agreed to, amongst other things, provide advice to us with due care and skill on a timely basis when consulted by us in the following circumstances:

- (i) before the publication by us of any regulatory announcement (whether required by the Listing Rules or requested by the Stock Exchange or otherwise), circular or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction under Chapters 14 or 14A of the Listing Rules, is contemplated by us including share issues and share repurchases;
- (iii) where we propose to use the proceeds of the Share Offer in a manner different from that detailed in this prospectus or where the business activities, developments or results of the Company deviate from any forecast, estimate, or other information in this prospectus; and
- (iv) where the Stock Exchange makes an inquiry of the Company under Rule 13.10 of the Listing Rules. In addition, Anglo Chinese will also provide, amongst other things, the following services to the Company:
 - (a) if required by the Stock Exchange, deal with the Stock Exchange in respect of any or all matters listed in paragraphs (i) to (iv) above;
 - (b) in relation to an application by us for a waiver from any of the requirements in Chapter 14A of the Listing Rules, advise us on its obligations and in particular the requirement to appoint an independent financial adviser; and
 - (c) assess the understanding of all new appointees to the Board regarding the nature of their responsibilities and fiduciary duties as a director of a listed issuer and, to the extent the compliance adviser forms an opinion that the new appointees' understanding is inadequate, discuss the inadequacies with the Board and make recommendations to the Board regarding appropriate remedial steps such as training.

The term of the appointment will commence on the Listing Date and end on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the Listing Date.

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WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES — MANAGEMENT PRESENCE IN HONG KONG

As all of our Directors, save for Lam Cheung Shu, an independent non-executive Director, are not ordinarily resident in Hong Kong, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 8.12 in relation to management presence in Hong Kong.

For details of our waiver, please refer to the section headed “Waivers from Strict Compliance with the Listing Rules — Management Presence in Hong Kong” in this prospectus.