Terms of Reference of the Strategy Committee under the Board of Shandong Gold Mining Co., Ltd.

Chapter 1 General Provisions

Article 1 In order to accommodate the needs of strategic development of Shandong Gold Mining Co., Ltd. (hereinafter referred to as the "Company"), strengthen its core competitiveness, determine its development plans, improve its procedures for making investment decisions, strengthen scientific basis of its decision-making process, improve the effectiveness and quality of material investment decisions and perfect its corporate governance structure, the Company has set up the Strategy Committee under the Board and formulated these terms of reference in accordance with the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of Shandong Gold Mining Co., Ltd. (hereinafter referred to as the "Articles of Association") and other relevant requirements.

Article 2 The Strategy Committee under the Board is a special committee set up by the Board. It is primarily responsible for reviewing and advising on the Company's medium- to long-term development strategies and significant investment decisions.

Chapter 2 Composition

Article 3 The Strategy Committee shall consist of three to five directors, including at least one independent director.

Article 4 Members of the Strategy Committee shall be nominated by the chairman of the Board, more than half of the independent directors, or by one-third of the Board members, and are subject to election by the Board.

Article 5 The Strategy Committee shall have one chairman (convener) who shall be the chairman of the Board of the Company and shall be in charge of the work of the Committee.

Article 6 The term of office of the Strategy Committee shall be identical to that of the Board. A member may offer himself/herself for re-election upon the expiration of his/her term of office. During his/her term of office, if any member ceases to be a director, his/her membership in the Strategy Committee shall lapse automatically, and the vacancy shall be filled by the person elected by the Committee in accordance with Articles 3 to 5 of these terms of reference.

Article 7 The supporting department of the Strategy Committee shall be the department responsible for strategic planning of the Company, which is responsible for collecting and researching work documents of the Committee, conducting daily liaison work and arranging meetings.

Chapter 3 Responsibilities and Authorities

Article 8 The primary responsibilities and authorities of the Strategy Committee include:

(I) to study the Company's medium- to long-term development strategy plans and the annual investment plans and make recommendations;

(II) to study major investment financing plans which requires to be approved by the Board as stated in the Articles of Association and make recommendations;

(III) to study major capital operation and assets management projects which requires to be approved by the Board as stated in the Articles of Association and make recommendations;

(IV) to study other important matters affecting the Company's development and make recommendations;

(V) to review the implementation of the above matters;

(VI) to handle other matters delegated by the Board;

(VII) other matters stipulated by laws, administrative regulations, the requirements of the China Securities Regulatory Commission, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association and these terms of reference.

Article 9 The Strategy Committee is accountable to the Board and shall submit its proposals to the Board for consideration and decision.

Chapter 4 Procedural Rules

Article 10 The Strategy Committee shall hold at least one meeting each year. A notice of meeting shall be sent to all the members three days before the date of the meeting. A meeting of the Strategy Committee shall be presided over by the chairman of the Committee. When the chairman is unable to attend the meeting, he/she may appoint another member of the Committee (an independent director) to preside over the meeting on his/her behalf. In case of urgent matters, the aforesaid period may be exempted and flexible meeting notice methods may be adopted, provided that the convener shall make an explanation at the meeting.

Article 11 A Strategy Committee meeting may only be convened with the presence of more than two-thirds of the members. Each member has one vote. Resolutions may only be passed by a majority of all the members of the Strategy Committee voting in favor of such resolutions.

Article 12 Votes may be made by a show of hands or by poll in a Strategy Committee meeting, while for voting at an extraordinary meeting of the Committee may also be by correspondence.

Article 13 The principal person in charge and the person in charge of the strategic planning department may attend meetings of the Strategy Committee as non-voting participants. Other directors, senior management and other consultants of the Company may also be invited to attend such meetings when necessary. Attendees of the meetings shall have the right to speak, but not the right to vote.

Article 14 The Strategy Committee may, if necessary and provided that the Company's commercial secrets are not divulged, engage an intermediary to provide professional advice on its decision-making at the cost of the Company.

Article 15 The procedures for convening of a Strategy Committee meeting, its voting methods and the proposals to be passed at such meeting must comply with the provisions of applicable laws, regulations, the Articles of Association and these terms of reference. If a member is an interested party in any matter being considered by the Strategy Committee, such member shall abstain from the discussion and voting of such matter.

Article 16 Minutes shall be kept for a Strategy Committee meeting. The minutes shall be prepared by the executive body of the Committee and shall contain the following information:

(I) serial number, form, date, venue and name of the chairman of the meeting;

(II) attendance and absence of members in person or by proxy;

(III) name and title of each attendee;

(IV) agenda of the meeting;

(V) main points raised by any members and other relevant attendees;

(VI) name of the person taking minutes;

(VII) abstention of any interested member (if any), which shall be specified in the minutes or the relevant resolutions.

All Committee members present at the meeting shall sign the minutes. The minutes shall be kept by the office of the Board of the Company in accordance with the relevant archive management system of the Company for a period of no less than ten years.

Article 17 Any resolution passed at a Strategy Committee meeting and the voting results must be reported in written form to the Board of the Company.

Article 18 Members present at such meeting and other persons are obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization.

Chapter 5 Addendum

Article 19 These terms of reference shall take effect from the date of approval by the Board.

Article 20 The phrase "more than" herein for the numbers includes the numbers indicated themselves while "a majority of" excludes the numbers indicated themselves.

Article 21 In case of matters not covered herein, the relevant state laws, administrative regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall apply. In case any of these terms of reference conflicts with the state laws, administrative regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed promulgated in the future or the Articles of Association as legally modified, the relevant state laws, administrative regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall prevail. In such case, corresponding amendments shall be made to these terms of reference immediately and submitted to the Board for approval.

Article 22 These terms of reference shall be construed, interpreted, and amended by the Board of the Company.

Article 23 These terms of reference are in both Chinese and English versions. Should there be any inconsistency between the English and Chinese versions, the latter shall prevail.