

## A. FURTHER INFORMATION ABOUT OUR GROUP

### 1. Incorporation

We were incorporated as a corporation in Alberta, Canada with limited liability on 22 February 2007 under the ABCA. Our registered address is at Suite 3300, 421 – 7<sup>th</sup> Avenue SW, Calgary, Alberta T2P 4K9, Canada. We have registered a place of business in Hong Kong at Unit 4308, Far East Finance Center, 16 Harcourt Road, Admiralty, Hong Kong and have been registered as a non-Hong Kong company under Part XI of the Companies Ordinance. Mr. Tingan Liu has been appointed as our agent for the acceptance of service of process and notices in Hong Kong. The address for service of process on us in Hong Kong is the same as our registered place of business in Hong Kong set out above. As we are incorporated in Alberta, our corporate structure, our Articles and By-Laws are subject to the relevant laws of Alberta. A summary of the relevant provisions of our Articles and By-Laws and certain relevant aspects of Alberta company law are set out in Appendix V to this Prospectus.

### 2. Share Capital

This section presents certain information regarding our share capital.

#### Authorised share capital

Under the ABCA, shares may be issued at the times and to the persons and for the consideration that directors may determine. We are authorised to issue an unlimited number of shares designated as Shares, Class B Shares, Class C Common Non-Voting Shares, Class D Common Non-Voting Shares, Class E Common Non-Voting Shares, Class F Common Non-Voting Shares, Class G Shares and Class H Shares. All of the shares issued by our Company have been duly authorised.

#### Issued share capital

The following is a description of our issued share capital as at the Latest Practicable Date and immediately after completion of the Global Offering:

	Issued Share Capital as at the Latest Practicable Date		Issued Share Capital after completion of the Global Offering	
	Number of Shares	Par Value (C\$)	Number of Shares	Par Value (C\$)
Shares	1,759,427,440	Nil	1,904,055,540 <sup>(1)</sup>	Nil
Class B Shares	144,628,100	Nil	—	—
Offer Shares to be issued as part of the Global Offering	—	—	923,299,500 <sup>(5)</sup>	Nil
Maximum number of Shares to be issued to Orient Financial on the Listing Date	—	—	13,566,395	Nil
<b>Total Shares<sup>(2)</sup></b>	<b>1,904,055,540<sup>(6)</sup></b>	<b>Nil</b>	<b>2,840,921,435</b>	<b>Nil</b>
Class G Shares <sup>(3)</sup>	64,140,000	Nil	64,140,000	Nil
Class H Shares <sup>(3)</sup>	22,200,000	Nil	22,200,000	Nil
<b>Total Issued Share Capital</b>	<b>1,990,395,540</b>	<b>Nil</b>	<b>2,927,261,435</b>	<b>Nil</b>

*Notes:*

- (1) This table assumes that all Class B Shares will be exchanged for Shares on a one-for-one basis on or immediately prior to the Listing. The table assumes that no Shareholders of the Company as at the Latest Practicable Date will acquire Shares pursuant to the Global Offering (including the Over-Allotment Option). This table excludes any Shares which may be issued (i) pursuant to Share options granted under our Pre-IPO Share Option Schemes; or (ii) pursuant to the Over-Allotment Option.
- (2) The Other Shareholders comprise our Senior Management (excluding our Chief Executive), our Employees, Consultants, Canadian Company Secretary, Corporate Investors and Individual Investors, as described on page 100 of the Prospectus.
- (3) As noted above, this table is for illustration purposes only, as at the Latest Practicable Date, the Directors and Chief Executive collectively held 41,600,000 Class G Shares and Class H Shares convertible into a maximum of 41,600,000 Shares.
- (4) The fully diluted share capital of our Company at completion of the Global offering includes all Common Shares, Preferred Shares, Share options, the exercise in full of the Over-Allotment Option and the Orient Shares.
- (5) For illustrative purposes, this calculation includes the Shares and the Class B Shares, which will be exchanged for Shares on a one-for one basis on or immediately prior to the Listing.

**Fully Diluted Share Capital**

The following is a description of our fully diluted share capital immediately after completion of the Global Offering:

Name of Shareholder	Issued share capital immediately following completion of the Global Offering		Issued share capital immediately following completion of the Global Offering and the exercise in full of the unexercised Share Options		Issued share capital immediately following the Global Offering and the exercise in full of the Class G and the Class H Shares		Issued share capital immediately following the Global Offering and the exercise in full of the Over-Allotment Option		Fully diluted share capital of our Company immediately following completion of the Global Offering	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Orient International Resources Group Limited	280,233,035	9.86	280,233,035	9.20	280,233,035	9.57	280,233,035	9.41	280,233,035	8.57
Charter Globe Limited	206,611,560 <sup>(5)</sup>	7.27	206,611,560 <sup>(5)</sup>	6.79	206,611,560 <sup>(5)</sup>	7.06	206,611,560 <sup>(5)</sup>	6.93	206,611,560 <sup>(5)</sup>	6.32
China Life Insurance (Overseas) Company Limited	144,628,100	5.09	144,628,100	4.75	144,628,100	4.94	144,628,100	4.85	144,628,100	4.42
Cross-Strait Common Development Fund Co. Limited	82,644,640	2.91	82,644,640	2.71	82,644,640	2.82	82,644,640	2.77	82,644,640	2.53
Directors and Chief Executive	105,357,660	3.71	105,357,660	3.46	105,357,660	3.60	105,357,660	3.54	105,357,660	3.22
Other Shareholders	1,098,146,940	38.66	1,098,146,940	36.06	1,098,146,940	37.52	1,098,146,940	36.86	1,098,146,940	33.58
Grantees of options granted pursuant to the Pre-IPO Share Option Schemes	—	—	204,383,800	6.71	—	—	—	—	204,383,800	6.25
Class G Shares and Class H Shares	—	—	—	—	86,340,000	2.95	—	—	86,340,000	2.64
Over-Allotment Option	—	—	—	—	—	—	138,495,000	4.65	138,495,000	4.24
Shareholders taking up new Shares pursuant to the Global Offering	923,299,500	32.50	923,299,500	30.32	923,299,500	31.54	923,299,500	30.99	923,299,500	28.23
<b>Total</b>	<b>2,840,921,435</b>	<b>100.00</b>	<b>3,045,305,235</b>	<b>100.00</b>	<b>2,927,261,435</b>	<b>100.00</b>	<b>2,979,416,435</b>	<b>100.00</b>	<b>3,270,140,235</b>	<b>100.00</b>

*Notes:*

- (1) This table assumes that all Class B Shares will be exchanged for Shares on a one-for-one basis on or immediately prior to the date of Listing. This table also assumes that the 13,566,395 Orient Shares are issued on the Listing Date. The table assumes that no Shareholders of the Company as at the Latest Practicable Date will acquire Shares pursuant to the Global Offering (including pursuant to the Over-Allotment Option). The table illustrates the dilutive effect of the unexercised Share options of our Company on our Shares immediately following completion of the Global Offering and, as such, the table does not allocate any unexercised Share Options or any Class G Shares and Class H Shares to Specific Shareholders featured on the table or changes their aggregate holdings of issued Shares in our Company.
- (2) The Other Shareholders comprise our Senior Management (excluding our Chief Executive), our Employees, Consultants, Canadian Company Secretary, Corporate Investors and Individual Investors, as described on page 100 of the Prospectus.
- (3) As noted above, this table is for illustration purposes only, as at the Latest Practicable Date, the Directors and Chief Executive collectively held 41,600,000 Class G Shares and Class H Shares convertible into a maximum of 41,600,000 Shares.
- (4) The fully diluted share capital of our Company at completion of the Global Offering includes all Common Shares, preferred Shares, Share options, the exercise in full of the Over-Allotment Option and assumes that the Orient Shares are issued on the Listing Date.
- (5) For illustrative purposes, this calculation includes the Shares and the Class B Shares, which will be exchanged for Shares on a one-for one basis on or immediately prior to the Listing.

## General

The tables above assume that the Global Offering becomes unconditional and is completed in accordance with its relevant terms and conditions. The terms of the Class B Shares, the Class G Shares and the Class H Shares that are issued and outstanding as at the Latest Practicable Date are specified in the section entitled “— F. Class B Shares, Class G Shares and Class H Shares” below. For details of changes in our share capital, please refer to the section entitled “— A. Further Information About Our Group — 3. Changes in Share Capital of our Group” above.

The Shares are Common Shares in the share capital of our Company and rank equally with all Common Shares currently issued and outstanding or to be issued by us and, in particular, will rank in full for all dividends or other distributions declared, made or paid on the Common Shares in respect of a record date which falls after the date of this Prospectus.

### 3. Changes in Share Capital of Our Group

#### Our Company

As at the date of our incorporation, our issued share capital was 400,000 Shares of par value of C\$0.50 each and our authorised share capital was unlimited. The following sets out the changes in our Common Shares since the date of our incorporation:

- (a) on 7 May 2007 we raised gross proceeds of C\$2,502,956 through a non-brokered private placement of 2,502,956 units at a price of C\$1.00 per unit, each unit being comprised of one Share and one Purchase Warrant. Each such warrant entitled the holder thereof to acquire one Share at a price equal to C\$1.50 until 1 October 2007;
- (b) on 8 May 2007 we acquired Fern Energy Ltd. for the sum of C\$60,000 paid through the issuance by our Company of 60,000 units at a price of C\$1.00 per unit, each unit being comprised of one Share and one warrant. Each such warrant entitled the holder thereof to acquire one Share at an exercise price of C\$1.50 until 1 October 2007;
- (c) on 15 May 2007 we raised gross proceeds of C\$2,025,100 through a non-brokered private placement of 1,841,000 units at a price of C\$1.10 per unit, each unit being comprised of one Share and one-quarter of a Purchase Warrant. Each such warrant entitled the holder thereof to acquire one Share at a price equal to C\$1.65 until 15 May 2008;
- (d) on 29 May 2007 we raised gross proceeds of C\$1,026,300 through a non-brokered private placement of 933,000 units at a price of C\$1.10 per unit, each unit being comprised of one Share and one-quarter of a Purchase Warrant. Each such warrant entitled the holder thereof to acquire one Share at a price equal to C\$1.65 until 29 May 2008;
- (e) on 29 May 2007 we raised gross proceeds of C\$2,026,500 through a non-brokered private placement of seven notes with each note convertible into units at the price of C\$1.10 per unit, each unit being comprised of one Share and one-quarter of a Purchase Warrant. Each such warrant entitled the holder thereof to acquire one Share at a price equal to C\$1.65 until 29 May 2008. On 14 June 2007, the seven notes were converted into 1,842,273 such units;

- (f) on 15 June 2007 we raised gross proceeds of C\$1,685,200 through a non-brokered private placement of 1,532,000 units at a price of C\$1.10 per unit, each unit being comprised of one Share and one-quarter of a Purchase Warrant. Each such warrant entitled the holder thereof to acquire one Share at a price equal to C\$1.65 until 15 June 2008;
- (g) between 11 July and 6 August 2007 we raised gross proceeds of C\$5,810,277 through a non-brokered private placement of 4,469,444 Shares at a price of C\$1.30 per Share;
- (h) on 22 August 2007 we raised gross proceeds of C\$6,548,298 through a non-brokered private placement of 4,365,532 Shares at a price of C\$1.50 per Common Share;
- (i) on 5 September 2007 we raised gross proceeds of C\$8,562,500 through a brokered private placement of 3,425,000 units at a price of C\$2.50 per unit, each unit being comprised of one Share and one liquidity warrant. Each such warrant entitled the holder thereof to acquire one-tenth of one Share for no additional consideration if a liquidity event had not occurred by 5:00 pm (Calgary time) on 30 May 2008;
- (j) on 19 September 2007 we raised gross proceeds of C\$9,616,998 through a brokered private placement of 3,205,666 units at a price of C\$3.00 per unit, each unit being comprised of one Share and one liquidity warrant. Each such warrant entitled the holder thereof to acquire one-tenth of one Share for no additional consideration if a liquidity event had not occurred by 5:00 pm (Calgary time) on 30 May 2008;
- (k) on 19 September 2007 we raised gross proceeds of C\$450,000 through a non-brokered private placement of 150,000 units at a price of C\$3.00 per unit, each unit being comprised of one Share and one liquidity warrant. Each such warrant entitled the holder thereof to acquire one-tenth of one Share for no additional consideration if a liquidity event had not occurred by 5:00 pm (Calgary time) on 30 May 2008;
- (l) on 1 October 2007 we raised gross proceeds of C\$3,844,434 through the exercise of (i) 2,562,956 warrants which entitled the holder thereof to acquire one Share at an exercise price of C\$1.50 until 1 October 2007 and (ii) 60,000 warrants issued pursuant to a share purchase agreement entered into between ourselves and Fern Energy Ltd.;
- (m) on 26 November 2007 we raised gross proceeds of C\$484,770 through a non-brokered private placement of 372,900 Shares at a price of C\$1.30 per Share; and C\$176,250 through a non-brokered private placement of 117,500 Shares at a price of C\$1.50 per Share;
- (n) on 12 December 2007 we raised gross proceeds of C\$23,367,755 through a brokered and non-brokered private placement of (i) 6,211,525 units at a price of C\$2.75 per unit, each unit being comprised of one Share and one liquidity warrant (each such warrant entitled the holder thereof to acquire one-tenth of one Share for no additional consideration if a liquidity event had not occurred by 5:00 pm (Calgary time) on 30 May 2008) and (ii) 1,995,575 Shares (issued on a flow-through basis) at a price of C\$3.15 per Share;
- (o) on 31 December 2007 we raised gross proceeds of C\$1,491,850 through a non-brokered private placement of 200,000 Shares at a price of C\$2.75 per Share and 299,000 Shares (issued on a flow-through basis) at a price of C\$3.15 per Share;
- (p) between 22 February 2008 and 31 March 2008 we raised gross proceeds of C\$21,701,635 through non-brokered multi-tranche private placements of 4,505,684

Shares at a price of C\$4.00 per and 817,533 Shares (issued on a flow-through basis) at a price of C\$4.50 per Share. In addition, 35,000 warrants were exercised for exercise proceeds of C\$57,750 (C\$1.65 per Share);

- (q) between 1 April 2008 and 31 December 2008 we raised gross proceeds of C\$245,000 through a non-brokered private placement of 24,500 flow-through shares at a price of C\$10 per share. In addition, there were 1,502,069 warrants exercised for proceeds of C\$2,478,414 at C\$1.65 per share. Finally, there were 31,597 options exercised at a weighted average price of C\$1.64 per share total for proceeds of C\$51,810;
- (r) on 9 May 2009 we raised gross proceeds of C\$25,001 through the exercise of 13,334 options at an exercise price of C\$1.87 per option;
- (s) between 11 September 2009 to 22 January 2010 we raised gross proceeds of C\$34,999,996.50 through a non-brokered private placement of 6,666,666 Shares at a price of C\$5.25 per Share;
- (t) on 31 December 2009 we raised gross proceeds of C\$2,000,598 through a non-brokered private placement of 333,433 Shares (issued on a flow-through basis) at a price of C\$6.00 per Share;
- (u) between 29 January and 31 May 2010 we raised gross proceeds of C\$83,479,308 through a non-brokered private placement of 13,913,218 units at a price of C\$6.00 per unit, each unit being comprised of one Share and one-half of a Purchase Warrant. Each such warrant has an exercise price of C\$8.00 and is exercisable until 28 February 2013. We granted 624,996 Fee Warrants to two finders in connection with the above financing. Each such Fee Warrant has an exercise price of C\$6.00, with expiry dates ranging from 28 February 2013 to 26 May 2013;
- (v) on 31 March 2010 we raised gross proceeds of C\$82,000 and C\$11,000 through the exercise of 70,000 options at an exercise price of C\$1.17 per option and 10,000 options at an exercise price of C\$1.10 per option respectively;
- (w) between 1 April and 17 May 2010 we raised gross proceeds of C\$3,828,526 through a non-brokered private placement of 589,004 Shares (issued on a flow-through basis) at a price of C\$6.50 per Share;
- (x) on 6 May 2010 we raised gross proceeds of C\$165,000 through the exercise of 150,000 options at an exercise price of C\$1.10 per option;
- (y) on 28 May 2010 we raised gross proceeds of C\$33,000 through the exercise of 30,000 options at an exercise price of C\$1.10 per option;
- (z) on 18 June 2010 we raised gross proceeds of C\$33,000 through the exercise of 30,000 options at an exercise price of C\$1.10 per option;
- (aa) on 3 August 2010 we raised gross proceeds of C\$11,000 through the exercise of 10,000 options at an exercise price of C\$1.10 per option;

- (bb) on 9 August 2010 we raised gross proceeds of C\$11,000 through the exercise of 10,000 options at a price of C\$1.10 per option;
- (cc) on 9 August 2010 we raised gross proceeds of C\$165,000 through the exercise of 150,000 options at an exercise price of C\$1.10 per option;
- (dd) on 10 August 2010 we raised gross proceeds of C\$22,000 through the exercise of 4,000 options at an exercise price of C\$5.50 per option;
- (ee) on 31 August 2010 we raised gross proceeds of C\$33,000 through the exercise of 30,000 options at an exercise price of C\$1.10 per option;
- (ff) on 7 September 2010 we raised gross proceeds of C\$139,000 through the exercise of 80,000 options at an exercise price of C\$1.74 per option;
- (gg) on 21 September 2010 we raised gross proceeds of C\$45,000 through the exercise of 30,000 options at an exercise price of C\$1.50 per option;
- (hh) on 28 December 2010 we raised gross proceeds of C\$20,171 through the exercise of 8,335 options at an exercise price of C\$2.42 per option;
- (ii) between 31 January 2011 and 15 February 2011 we raised gross proceeds of C\$210,000,001.20 through a brokered private placement of 14,462,810 Shares at a price of C\$9.68 per Share and 7,231,405 Class B Shares at a price of C\$9.68 per Class B Share. We granted 1,084,711 Fee Warrants to Far East Enterprise Investment Foundation Limited in connection with the above financing. Each such Fee Warrant has an exercise price of C\$9.68 and is exercisable until February 2014.
- (jj) on 31 December 2010 we raised gross proceeds of C\$5,607,500 through a non-brokered private placement of 560,750 flow-through special warrants at a price of C\$10.00 per flow-through special warrant (each such warrant entitled the holder thereof to acquire one Share for no additional consideration until 20 January 2011);
- (kk) on 10 February 2011 we raised gross proceeds of C\$19,500 through the exercise of 15,000 options at an exercise price of C\$1.30 per option; and
- (ll) between 17 February and 22 February 2011 we raised gross proceeds of (i) C\$7,469,465.52 through an issuance of 771,639 Shares at a price of C\$9.68 per Share and (ii) C\$7,119,961.65 through an issuance of 668,541 Shares (issued on a flow-through basis) at a price of C\$10.65 per Share.
- (mm) on 6 April 2011, we raised gross proceeds of C\$1,025,050 through the exercise of 237,700 options at an exercise price of C\$4.31 per option
- (nn) On 8 April 2011 we raised gross proceeds of C\$20,000 through the exercise of 5,000 options at an exercise price of C\$4.00 per option; and
- (oo) On 6 July 2011 we raised gross proceeds of C\$33,500 through the exercise of 25,000 options at an exercise price of C\$1.34 per option; and

- (pp) On 22 July 2011 we raised gross proceeds of C\$165,000 through the exercise of 60,000 options at an exercise price of C\$2.75 per option; and
- (qq) on 26 January 2012, we passed a shareholder resolution to effect a split of the issued and outstanding shares of our Company (in all classes) whereby twenty (20) shares will be issued in exchange for every one (1) share, at the Board's discretion. The share split was implemented on 10 February 2012 by a resolution of the Board dated 9 February 2012.

As noted above, assuming the Global Offering becomes unconditional and the 923,299,500 Offer Shares are issued, upon completion of the Global Offering, our issued Shares will consist of 2,840,921,435 Shares of nil par value each (assuming the issue of the Orient Shares and excluding any Excluded Shares), and our authorised share capital will remain unlimited.

Save as disclosed in this section, there has been no alteration in our Common Shares since the date of our incorporation.

### **Our subsidiary**

Our subsidiary is referred to in the sections entitled "Corporate Structure and History" and "Accountants' Report" in Appendix I to this Prospectus. The following alterations in the share capital of our Subsidiary had taken place within two years preceding the date of this Prospectus:

#### ***Fern Energy Ltd.***

As at the date of its incorporation, being 3 February 2006, the issued share capital of Fern Energy Ltd., our Subsidiary, was 1,350,000 common shares and its authorised share capital was unlimited.

On 8 May 2007, each of our Subsidiary's shareholders (namely, Mr. Songning Shen, Mr. Simon Har and Mr. Michael John Hibberd) agreed to sell and transfer to our Company all of the common shares in our Subsidiary. We have directly owned 100% of the total issued share capital of our Subsidiary since 8 May 2007.

Save as described above, there has been no other alteration in the share capital of our Subsidiary in the two years preceding the date of this Prospectus.

### **3. Resolutions of Our Shareholders**

Pursuant to the Annual and Special Meeting, our shareholders resolved, among other things, that:

- (a) the Articles of our Company, the terms of which are summarised in Appendix V to this Prospectus, to be amended;

- (b) the By-Laws of our Company, the terms of which are summarised in Appendix V to this Prospectus, to be amended effective as of the date of Listing;
- (c) the Post-IPO Share Option Scheme be approved and adopted, to be effective immediately prior to the Listing;
- (d) our Company effect a split of the issued and outstanding shares of our Company (for all classes) whereby up to twenty-five (25) shares may be issued in exchange for every one (1) share (in the relevant class) issued and outstanding, or such number of shares, as may be determined by the Board as at a record date and effective date to be determined by the Board;
- (e) conditional on the Listing taking place by 31 December 2012, a general mandate was given to the directors to allot, issue and deal with Shares (otherwise than pursuant to (i) a rights issue; or (ii) the exercise of the subscription or conversion rights attaching to any securities or warrants which may be issued by our Company or any securities which are convertible into Common Shares of our Company from time to time; or (iii) the exercise of options granted under the stock option plan of our Company or similar arrangements from the time being adopted for the grant or issue to officers and/or employees of our Company and/or any of its subsidiaries of Common Shares or rights to acquire Common Shares of our Company; or (iv) any issues of Shares in lieu of the whole or part of a dividend on Shares) with an aggregate of not more than 20% of the aggregate issued and outstanding share capital of our Company upon the completion of the Listing; and
- (f) conditional on the Listing taking place by 31 December 2012, a general mandate was given to the directors to exercise all the powers of our Company to repurchase Shares to be listed on the Stock Exchange with a total of not more than 10% of our Company's Shares immediately following completion of the Global Offering before any exercise of the Over-Allotment Option.

The resolutions referred to in paragraphs (a) and (b) are revocable at the discretion of the Board until they become effective. The amended Articles of our Company will become effective upon filing of the Articles of Amendment with the corporate registry of Alberta, which will be completed prior to Listing. With respect to the resolution referred to in paragraph (c), the Post-IPO Share Option Scheme becomes effective, in accordance with its terms, only upon Listing. The resolution referred to in paragraph (d) was approved by the Board at a meeting of the Board on 9 February 2012 and became effective on 10 February 2012 and a share split ratio of twenty (20) Shares for one (1) Share was confirmed. Each of the general mandates referred to in paragraphs (e) and (f) above will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required to be held by any applicable law or the Articles; or (iii) the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders of our Company in a Shareholders' general meeting.

The Board approved the Global Offering and the issue of the Offer Shares at a meeting of the Board on 9 February 2012 in accordance with the Articles and By-Laws of our Company.



#### 4. Repurchases of Our Own Shares

This section includes information relating to the repurchase of our Shares, including information required by the Stock Exchange to be included in this Prospectus concerning such repurchase.

##### (a) Relevant legal and regulatory requirements

The Listing Rules permit our Shareholders to grant to our directors a general mandate to repurchase our Shares that are listed on the Stock Exchange. Such mandate is required to be given by way of an ordinary resolution passed by our Shareholders in a general meeting.

##### (i) Shareholders' approval

All proposed repurchases of Shares (which must be fully paid up) must be approved in advance by ordinary resolutions of our Shareholders in a general meeting, either by way of general mandate or by specific approval of a particular transaction.

On 26 January 2012, our Directors were granted a general unconditional mandate to repurchase up to 10% of the Shares of our Company in issue immediately following completion of the Global Offering on the Stock Exchange, or on any other stock exchange on which our securities may be listed, and which is recognised by the SFC and the Stock Exchange for this purpose, before any exercise of the Over-Allotment Option. This mandate will expire at the earliest of:

- (a) the conclusion of our next annual Shareholders' general meeting;
- (b) the date by which our next Shareholders' general meeting is required by applicable laws and our Articles and By-Laws to be held; or
- (c) such mandate being revoked or varied by ordinary resolutions of our Shareholders in a general meeting

(the "**Mandate Period**").

##### (ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with our Articles and By-Laws and the applicable laws of Alberta, Canada. We may not repurchase our shares on the Stock Exchange for consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the above, we may make repurchases with funds which would otherwise be available for dividend or distribution or out of an issue of Shares for the purpose of the repurchase.

##### (iii) Trading Restrictions

The total number of Shares which we may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue. We may not

issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, we are prohibited from repurchasing our Shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which our Shares were traded on the Stock Exchange. The Listing Rules also prohibit us from repurchasing any of our securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. We are required to procure that the broker appointed by us to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

*(iv) Status of Repurchased Shares*

All repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those securities must be cancelled and destroyed.

*(v) Suspension of Repurchase*

We may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (b) the deadline for publication of an announcement of our results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), we may not repurchase our shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if we have breached the Listing Rules.

*(vi) Reporting Requirements*

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following Business Day. In addition, our annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such purchase, where relevant, and the aggregate prices paid.

*(vii) Connected Persons*

We are prohibited from knowingly repurchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of our Company or any of our subsidiaries or their associates and a connected person is prohibited from knowingly selling his securities to us.

**(b) Reasons for repurchases**

Our Directors believe that it is in both our and our Shareholders' best interests for our Directors to have general authority to execute repurchases of our shares in the market. Such repurchases may, depending on circumstances at the time, lead to an enhancement of the net asset value per share and/or earnings per share and will only be made where our Directors believe that such repurchases will benefit our Company and our Shareholders. Our Directors sought the grant of a general mandate to repurchase Shares to give our Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by our Directors at the relevant time having regard to the circumstances then pertaining.

**(c) Funding of repurchases**

In repurchasing securities, we may only apply funds legally available for such purpose in accordance with our Articles and By-Laws, the applicable laws of Alberta and the Listing Rules.

On the basis of our current financial position, as disclosed in this Prospectus, and taking into account our current working capital position, our Directors believe that, if the repurchase mandate were to be exercised in full at any time during the Mandate Period, it might have a material adverse effect on our working capital and/or the gearing position (as compared with the position disclosed in this Prospectus). Further, our Directors do not propose to exercise the repurchase mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or the gearing levels which in the opinion of our Directors are from time to time appropriate for us.

**(d) Share capital**

The exercise in full of the current repurchase mandate, on the basis of approximately 2,840,921,435 Shares being issued and outstanding immediately after completion of the Global Offering, assuming the issue of the Orient Shares and excluding any Excluded Shares, could accordingly result in up to approximately 284,092,143 Shares being repurchased by us during the Mandate Period.

**(e) General**

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) currently intends to sell any of our Shares to us or our Subsidiary.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules, our Articles and By-Laws, the ABCA and any other applicable laws of Alberta.

If, as a result of any repurchase of our Shares, a Shareholders' proportionate interest in our voting rights is increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of us and become obliged to make a mandatory offer in accordance with rule 26

of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences of repurchases which would arise under the Takeovers Code.

Any repurchase of Shares that results in the number of Shares held by the public being reduced to less than 25% of the Shares then issued and outstanding could only be implemented if the Stock Exchange agreed to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No Connected Person (as defined by the Listing Rules) has notified us that he or it has a present intention to sell his or its Shares to us, or has undertaken not to do so, if the repurchase mandate is exercised.

## **B. FURTHER INFORMATION ABOUT OUR BUSINESS**

### **1. Summary of Material Contracts**

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this Prospectus that are or may be material:

- (a) The Hong Kong Underwriting Agreement;
- (b) The Warrant termination agreements entered into between our Company and each of the following Warrant holders on 20 September 2011 in relation to their respective purchase warrants:
  - (i) Alan Lightfoot for 7,500 Warrants (represented by warrant certificate no. 0016 dated 15 April 2010);
  - (ii) Alan Lightfoot for 4,000 Warrants (represented by warrant certificate no. 0026 dated 5 May 2010);
  - (iii) Alex Glasenberg for 3,250 Warrants (represented by warrant certificate no. 0022 dated 15 April 2010);
  - (iv) Allan J. Bezanson for 10,417 Warrants (represented by warrant certificate no. 0039 dated 12 May 2010);
  - (v) Alnashir Kassam for 750 Warrants (represented by warrant certificate no. 0028 dated 5 May 2010);
  - (vi) Anna Kate Solbak for 4,200 Warrants (represented by warrant certificate no. 0015 dated 15 April 2010);
  - (vii) BNFC International Corp. for 500 Warrants (represented by warrant certificate no. 0013 dated 15 April 2010);
  - (viii) Bansco & Co., in trust for BTR Accelerator Fund Limited, for 416,667 Warrants (represented by warrant certificate no. 0030 dated 10 May 2010);

- (ix) Canaccord Financial Ltd., in trust for Andrew Knott, for 1,500 Warrants (represented by warrant certificate no. 0036 dated 21 May 2010);
- (x) Canaccord Financial Ltd., in trust for Connie Wan Chow & Chein Liang Tao, for 8,333 Warrants (represented by warrant certificate no. 0038 dated 21 May 2010);
- (xi) Canaccord Financial Ltd., in trust for Kristina Shaw, for 18,500 Warrants (represented by warrant certificate no. 0037 dated 21 May 2010);
- (xii) Canaccord Genuity Corp., in trust for Serpa Ventures Ltd., for 1,500 Warrants (represented by warrant certificate no. 0055 dated 21 May 2010);
- (xiii) Christopher Wu for 3,000 Warrants (represented by warrant certificate no. 0025 dated 5 May 2010);
- (xiv) David S. Johnston for 833 Warrants (represented by warrant certificate no. 0033 dated 21 May 2010);
- (xv) Dezhi Zhang for 4,446 Warrants (represented by warrant certificate no. 0006 dated 15 April 2010);
- (xvi) Fram Moos for 25,000 Warrants (represented by warrant certificate no. 0011 dated 15 April 2010);
- (xvii) Garry Fizzell for 6,250 Warrants (represented by warrant certificate no. 0021 dated 15 April 2010);
- (xviii) Glenn MacQueen for 5,000 Warrants (represented by warrant certificate no. 0032 dated 10 May 2010);
- (xix) GMP Securities L.P., in trust for The Bluesky Club, for 4,600 Warrants (represented by warrant certificate no. 0053 dated 26 May 2010);
- (xx) Gundyco, in trust for Jeff Magus, for 30,000 Warrants (represented by warrant certificate no. 0054 dated 13 May 2010);
- (xxi) James D. Knelsen for 2,000 Warrants (represented by warrant certificate no. 0020 dated 15 April 2010);
- (xxii) James McAllister for 500 Warrants (represented by warrant certificate no. 0018 dated 15 April 2010);
- (xxiii) Manchester Investments Inc. for 2,085 Warrants (represented by warrant certificate no. 0019 dated 15 April 2010);
- (xxiv) Nixon Lau for 850 Warrants (represented by warrant certificate no. 0027 dated 5 May 2010);
- (xxv) Patrick V. Farrell for 500 Warrants (represented by warrant certificate no. 0040 dated 26 May 2010);

- (xxvi) Paul Lackan Consulting Inc. for 26,250 Warrants (represented by warrant certificate no. 0009 dated 15 April 2010);
- (xxvii) Peace Properties Ltd. for 11,250 Warrants (represented by warrant certificate no. 0017 dated 15 April 2010);
- (xxviii) Perfect Design Services Ltd. for 833 Warrants (represented by warrant certificate no. 0007 dated 15 April 2010);
- (xxix) Randall Block for 7,500 Warrants (represented by warrant certificate no. 0051 dated 31 May 2010);
- (xxx) Road Holdings Corp. for 2,100 Warrants (represented by warrant certificate no. 0008 dated 15 April 2010);
- (xxxi) Road Holdings Corp. for 918 Warrants (represented by warrant certificate no. 0010 dated 15 April 2010);
- (xxxii) Scotia McLeod, in trust for Ronald J. Roy, for 4,167 Warrants (represented by warrant certificate no. 0012 dated 15 April 2010);
- (xxxiii) Sean Clynch for 500 Warrants (represented by warrant certificate no. 0014 dated 15 April 2010);
- (xxxiv) Shi Ping Cao for 43,576 Warrants (represented by warrant certificate no. 0005 dated 15 April 2010);
- (xxxv) True North Holdings Inc. for 4,250 Warrants (represented by warrant certificate no. 0031 dated 10 May 2010);
- (xxxvi) William L. Koyle for 2,083 Warrants (represented by warrant certificate no. 0042 dated 26 May 2010);
- (xxxvii) Yuan Wen for 55,000 Warrants (represented by warrant certificate no. 0023 dated 15 April 2010);
- (xxxviii) Canaccord Financial Ltd., in trust for Wayne Derwanz, for 2,500 Warrants (represented by warrant certificate no. 0029 dated 5 May 2010);
- (xxxix) Haide H.K. Limited for 100,000 Warrants (represented by warrant certificate no. 0052 dated 31 May 2010);
- (xl) Karen Brawley Rogers for 8,500 Warrants (represented by warrant certificate no. 0024 dated 5 May 2010);
- (xli) City Legend Group Limited for 416,666 Warrants (represented by warrant certificate no. 0043 dated 26 May 2010);
- (xlii) Far East Enterprise Investment Foundation Limited for 41,666 Warrants (represented by warrant certificate no. 0003 dated 11 February 2010);

- (xliviii) Far East Enterprise Investment Foundation Limited for 41,666 Warrants (represented by warrant certificate no. 0004 dated 26 February 2010);
  - (xliv) Far East Enterprise Investment Foundation Limited for 20,833 Warrants (represented by warrant certificate no. 0047 dated 26 May 2010);
  - (xlv) Far East Enterprise Investment Foundation Limited for 83,333 Warrants (represented by warrant certificate no. 0048 dated 26 May 2010);
  - (xlvi) Far East Enterprise Investment Foundation Limited for 83,333 Warrants (represented by warrant certificate no. 0049 dated 26 May 2010);
  - (xlvii) Far East Enterprise Investment Foundation Limited for 20,833 Warrants (represented by warrant certificate no. 0050 dated 26 May 2010);
  - (xlviii) Orient International Resources Group Limited for 833,333 Warrants (represented by warrant certificate no. 0056 dated 9 June 2011);
  - (xlix) Orient International Resources Group Limited for 833,333 Warrants (represented by warrant certificate no. 0057 dated 9 June 2011);
  - (l) Orient International Resources Group Limited for 1,666,666 Warrants (represented by warrant certificate no. 0058 dated 9 June 2011);
  - (li) Profit Nation International Limited for 1,666,667 Warrants (represented by warrant certificate no. 0044 dated 26 May 2010); and
  - (lii) Skybo Holdings Limited for 416,666 Warrants (represented by warrant certificate no. 0046 dated 26 May 2010);
- (c) The Warrant termination agreements entered into between our Company and each of the following Warrant holders on 20 September 2011 in relation to their respective fee warrants:
- (i) Far East Enterprise Investment Foundation Limited for 83,333 Warrants (represented by warrant certificate no. 0001 dated 11 February 2010);
  - (ii) Far East Enterprise Investment Foundation Limited for 83,333 Warrants (represented by warrant certificate no. 0002 dated 26 February 2010);
  - (iii) Allan J. Bezanson for 41,666 Warrants (represented by warrant certificate no. 0003 dated 12 May 2010);
  - (iv) Far East Enterprise Investment Foundation Limited for 41,666 Warrants (represented by warrant certificate no. 0004 dated 26 May 2010);
  - (v) Far East Enterprise Investment Foundation Limited for 166,666 Warrants (represented by warrant certificate no. 0005 dated 26 May 2010);
  - (vi) Far East Enterprise Investment Foundation Limited for 166,666 Warrants (represented by warrant certificate no. 0006 dated 26 May 2010);

- (vii) Far East Enterprise Investment Foundation Limited for 41,666 Warrants (represented by warrant certificate no. 0007 dated 26 May 2010); and
- (viii) Far East Enterprise Investment Foundation Limited for 1,084,711 Warrants (represented by warrant certificate no. 0008 dated 14 February 2011);
- (d) the credit agreement dated 18 October 2011 entered into by our Company (the borrower) and Orient International Resources Group Limited (the lender), pursuant to which the lender has agreed to provide a credit facility in the maximum principal amount of C\$100 million to the borrower;
- (e) the consulting agreement dated 1 January 2011, as amended on 26 October 2011, entered into between MJH Services Inc. and our Company;
- (f) the consulting agreement dated 1 January 2011, as amended on 26 October 2011, entered into between 1226591 Alberta Inc. and our Company;
- (g) the following agreements relating to capital raisings by our Company:
  - (i) the private placement subscription agreement entered into between our Company and China Energy Group (Overseas) Investment limited (as subscriber) dated 20 January 2010 with respect to the subscription by the subscriber of 3,333,334 units at C\$6.00 per unit for an aggregate subscription price of C\$20,000,004;
  - (ii) the private placement subscription agreement entered into between our Company and City Legend Group Limited (as subscriber) dated 30 April 2010 with respect to the subscription by the subscriber of 833,333 units at C\$6.00 per unit for an aggregate subscription price of C\$4,999,998.00;
  - (iii) the subscription agreement entered into between our Company and BTR Accelerator Fund Limited (as subscriber) dated 11 May 2010 with respect to the subscription by the subscriber of 833,334 units at C\$6.00 per unit for an aggregate subscription price of C\$5,000,004.00;
  - (iv) the advisory agreement entered into between our Company and Orient Financial Holdings Limited dated 20 January 2010, as amended on 1 December 2010, 31 December 2010, 24 January 2011 and 24 October 2011 regarding advisory services provided by Orient Financial to our Company in connection with the Listing;
  - (v) the private placement subscription agreement entered into between our Company and Profit Nation International Limited (as subscriber) dated 14 May 2010 with respect to the subscription by the subscriber of 3,333,334 units at C\$6.00 per unit for an aggregate subscription price of C\$20,000,004.00;
  - (vi) the subscription agreement entered into between our Company and China Life Insurance (Overseas) Company Limited (as subscriber) dated 31 January 2011 with respect to the subscription by the subscriber of 7,231,405 Class B Shares at C\$9.68 per share for an aggregate subscription price of C\$70,000,000.40;



- (vii) the subscription agreement entered into between our Company and Cross-Strait Common Development Fund Co., Limited (as subscriber) dated 26 January 2011 with respect to the subscription by the subscriber of 4,132,232 Shares at C\$9.68 per Share for an aggregate subscription price of C\$40,000,005.76; and
- (viii) the subscription agreement entered into between our Company and Charter Globe Limited (as subscriber) dated 1 February 2011 with respect to the subscription by the subscriber of 10,330,578 Shares at C\$9.68 per Share for an aggregate subscription price of C\$99,999,995.04;
- (h) the memorandum of understanding for strategic cooperation dated 1 February 2012 entered into between our Company and Sinopec International Petroleum Exploration and Production Corporation in relation to forming a strategic alliance and to carry out strategic cooperation with Sinopec (please refer to the section entitled “Business — Memorandum of Understanding for Strategic Cooperation with SIPC” in this Prospectus).
- (i) the cornerstone investment agreement dated 6 February 2012, entered into among our Company, the Joint Global Coordinators and Premium Investment Corporation, pursuant to which Premium Investment Corporation has agreed to offer to purchase Offer Shares in the amount of the Hong Kong dollar equivalent of US\$150,000,000;
- (j) the cornerstone investment agreement dated 7 February 2012, entered into among our Company, the Joint Global Coordinators and Sinopec Century Bright Capital Investment Limited, pursuant to which Sinopec Century Bright Capital Investment Limited has agreed to offer to purchase Offer Shares in the amount of the Hong Kong dollar equivalent of US\$150,000,000;
- (k) the cornerstone investment agreement dated 7 February 2012, entered into among our Company, the Joint Global Coordinators and EIG Management Company, LLC (on behalf of the EIG Funds), pursuant to which the EIG Funds have in aggregate agreed to offer to purchase Offer Shares in the amount of the Hong Kong dollar equivalent of US\$50,000,000;
- (l) the Form of Lock-Up Agreements executed by each of the following for the benefit of our Company and the Underwriters:
  - (i) Orient International Resources Group Limited dated 11 February 2012;
  - (ii) Charter Globe Limited dated 13 February 2012;
  - (iii) China Life Insurance (Overseas) Co. Ltd dated 13 February 2012;
  - (iv) Cross-Strait Common Development Fund Co. Ltd dated 11 February 2012;
  - (v) Michael J. Hibberd dated 10 February 2012;
  - (vi) Songning Shen dated 10 February 2012;


- (vii) Gregory G. Turnbull dated 10 February 2012;
- (viii) Raymond Fong dated 13 February 2012;
- (ix) John Kowal dated 13 February 2012;
- (x) Douglas Stewart Brown dated 10 February 2012;
- (xi) Thomas K. Rouse dated 10 February 2012;
- (xii) David Sealock dated 13 February 2012;
- (xiii) Songbo Cong dated 10 February 2012;
- (xiv) Daniel Dugas dated 10 February 2012;
- (xv) Jason James Hancheruk dated 11 February 2012;
- (xvi) Tony Sabelli dated 10 February 2012;
- (xvii) Perla Woo dated 10 February 2012;
- (xviii) Manjeet Singh Dhillon dated 10 February 2012;
- (xix) Tomasz Wnorowski dated 10 February 2012;
- (xx) Dustin Morissette dated 10 February 2012;
- (xxi) Michael Hardcastle dated 10 February 2012;
- (xxii) Michael James Fox dated 10 February 2012;
- (xxiii) Gordon Sanders dated 10 February 2012;
- (xxiv) Simon Har dated 11 February 2012;
- (xxv) Richard Walter Pawluk dated 10 February 2012;
- (xxvi) Far East Enterprise Investment Foundation Limited dated 11 February 2012;
- (xxvii) 1226591 Alberta Inc. dated 10 February 2012;
- (xxviii) MJH Services Inc. dated 10 February 2012;
- (xxix) Profit Nation International Limited dated 11 February 2012;
- (xxx) Skybo Holdings Limited dated 11 February 2012; and
- (xxxi) City Legend Group Limited dated 11 February 2012.

## 2. Intellectual Property Rights

As at the Latest Practicable Date, our Group has registered or has applied for the registration of the following intellectual property rights which are material in relation to our Group's business.

### (a) Trademarks

As at the Latest Practicable Date, we had registered the following trademarks:

<u>Trademark</u>	<u>Name of Registered Owner</u>	<u>Territory of Registration</u>	<u>Classes</u>	<u>Registration Number</u>	<u>Next Renewal Date</u>
	Sunshine Oilsands Ltd.	Hong Kong	4 and 42	301950822	19 June 2021

As at the Latest Practicable Date, we had applied for the registration of the following trademarks:

<u>Trademark</u>	<u>Applicant</u>	<u>Territory of registration</u>	<u>Classes</u>	<u>Application date</u>	<u>Application number</u>
SUNSHINE OILSANDS	Sunshine Oilsands Ltd.	Hong Kong	4 and 42	31 January 2012	302149461
SUNSHINE OIL	Sunshine Oilsands Ltd.	Hong Kong	4 and 42	31 January 2012	302149489
陽光油砂 阳光油砂	Sunshine Oilsands Ltd.	Hong Kong	4 and 42	31 January 2012	302149489
	Sunshine Oilsands Ltd.	Canada	4, 19, 35, 37, 39, 40 and 42	25 November 2011	1553814
SUNSHINE OILSANDS	Sunshine Oilsands Ltd.	Canada	4, 19, 35, 37, 39, 40 and 42	25 November 2011	1553815

### (b) Domain Names

As at the Latest Practicable Date, we had registered the following domain names:

<u>Domain Name</u>	<u>Registrant</u>	<u>Term</u>
<a href="http://www.sunshineoilsands.com">http://www.sunshineoilsands.com</a>	Sunshine Oilsands Ltd. 1020, 903-8 Ave SW Calgary, Alberta T2P OP7 Canada	From 21 May 2007 to 21 May 2012

Other than our intellectual property rights set out above, there are no trade or service marks, patents, or other intellectual property rights which are or may be material in relation to our business.

### 3. Legal Proceedings and Regulatory Matters

#### Legal proceedings

Save as described below, as at the Latest Practicable Date, no member of our Group is engaged in or aware of any litigation, arbitration or claim of material importance pending or threatened against any member of the Group.

#### *Perpetual Energy Operating Corp.*

We, as plaintiff, filed a statement of claim at the Court of Queen's Bench of Alberta on 1 February 2011 in which Perpetual is named as the defendant (the "**Statement of Claim**").

The Statement of Claim relates to the extraction of solution gas (gas dissolved in bitumen under initial reservoir conditions) in certain lands located in the West Ells area. We have exclusive rights over the area in question, by virtue of our Oil Sands Leases granted by the Crown, to win, work and recover bitumen, including solution gas. Perpetual have certain direct and indirect rights, by virtue of leases from the Crown, to win, work and recover native natural gas in these areas.

We successfully obtained an interim shut-in order from the ERCB on 15 October 2009 which led to the interim shut down of those wells and intervals identified relating to the extraction of solution gas. The size of this shut-in area was increased in January and April 2010 by virtue of amendments to the interim shut-in order. On 24 June 2011, the ERCB held a pre-hearing meeting to discuss procedural matters. The ERCB approved the request for a permanent shut-in order on 13 December 2011 and the order requiring the shut-in of gas was issued on 15 December 2011.

In our separate Canadian regulatory counsel's view, as a practical matter, the final order will be final and conclude the proceedings. There are avenues of appeal to the Canadian Courts from administrative bodies and, further, administrative bodies are empowered to review their decisions if new facts arise that were not reasonably available at the time the administrative order was granted. However, on the facts of our proceedings, they are of the opinion that the risk of either an appeal or review of the final shut-in order is remote.

In justification, our separate Canadian regulatory counsel, identifies that:

- first, the final order was granted with notice to all affected persons and with the express non-objection to the issuance of the final order. All stakeholders that opposed the shut-in expressed to the ERCB that they did not object to the issuance of the final order;
- second, they are not aware of any affected person in the Athabasca oil sands area, since the first shut-in order was issued in 2000, ever applying to the ERCB to overturn a final shut-in order;
- third, the Government of Alberta has established a compensation scheme for gas producers that have had natural gas shut-in, and they understand that Perpetual have in fact sought compensation for the West Ells natural gas shut-in; and
- finally, to overturn a final shut-in order, the applicant would be required to show that new facts have established that there is no harmful impact on SAGD bitumen recovery

through gas cap pressure depletion and they are of the view that there has been no credible evidence presented to date to the ERCB that would cause the ERCB to review its many decisions to stop natural gas production due to the impacts of *in situ* bitumen recovery.

The Statement of Claim has not been served and is therefore not proceeding at this time. We have one year and have applied for and received an extension of an additional three months from filing within which to serve the Statement of Claim, with the expiry date being 30 April 2012.

### Regulatory matters

The following table shows the key licences and permits that we have obtained for our operations and their respective validity periods.

<u>Licence / Approval Permit</u>	<u>Authorised Entity</u>	<u>Issuance Authority</u>	<u>Issuance Date</u>	<u>Expiry Date</u>	<u>Description</u>
Exploration Licence #5927	Sunshine Oilsands Ltd.	Department of Energy	May 2008	N/A	Exploration Licence
APEGGA Permit to Practice #P09990	Sunshine Oilsands Ltd.	APEGGA	1 December 2011	30 November 2012	Licence to practice engineering and geology in Alberta, Canada

## 4. Properties

### (a) Our Leased Properties

As at the Latest Practicable Date, we had the following leased properties (“**Leased Properties**”) with the details set out below.

<u>Address and description of Location</u>	<u>Area in Square Metres (Approx.)</u>	<u>Monthly Rent</u>	<u>Book Value</u>	<u>Restrictions on Use</u>	<u>Lease Expiry Date</u>	<u>Material Encumbrances</u>	<u>Material Environmental Issues</u>	<u>Material Litigation breaches, defects</u>	<u>Future plans for construction, renovation, improvement or development and estimated associated costs</u>	<u>Other Remarks</u>
Suite 700, 800, 900, & 1000, 903-8 <sup>th</sup> Ave SW, Calgary, Alberta, Canada T2P 0P7	Office 4,817.86	Basic Rent: C\$86,431.67+tax	0	General office use	30 March 2019	—	—	—	—	Possession Date: 1 October 2011  Commencement Date: 1 April 2012
Suite 8504A, Level 85, Site G, No. 11080, International Commerce Centre, Kowloon, Hong Kong	Office 189.50	Gross Rent: HK\$77.00 per sq ft	0	General office use	31 October 2017	—	—	—	HK\$500 per square foot for renovations and development	Possession Date: 1 September 2011
Long & McQuade Edmonton South Building 9203-28th Ave Edmonton, Alberta, Canada T6N 1N1	Office 278.71	Gross Rent: C\$7,175+tax	0	General office use	31 January 2017	—	—	—	—	Possession Date: 1 January 2012  Commencement Date: 1 February 2012

**(b) Oil & Gas Leases**

Alberta provides a system through which mineral rights owned by the Crown (i.e. public land owned by the Government of Alberta), which include Oil Sands Leases and PNG Leases, are sold and administered under the Mines and Minerals Act, the Oil Sands Tenure Regulations and the Mines and Minerals Administration Regulation. The public offering process for Oil Sands Leases and PNG Licences is the same and is referred to as “sales” or “land sales”, although there is no sale *per se* as the Government of Alberta retains title to its minerals. The public offering process provides the right to extract the minerals associated with a particular piece of land for a set term, in exchange for which a third party must make a bonus payment, a one-time fee of C\$625, an annual rental fee and royalties on any minerals that are recovered. There are two types of oil sands agreements issued under the Alberta Oil Sands Tenure Regulation, these are:

- *Oil Sands Leases* — Oil Sands Leases are issued for 15-year terms through public offerings, third party purchases, conversion from an Oil Sands Permit or through the extension of an existing Oil Sands Lease.
- *Oil Sands Permits* — Oil Sands Permits are alternatives to Oil Sands Leases that are issued for five year terms. Under the current tenure system, the Government of Alberta typically allows applicants to choose whether they wish to apply for an Oil Sands Permits or an Oil Sands Lease. We do not own any Oil Sands Permits.

In addition, PNG Licences are issued by the Government of Alberta for an initial term of two, four, or five years, depending on the region of the province and are subject to the same fees.

During the initial term of an Oil Sands Lease, an annual rental expense equal to C\$3.50 per hectare, or a minimum amount of C\$50.00, is payable. Oil Sands Leases can be held indefinitely after the initial term, upon determination by the Minister of Energy, provided certain minimum levels of exploration or production have been achieved and all lease rentals have been paid in a timely manner.

As at the Latest Practicable Date, the Group had 152 Oil Sands Leases and one PNG Licence in Alberta, Canada. All of our Oil Sands Leases each have a term of 15 years. Our PNG Licence has an initial term of four years that commenced on 16 December 2010 and will expire on 16 December 2014. We acquired all of our Oil & Gas Leases from the Government of Alberta in accordance with the applicable regulations and procedures. We are not aware of any facts or circumstances that would call into question the validity or enforceability of any of our Oil & Gas Leases. Our Oil & Gas Leases are each 256 hectares or greater in size. The average monthly rental expense of our Oil & Gas Leases was approximately C\$117,000 in 2008, C\$117,000 in 2009, C\$127,000 in 2010 and C\$136,000 for the nine months ended 30 September 2011. Cumulative payments in respect of our Oil & Gas Leases capitalised in Exploration and Evaluation assets for the years ended 31 December 2008, 2009 and 2010 and for the nine months ended 30 September 2011 were approximately C\$0.2 million, C\$1.6 million, C\$3.0 million and C\$4.6 million, respectively, during the same periods as extracted from the Accountants' Report set out in Appendix I to this Prospectus. Please refer to the map on page 2 of this Prospectus for a summary of the geographical locations of each of our Oil & Gas Leases.

The following table outlines the number of our Oil & Gas Leases, the number of sections and the amount of hectares corresponding to each area as at the Latest Practicable Date:

<u>Area</u>	<u>Oil &amp; Gas</u>		
	<u>Leases</u>	<u>Sections</u>	<u>Hectares</u>
East Long Lake .....	5	16	4,096
Harper .....	38	693.7	177,600
Pelican Lake .....	4	21.8	5,614
Portage .....	14	291	74,496
Saleski .....	1	12.5	3,200
Thickwood (including South Thickwood) .....	13	33	8,448
West Ells .....	26	38.5	9,856
Crow Lake .....	2	22	5,632
Goffer .....	2 <sup>(1)</sup>	48	12,288
Legend Lake (including Opportunity) .....	27	254	65,024
Muskwa (including Godin) .....	21	397.3	101,715
<b>Total</b> .....	<b>153</b>	<b>1,827.8</b>	<b>467,969</b>

*Note:*

(1) Includes 1 Oil Sands Lease and 1 PNG Licence

The following table sets out all of the Oil & Gas Leases held by our Company as at the Latest Practicable Date:

<u>Area</u>	<u>Lease Number</u>	<u>Legal Description</u>	<u>Number of</u>		<u>Acquisition Date</u>	<u>Initial Term Date</u>	<u>Annual Rental</u>
			<u>sections</u>	<u>Hectares</u>			
Crow Lake .....	7408010276	19-22;27-34 78-14W4M; 24;25;36-78-15W4M	15	3,840	10 January 2008	10 January 2023	C\$13,440.00
Crow Lake .....	7408010277	2-7;18-79-14W4M	7	1,792	10 January 2008	10 January 2023	C\$ 6,272.00
<b>TOTAL:</b> .....	<b>2</b>		<b>22</b>	<b>5,632</b>			<b>C\$19,712.00</b>
East Long Lake ....	7407070552	28 to 33-88-5W4M; 25-88-6W4M	7	1,792	26 July 2007	26 July 2022	C\$ 6,272.00
East Long Lake ....	7407090377	19-88-6W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
East Long Lake ....	7407090378	20-88-6W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
East Long Lake ....	7407090379	21-88-6W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
East Long Lake ....	7407090380	28 to 33-88-6W4M	6	1,536	20 September 2007	20 September 2022	C\$ 5,376.00
<b>TOTAL:</b> .....	<b>5</b>		<b>16</b>	<b>4,096</b>			<b>C\$14,336.00</b>
Godin .....	7410080399	28 to 33-82-2W5M; 4-9, 16-21-83-2W5M	18	4,608	18 August 2010	18 August 2025	C\$16,128.00
Godin .....	7411010336	27-34;83-2W5M; 3-10;84-2W5M	16	4,096	26 January 2011	26 January 2026	C\$14,336.00
<b>TOTAL:</b> .....	<b>2</b>		<b>34</b>	<b>8,704</b>			<b>C\$30,464.00</b>
Goffer .....	7408030007	All 91-1W5M	36	9,216	6 March 2008	6 March 2023	C\$32,256.00
Goffer (PNG Licence) ....	5410120491	33,34, 90-01W5M; 3,4,8-10,16-20, 91-01W5M	12	3,072	16 December 2010	16 December 2014	C\$10,752.00
<b>TOTAL:</b> .....	<b>2</b>		<b>48</b>	<b>12,288</b>			<b>C\$43,008.00</b>
Harper .....	7408010290	4-9;16-21;28-33-96-23W4M	18	4,608	24 January 2008	24 January 2023	C\$16,128.00
Harper .....	7408010291	1;12-16;21-28;33-36-96-24W4M	18	4,608	24 January 2008	24 January 2023	C\$16,128.00
Harper .....	7408010292	17-20;29-32-96-24W4M; 6;7-97-24W4M	10	2,560	24 January 2008	24 January 2023	C\$ 8,960.00
Harper .....	7408010293	1-3;10-15;22-27;34-36-97-24W4M	18	4,608	24 January 2008	24 January 2023	C\$16,128.00
Harper .....	7408010294	4;5;8;9;16-21;28-33-97-24W4M	16	4,096	24 January 2008	24 January 2023	C\$14,336.00
Harper .....	7408010296	5-8;16-20;29-32-98-24W4M 1;12-13;24-25;36-98-25W4M	19	4,864	24 January 2008	24 January 2023	C\$17,024.00
Harper .....	7408050726	N8, 17, E 18, 19-21, N, SW 25, 26-36-97-22W4M	16.75	4,288	29 May 2008	29 May 2023	C\$15,008.00
Harper .....	7408050727	7, W8; W15-20; 29-32-97-23W4M	11	2,816	29 May 2008	29 May 2023	C\$ 9,856.00

**APPENDIX VI**

**STATUTORY AND GENERAL INFORMATION**

Area	Lease Number	Legal Description	Number of		Acquisition Date	Initial Term Date	Annual Rental
			sections	Hectares			
Harper	7408050728	21-28; 33-36-97-23W4M	12	3,072	29 May 2008	29 May 2023	C\$ 10,752.00
Harper	7408050738	1-4; 9-10; 15; 21-28, 33-36; 98-24W4M	19	4,864	29 May 2008	29 May 2023	C\$ 17,024.00
Harper	7408050743	All 99-21W4M	36	9,216	29 May 2008	29 May 2023	C\$ 32,256.00
Harper	7408050744	All 99-22W4M	36	9,216	29 May 2008	29 May 2023	C\$ 32,256.00
Harper	7408050745	All 99-23W4M	36	9,216	29 May 2008	29 May 2023	C\$ 32,256.00
Harper	7408050746	All 99-24W4M	36	9,216	29 May 2008	29 May 2023	C\$ 32,256.00
Harper	7408050748	All 100-20W4M	36	9,216	29 May 2008	29 May 2023	C\$ 32,256.00
Harper	7408050749	All 100-21W4M	36	9,216	29 May 2008	29 May 2023	C\$ 32,256.00
Harper	7408060379	All 100-22W4M	36	9,216	26 June 2008	26 June 2023	C\$ 32,256.00
Harper	7408060380	All 100-23W4M	36	9,216	26 June 2008	26 June 2023	C\$ 32,256.00
Harper	7408060381	All 100-24W4M	36	9,216	26 June 2008	26 June 2023	C\$ 32,256.00
Harper	7408070757	1-3; 10-15-101-21W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070758	4-9; 16-18-101-21W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070759	19-21; 28-33-101-21W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070760	22-27; 34-36-101-21W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070761	1-3; 10-15-101-22W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070762	4-9; 16-18-101-22W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070763	19-21; 28-33-101-22W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070764	22-27; 34-36-101-22W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070765	1-3; 10-15-101-23W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070766	4-9; 16-18-101-23W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070767	19-21; 28-33-101-23W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7408070768	22-27; 34-36-101-23W4M	9	2,304	24 July 2008	24 July 2023	C\$ 8,064.00
Harper	7407100679	16-21;28-33-95-23W4M; 24-25;36-95-24W4M	15	3,840	18 October 2007	18 October 2022	C\$ 13,440.00
Harper	7407100680	20;21;28;29;32;33-95-24W4M	6	1,536	18 October 2007	18 October 2022	C\$ 5,376.00
Harper	7407100683	2-5;8-11-96-24W4M	8	2,048	18 October 2007	18 October 2022	C\$ 7,168.00
Harper	7408100349	5-9;15-22;27-34-98-21W4M	21	5,376	2 October 2008	2 October 2023	C\$ 18,816.00
Harper	7408100374	1 to 18-102-20W4M	18	4,608	2 October 2008	2 October 2023	C\$ 16,128.00
Harper	7408100376	1 to 18-102-21W4M	18	4,608	2 October 2008	2 October 2023	C\$ 16,128.00
Harper	7408100378	1 to 18-102-22W4M	18	4,608	2 October 2008	2 October 2023	C\$ 16,128.00
<b>TOTAL:</b>	<b>38</b>		<b>693.75</b>	<b>177,600</b>			<b>C\$621,600.00</b>
Legend Lake	7408050002	20-29;32-36-96-18W4M	15	3,840	1 May 2008	1 May 2023	C\$ 13,440.00
Legend Lake	7408100341	1 to 19-96-18W4M	19	4,864	2 October 2008	2 October 2023	C\$ 17,024.00
<b>TOTAL:</b>	<b>2</b>		<b>34</b>	<b>8,704</b>			<b>C\$ 30,464.00</b>
Muskwa	7408050247	4-9,16-21,28-33; 86-25W4M	18	4,608	15 May 2008	15 May 2023	C\$ 16,128.00
Muskwa	7408050248	1-3,10-15,22-27, 34-36; 87-1W5M	18	4,608	15 May 2008	15 May 2023	C\$ 16,128.00
Muskwa	7408050249	4-9,16-21,28-33; 88-1W5M	18	4,608	15 May 2008	15 May 2023	C\$ 16,128.00
Muskwa	7408050251	1-3,10-15,22-27, 34-36; 89-2W5M	18	4,608	15 May 2008	15 May 2023	C\$ 16,128.00
Muskwa	7408050696	4-9,16-21,28-33; 85-25W4M; 1, E 2, E 11, 12, 13, E 14, E 23, 24, 25, E 26, E 35, 36; 85-26W4M; 1,12-13,24-25,36; 85-1W5M	34.3	8,791.6	29 May 2008	29 May 2023	C\$ 30,770.60
Muskwa	7408050697	5,8,17,19-20,29-34; 86-24W4M	11	2,816	29 May 2008	29 May 2023	C\$ 9,856.00
Muskwa	7408050698	2-3,10-11,14-15,22-23,25-27,34-36; 86-25W4M	14	3,584	29 May 2008	29 May 2023	C\$ 12,544.00
Muskwa	7408050699	1, E 2, E 11, 12, 13, E 14, E 23, 24, 25, E 26, E 35, 36; 86-26W4M; 1-3,10-15,22-27,34-36; 86-1W5M	28.3	7,253.8	29 May 2008	29 May 2023	C\$ 25,388.30
Muskwa	7408050700	3-10,15-22,27-34; 87-25W4M	24	6,144	29 May 2008	29 May 2023	C\$ 21,504.00
Muskwa	7410090312	13,14E,WF,23E,WF,24,25,26E,W,; 35E,WF,36; 84-26 W4M; 13,14,23-26,35,36; 84-1 W5M	14.9	3,814.4	2 September 2010	2 September 2025	C\$ 13,350.40
Muskwa	7410090985	1-12, 15-22, 27-34; 84-1 W5M	28	7,168	30 September 2010	30 September 2025	C\$ 25,088.00
Muskwa	7410090986	2-11, 14-23, 26-35; 85-1 W5M	30	7,680	30 September 2010	30 September 2025	C\$ 26,880.00
Muskwa	7410090987	4-9,16-21, 28-33; 86-1W5M; 4-9, 16-18; 87-1 W5M	27	6,912	30 September 2010	30 September 2025	C\$ 24,192.00
Muskwa	7410090988	1EF, 12EF, 13EF, 24EF, 25EF, 36EF; 87-26 W4M	2.75	703.2	30 September 2010	30 September 2025	C\$ 2,461.20
Muskwa	7411010337	13-16,21-28, 33-36; 84-2W5M; 1-4,9-12; 85-2W5M	24	6,144	26 January 2011	26 January 2026	C\$ 21,504.00
Muskwa	7411010338	13,14,23-26,35,36; 85-2W5M; 1,2; 86-2W5M	10	2,560	26 January 2011	26 January 2026	C\$ 8,960.00
Muskwa	7411010339	15-17,20-22,27-29,32-34; 85-2W5M; 3-5,8-10; 86-2W5M	18	4,608	26 January 2011	26 January 2026	C\$ 16,128.00
Muskwa	7411010341	19-21,28-33;87-1W5M	9	2,304	26 January 2011	26 January 2026	C\$ 8,064.00
Muskwa	7411010342	9-16,21-28; 87-2W5M	16	4,096	26 January 2011	26 January 2026	C\$ 14,336.00
<b>TOTAL:</b>	<b>19</b>		<b>363.25</b>	<b>93,011</b>			<b>C\$325,538.50</b>



**APPENDIX VI**

**STATUTORY AND GENERAL INFORMATION**

Area	Lease Number	Legal Description	Number of		Acquisition Date	Initial Term Date	Annual Rental
			sections	Hectares			
Opportunity	7408060357	23;26;27;34;35-94-19W4M	5	1,280	26 June 2008	26 June 2023	C\$ 4,480.00
Opportunity	7408060358	18;19-94-20W4M	2	512	26 June 2008	26 June 2023	C\$ 1,792.00
Opportunity	7408060361	1;2;11-14-95-19W4M	6	1,536	26 June 2008	26 June 2023	C\$ 5,376.00
Opportunity	7408060362	3-5;8-10;15-17-95-19W4M	9	2,304	26 June 2008	26 June 2023	C\$ 8,064.00
Opportunity	7408060363	6;7;18-95-19W4M; 1;2-11-14-95-20W4M	9	2,304	26 June 2008	26 June 2023	C\$ 8,064.00
Opportunity	7408060364	3-5;8-10;15-17-95-20W4M	9	2,304	26 June 2008	26 June 2023	C\$ 8,064.00
Opportunity	7408060369	26 to 35-96-19W4M	10	2,560	26 June 2008	26 June 2023	C\$ 8,960.00
Opportunity	7408070011	19;20;29-32-95-18W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070014	19;20;29-32-95-19W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070015	21;22;27;28;33;34-95-19W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070016	23-26; 35; 36-95-19W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070017	19;20;29-32-95-20W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070018	21;22;27;28;33;34-95-20W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070019	23-26; 35; 36-95-20W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070020	21;22;27;28;33;34-95-21W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070021	23-26; 35;36-95-21W4M	6	1,536	10 July 2008	10 July 2023	C\$ 5,376.00
Opportunity	7408070709	16-21;28-33-96-20 W4M	12	3,072	24 July 2008	24 July 2023	C\$ 10,752.00
Opportunity	7408050001	28-33;94-19W4M; 25-36: 94-20W4M; 25;36: 94-21W4M	20	5,120	1 May 2008	1 May 2023	C\$ 17,920.00
Opportunity	7407110621	7;18;19-94-19W4M; 11-14;23;24-94-20W4M	9	2,304	15 November 2007	15 November 2022	C\$ 8,064.00
Opportunity	7407110622	8-10;15-17;20-22-94-19W4M	9	2,304	15 November 2007	15 November 2022	C\$ 8,064.00
Opportunity	7407060170	32;33-93-19W4M; 3 to 5-94-19W4M	5	1,280	14 June 2007	14 June 2022	C\$ 4,480.00
Opportunity	7407110623	8-10;15-17;20-22-94-20W4M	9	2,304	15 November 2007	15 November 2022	C\$ 8,064.00
Opportunity	7408100342	1 to 24-96-19W4M	24	6,144	2 October 2008	2 October 2023	C\$ 21,504.00
Opportunity	7408100343	1-15;22-27;34-36-96-20W4M	24	6,144	2 October 2008	2 October 2023	C\$ 21,504.00
Opportunity	7410120228	25;26;35;36-93-21W4M	4	1,024	2 December 2010	2 December 2025	C\$ 3,584.00
<b>TOTAL:</b>	<b>25</b>		<b>220</b>	<b>56,320</b>			<b>C\$197,120.00</b>
Pelican	7408040009	W 1/2 28;33-81-24W4M	1.5	384	3 April 2008	3 April 2023	C\$ 1,344.00
Pelican	7407090329	N33;N34-80-24W4M; 3-6-81-24W4M 1-2-81-25W4M	7	1,792	6 September 2007	6 September 2022	C\$ 6,272.00
Pelican	7411120547	4S, NW; 8; 9W; 16SW; 17S, NWP, NE; 18S, NP; 19SWP; 20E, WP; 21-23: 80-24W4M	8.2	2,114.23	15 December 2011	15 December 2026	C\$ 7,399.80
Pelican	7411120548	29SWP, 30SP, NW; 31N, SW; 32N: 80-24W4M; 26; 35; 36: 80-25W4M	5.1	1,323.44	15 December 2011	15 December 2026	C\$ 4,632.00
<b>TOTAL:</b>	<b>4</b>		<b>21.8</b>	<b>5,614</b>			<b>C\$ 19,647.80</b>
Portage	7408070682	1-3; 10-15; 22-27; 34-36-78-20W4M	18	4,608	24 July 2008	24 July 2023	C\$ 16,128.00
Portage	7408070683	4-9; 16-21;28-33-78-20W4M	18	4,608	24 July 2008	24 July 2023	C\$ 16,128.00
Portage	7408070684	All 79-18W4M	36	9,216	24 July 2008	24 July 2023	C\$ 32,256.00
Portage	7408070685	3 to 36-79-19W4M	34	8,704	24 July 2008	24 July 2023	C\$ 30,464.00
Portage	7408070686	1-4; 9-16; 21-28; 33-36-79-20W4M	24	6,144	24 July 2008	24 July 2023	C\$ 21,504.00
Portage	7407090324	2-11;16-21;28;29;32;33-78-17W4M	20	5,120	6 September 2007	6 September 2022	C\$ 17,920.00
Portage	7408090201	All 77-20W4M	36	9,216	18 September 2008	18 September 2023	C\$ 32,256.00
Portage	7408090202	All 77-21W4M	36	9,216	18 September 2008	18 September 2023	C\$ 32,256.00
Portage	7408090203	1-16; 21-26; 35; 36-78-21W4M	24	6,144	18 September 2008	18 September 2023	C\$ 21,504.00
Portage	7408100329	1-21, 24, 28-33;78-19W4M	28	7,168	2 October 2008	2 October 2023	C\$ 25,088.00
Portage	7410120501	6-79-17W4M; 25-27; 34-36-78-18W4M	7	1,792	15 December 2010	15 December 2025	C\$ 6,272.00
Portage	7411030032	14;15;22;23-76-21W4M	4	1,024	10 March 2011	10 March 2026	C\$ 3,584.00
Portage	7411030033	25;36-76-21W4M	2	512	10 March 2011	10 March 2026	C\$ 1,792.00
Portage	7411030034	26;27;34;35-76-21W4M	4	1,024	10 March 2011	10 March 2026	C\$ 3,584.00
<b>TOTAL:</b>	<b>14</b>		<b>291</b>	<b>74,496</b>			<b>C\$260,736.00</b>
Saleski	7407090357	25;36: 84-17W4M; 1,2,10-15,16E,22: 85-17W4M	12.5	3,200	20 September 2007	20 September 2022	C\$ 11,200.00
<b>TOTAL:</b>	<b>1</b>		<b>12.5</b>	<b>3,200</b>			<b>C\$ 11,200.00</b>
SouthThickwood	7408080517 <sup>(1)</sup>	4;9-89-18W4M	2	512	21 August 2008	21 August 2023	C\$ 1,792.00
SouthThickwood	7407090409 <sup>(1)</sup>	28-88-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090410 <sup>(1)</sup>	29-88-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090411	30-88-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090412	31-88-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090424 <sup>(1)</sup>	5-89-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090425 <sup>(1)</sup>	6-89-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090426 <sup>(1)</sup>	7-89-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
SouthThickwood	7407090427	8-89-18W4M	1	256	20 September 2007	20 September 2022	C\$ 896.00
Thickwood	7407080542	23-30;32-36-90-18W4M;1-3;11;12-91-18W4M	18	4,608	23 August 2007	23 August 2022	C\$ 16,128.00

Area	Lease Number	Legal Description	Number of		Acquisition Date	Initial Term Date	Annual Rental
			sections	Hectares			
Thickwood	7407090346	28-91-18W4M	1	256	6 September 2007	6 September 2022	C\$ 896.00
Thickwood	7407090347	35;36-91-18W4M	2	512	6 September 2007	6 September 2022	C\$ 1,792.00
Thickwood	7407020019	24;25-91-18W4M	2	512	8 February 2007	8 February 2022	C\$ 1,792.00
<b>TOTAL:</b>	<b>13</b>		<b>33</b>	<b>8,448</b>			<b>C\$ 29,568.00</b>
West Ells	7407020023	25,36: 94-18W4M	2	512	8 February 2007	8 February 2022	C\$ 1,792.00
West Ells	7407050742	35-94-17W4M	1	256	31 May 2007	31 May 2022	C\$ 896.00
West Ells	7407050743	36-94-17W4M	1	256	31 May 2007	31 May 2022	C\$ 896.00
West Ells	7407060175	30-32: 94-17W4M	3	768	14 June 2007	14 June 2022	C\$ 2,688.00
West Ells	7407060184	4,9,16,17: 95-17W4M	4	1,024	14 June 2007	14 June 2022	C\$ 3,584.00
West Ells	7407060185	21,22,27,28: 95-17W4M	4	1,024	14 June 2007	14 June 2022	C\$ 3,584.00
West Ells	7407070311	33-94-17W4M	1	256	13 July 2007	13 July 2022	C\$ 896.00
West Ells	7407070312	34-94-17W4M	1	256	13 July 2007	13 July 2022	C\$ 896.00
West Ells	7407100675	29,32: 95-17W4M	2	512	18 October 2007	18 October 2022	C\$ 1,792.00
West Ells	7407110284	3-95-17W4M	1	256	1 November 2007	1 November 2022	C\$ 896.00
West Ells	7407110285	15-95-17W4M	1	256	1 November 2007	1 November 2022	C\$ 896.00
West Ells	7408060366	9-96-17W4M	1	256	26 June 2008	26 June 2023	C\$ 896.00
West Ells	7408030019	19,20,30: 95-17W4M	3	768	6 March 2008	6 March 2023	C\$ 2,688.00
West Ells	7408030552	33-95-17W4M; 4-96-17W4M	2	512	20 March 2008	20 March 2023	C\$ 1,792.00
West Ells	7408030553	34-95-17W4M; 3-96-17W4M	2	512	20 March 2008	20 March 2023	C\$ 1,792.00
West Ells	7408030555	5-96-17W4M	1	256	20 March 2008	20 March 2023	C\$ 896.00
West Ells	7408050265	36-95-18W4M	1	256	15 May 2008	15 May 2023	C\$ 896.00
West Ells	7408080533	8-96-17W4M	1	256	21 August 2008	21 August 2023	C\$ 896.00
West Ells	7408080534	18-96-17W4M	1	256	21 August 2008	21 August 2023	C\$ 896.00
West Ells	7408090209	16-96-17W4M	1	256	18 September 2008	18 September 2023	C\$ 896.00
West Ells	7410090989	18SE: 95-17W4M	0.25	64	30 September 2010	30 September 2025	C\$ 224.00
West Ells	7410090992	18NE: 95-17 W4M	0.25	64	30 September 2010	30 September 2025	C\$ 224.00
West Ells	7410090994	17-96-17W4M	1	256	30 September 2010	30 September 2025	C\$ 896.00
West Ells	7411010001	6-96-17W4M	1	256	12 January 2011	12 January 2026	C\$ 896.00
West Ells	7411010343	31-95-17 W4M	1	256	26 January 2011	26 January 2026	C\$ 896.00
West Ells	7411010344	7-96-17W4M	1	256	26 January 2011	26 January 2026	C\$ 896.00
<b>TOTAL:</b>	<b>26</b>		<b>38.5</b>	<b>9,856</b>			<b>C\$ 34,496.00</b>
<b>OVERALL</b>							
<b>TOTAL:</b>	<b>153</b>		<b>1827.8</b>	<b>467,969</b>			<b>C\$1,637,890.30</b>

*Note:*

(1) Indicates the sections that include the Shared Formations

An Oil Sands Lease has been defined by Canadian case law to constitute a “*profit a prendre*” or an incorporeal interest in land providing a licence to explore for and extract minerals from the specified formation or range. As such, our Oil & Gas Leases are considered to be a type of interest in land under Alberta law.

**(c) Key Terms of our Oil Sands Leases and PNG Licences**

The following are the key common terms of Oil & Gas Leases in Alberta:

- the licensee has an exclusive right to recover the leased substances within the location (in the case of an Oil Sands Lease, the leased substances are the sands and other rock materials containing crude bitumen, the crude bitumen contained in those sands and other rock materials, and any other mineral substances, other than natural gas, in association with that crude bitumen or the sands and other rock materials. In the case of a PNG Licence, the leased substance is petroleum and natural gas);
- the licensee has the right over the leased area for an initial term of 15 years, however the licensee’s rights may continue beyond such initial term, subject to the specific terms of each Oil Sands Lease and the provisions of the Mines and Mineral Act;

- the licensee is obligated to pay such yearly rentals and royalties as prescribed by the Mines and Minerals Act;
- the licensee is obligated to comply with the Mines and Minerals Act and other applicable laws and regulations, such as the Oil Sands Conservation Act; and
- the licensee is required to indemnify the Crown against all claims brought against the Crown by reason of any acts or omissions of the licensee in respect of its rights or duties.

#### (d) Carrying value

The following is a breakdown of the carrying value of our Leased Properties and Oil & Gas Leases (accounting for the acquisition costs for the relevant leases) in each region as at 30 September 2011:

<u>Area</u>	<u>Carrying value (C\$)</u>	<u>Percentage of our Company's total assets (%)</u>
East Long Lake .....	4,455,741	0.97
Harper .....	13,690,049	2.97
Pelican Lake .....	1,608,885	0.35
Portage .....	4,576,267	0.99
Saleski .....	2,328,859	0.51
Thickwood (including South Thickwood) .....	8,207,098	1.78
West Ells .....	20,985,067	4.55
Crow Lake .....	1,313,812	0.28
Goffer .....	3,201,700	0.69
Legend Lake (including Opportunity) .....	6,410,510	1.39
Muskwa (Including Godin) .....	4,084,461	0.89
Other (including all Leased Properties) .....	42,307	0.01
<b>Total</b> .....	<b>70,904,756</b>	<b>15.38</b>

The acquisition costs for the relevant Oil & Gas Leases are included as Land and Leaseholds under Exploration and Evaluation assets under note 16 of the Accountants' Report, set forth in Appendix I to the Prospectus.

#### (e) Miscellaneous

Except as disclosed in this Prospectus, there are no environmental issues, pending litigation, breaches of law or title defects in respect of our Properties which would have a material adverse impact on the businesses and operations of the Group. As at the Latest Practicable Date, except as disclosed in this Prospectus, our Group does not intend to undertake any major plans for construction, renovation, improvement or development of our Properties in the next 12 months. We confirm that, as at the Latest Practicable Date, no single property interest owned or leased by our Group is material to our Group as a whole and has a carrying amount of 15% or above of the total assets of our Group. We further confirm that none of our Properties is individually material to our Group in terms of revenue contribution and/or rental expense. We hold the appropriate documents evidencing title for each of the Leased Properties.

## 5. Insurance

We have taken out insurance policies with Canadian and international insurance providers based upon a risk review of the applicable exposures for risks including commercial general liability, operations liability, excess liability, pollution liability, automobile liability, public liability, office contents insurance, property damage, workers' compensation board and umbrella liability. We also maintain liability insurance for our Directors and officers.

We maintain, and intend to continue to maintain, insurance within ranges of coverage consistent with industry practice. In addition, it is our intent to procure construction insurance policies consistent with industry practice for our interests in major construction projects such as the Muskwa and West Ells projects. We will continue to review and assess our risk portfolio and make necessary and appropriate adjustments to our insurance policies.

## 6. Research and Development

Since commencing operations, we have commenced certain research and development activities for the development of any new processes or products, including:

- (a) into the steam injection potential of fractured carbonates containing bitumen with the University of Alberta;
- (b) laboratory testing to evaluate effect of hot water/steam flood on oil saturation in carbonate and oil sand cores with Alberta Innovates — Technology Futures; and
- (c) reservoir simulation studies with Kade Technologies Inc.

## C. FURTHER INFORMATION ABOUT OUR DIRECTORS, MANAGEMENT AND EMPLOYEES

### 1. Employees

As of 31 December 2008, 2009 and 2010 and the nine months ended 30 September 2011, we had a total of 19, 18, 39 and 63 permanent employees, respectively. The following table shows a breakdown of our permanent employees by function as at the Latest Practicable Date:

<u>Function</u>	<u>Number of Employees</u>
Finance and Corporate Operations . . . . .	30
Engineering and Operations . . . . .	<u>41</u>
<b>TOTAL</b> . . . . .	<b><u>71</u></b>

We intend to develop our projects in stages, which we anticipate will allow existing employees to train new employees to work on subsequent project phases. We believe that this staged development strategy will allow our personnel requirements to grow at a rate that can be reasonably managed and appropriately met. We intend to source new personnel through the local labour market and we currently anticipate that we will require between 120 and 140 personnel by the time the West Ells

facility is operational. Our staffing levels are expected to peak by 2019, at which time we expect to require between 340 and 360 personnel (which includes both corporate office personnel and field personnel). At this point, we anticipate that we will assess the international market, utilising our Asian partners if applicable, if people are not available locally.

## 2. Disclosure of Interests

So far as the Directors are aware, as at the Latest Practicable Date and immediately following completion of the Global Offering (taking no account of any Shares which may be taken up under the Global Offering and assuming that the Over-Allotment Option is not exercised), the interests and short positions of our Directors and our Chief Executive Officer in the equity or debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO) once our Shares are listed, or which will be required, pursuant to section 347 of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules to be notified to us and the Stock Exchange or which will be required pursuant to section 352 of the SFO to be entered in the register referred to therein once our Shares are listed, are as follows:

Name of Director /Chief Executive Officer	Nature of interest	As at the Latest Practicable Date				Immediately following completion of the Global Offering			
		Number of Shares in our Company <sup>(1)</sup>	Number of preferred Shares in our Company (Class G Shares and Class H Shares)	Number of Share options allowing conversion into Shares in our Company	Approximate percentage of interest in our Company <sup>(2)</sup>	Number of Shares in our Company	Number of Preferred Shares in our Company (Class G Shares and Class H Shares)	Number of Share options allowing conversion into Shares in our Company	Approximate percentage interest in our Company <sup>(2)(10)</sup>
Mr. Michael John Hibberd <sup>(3)</sup>	Registered Owner/ Beneficial Owner	43,120,000(L)	11,000,000 <sup>(8)</sup>	30,680,000	3.86%	43,120,000(L)	11,000,000 <sup>(8)</sup>	30,680,000	2.70%
Mr. Songning Shen <sup>(4)</sup>	Registered Owner/ Beneficial Owner	45,137,660(L)	11,000,000 <sup>(8)</sup>	30,880,000	3.96%	45,137,660(L)	11,000,000 <sup>(8)</sup>	30,880,000	2.78%
Mr. Hok Ming Tseung <sup>(5)</sup>	Beneficial Owner	266,666,640(L)	15,000,000 <sup>(9)</sup>	1,000,000	12.88%	280,223,035(L) <sup>(10)</sup>	15,000,000 <sup>(9)</sup>	1,000,000	9.46%
Mr. Tingan Liu	—	—	—	—	—	—	—	—	—
Mr. Haotian Li	Registered Owner	—	—	1,000,000	0.05%	—	—	1,000,000	0.03%
Mr. Gregory George Turnbull <sup>(6)</sup>	Registered Owner/ Beneficial Owner	10,100,000(L)	600,000 <sup>(8)</sup>	1,600,000	0.56%	10,100,000(L)	600,000 <sup>(8)</sup>	1,600,000	0.39%
Mr. Raymond Shengti Fong <sup>(7)</sup>	Registered Owner/ Beneficial Owner	7,000,000(L)	—	1,500,000	0.39%	7,000,000(L)	—	1,500,000	0.27%
Mr. Robert John Herdman	Registered Owner	—	—	1,000,000	0.05%	—	—	1,000,000	0.03%
Mr. Wazir Chand Seth	Registered Owner	—	—	1,700,000	0.08%	—	—	1,700,000	0.05%
Mr. Gerald Franklin Stevenson	Registered Owner	—	—	1,000,000	0.05%	—	—	1,000,000	0.03%
Mr. John Empey Zahary	Registered Owner	—	4,000,000 <sup>(8)</sup>	2,000,000	0.27%	—	4,000,000 <sup>(8)</sup>	2,000,000	0.19%

*Notes:*

- (1) The Letter "L" denotes a long position in the Shares.
- (2) Approximate percentage interest in our Company is calculated on the basis of the fully diluted share capital of our Company at the Latest Practicable Date or the Listing Date, as appropriate, which includes all Common Shares, Preferred Shares and Share options. For the

purposes of calculating the fully diluted Share capital of the Company immediately following completion of the Global Offering, this table excludes any Shares to be issued pursuant to the Over-Allotment Option, assumes that the Orient Shares are issued on the Listing Date and assumes that none of the Directors or of the Chief Executive Officer will acquire or be deemed to acquire any Shares pursuant to the Global Offering.

- (3) Mr. Michael John Hibberd has a 100% interest in MJH Services Inc., which itself directly owns 800,000 Shares in our Company. Mr. Hibberd is deemed to be interested in 880,000 Shares of our Company beneficially owned by Mr. Hibberd's wife. As at the Latest Practicable Date, it is anticipated that certain Shares held by Mr. Hibberd and Mr. Hibberd's wife will be transferred to MJH Services Inc. and 763846 Alberta Ltd. prior to Listing. The transfer will not result in a change in the beneficial interest in such Shares held by Mr. Hibberd and Mr Hibberd's wife. Please refer to the section entitled "Waivers from Strict Compliance with the Listing Rules and the Companies Ordinance — Rule 9.09 of the Listing Rules" of the Prospectus for more information.
- (4) Mr. Songning Shen has a 100% interest in 1226591 Alberta Inc., which itself directly owns 4,000,000 Shares in our Company. Mr. Shen is deemed to be interested in 4,178,000 Shares of our Company beneficially held by Mr. Shen's wife. As at the Latest Practicable Date, it is anticipated that certain Shares held by Mr. Shen and Mr. Shen's wife will be transferred to 1226591 Alberta Inc. prior to Listing. The transfer will not result in a change in the beneficial interest in such Shares held by Mr. Shen and Mr. Shen's wife. Please refer to the section entitled "Waivers from Strict Compliance with the Listing Rules and the Companies Ordinance — Rule 9.09 of the Listing Rules" of the Prospectus for more information.
- (5) Mr. Hok Ming Tseung has a 82% interest in Orient International Resources Group Limited, which itself directly owns 266,666,640 Shares in our Company.
- (6) Mr. Gregory George Turnbull has a 100% interest in G.G. Turnbull Professional Corporation, which itself directly holds 500,000 Shares in our Company.
- (7) Mr. Raymond Shengti Fong has a 50% interest in 888 Capital Ltd, which itself directly owns 6,400,000 Shares in our Company.
- (8) These are Class G Shares.
- (9) These are Class H Shares.
- (10) This table assumes that the Orient Shares are issued to Orient Financial on the Listing Date.

### 3. Substantial Shareholders

So far as our Directors are aware, taking no account of any Shares which may be taken up under the Global Offering, and excluding Share options and any Class G Shares or Class H Shares, the following persons will, immediately following the completion of the Global Offering, have interests or short positions in our Common Shares or underlying shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or are, directly or indirectly, interested in 10% or more of any class of our share capital carrying the right to vote in all circumstances at general meetings of our Company.

<u>Name of Shareholder</u>	<u>Nature of interest</u>	<u>Number of Common Shares<sup>(1)</sup></u>	<u>Approximate percentage of interest in our Company immediately following the Global Offering<sup>(6)</sup></u>
Orient International Resources Group Limited <sup>(4)</sup> . . . . .	Beneficial owner / Interest in a controlled corporation	280,223,035(L) <sup>(5)(6)</sup>	9.86%
Oriental International Petroleum & Chemical Limited <sup>(4)</sup> . . . . .	Interest in a controlled corporation	280,223,035(L) <sup>(5)</sup>	9.86%
Far East International Investment Limited <sup>(4)</sup> . . . . .	Interest in a controlled corporation	280,223,035(L) <sup>(5)</sup>	9.86%
Mr. Hok Ming Tseung <sup>(4)</sup> . . . . .	Interest in a controlled corporation	280,223,035(L) <sup>(5)</sup>	9.86%
Charter Globe Limited <sup>(2)</sup> . . . . .	Beneficial owner	206,611,560(L)	7.27%
Bank of China Group Investment Limited <sup>(2)</sup> . . . . .	Interest in a controlled corporation	206,611,560(L)	7.27%
Bank of China Limited <sup>(2)</sup> . . . . .	Interest in a controlled corporation	206,611,560(L)	7.27%
China Life Insurance (Overseas) Company Limited <sup>(3)</sup> . . . . .	Beneficial owner	144,628,100(L)	5.09%
China Life Insurance (Group) Company Limited <sup>(3)</sup> . . . . .	Interest in a controlled corporation	144,628,100(L)	5.09%

*Notes:*

- (1) The letter "L" denotes a long position in the Shares.
- (2) Charter Globe Limited is a wholly owned subsidiary of BOCGI, which is a wholly owned subsidiary of Bank of China Limited. For illustrative purposes, this calculation includes the Shares and the Class B Shares, which will be exchanged for Shares on a one-for-one basis on or immediately prior to the Listing.
- (3) China Life Insurance (Overseas) Company Limited is a wholly owned subsidiary of China Life Insurance (Group) Company Limited.
- (4) Orient International Resources Group Limited is a wholly owned subsidiary of Oriental P&C, the shareholders of which are Far East International Investment Limited (60%) and Mr. Hok Ming Tseung (40%). Mr. Hok Ming Tseung holds 70% of the Shares of Far East International Limited and has a direct and indirect interest in 82% of the Shares in Orient International Resources Group Limited. Orient holds 266,666,640 Shares. This table assumes that Orient Financial, a wholly owned entity of our director, Mr. Hok Ming Tseung, will be issued the Orient Shares on the Listing Date.

- (5) Mr. Hok Ming Tseung, Far East International Limited, Oriental P&C and Orient are also interested in 15,000,000 Class H Shares.
- (6) This table assumes that the Orient Shares are issued to Orient Financial on the Listing Date.

#### **4. Service Contracts**

None of our Directors has or has been or is proposed to have a service contract with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation other than the statutory compensation). According to Provision D.1.4 of the Code of Corporate Governance, issuers should have formal letters of appointment for directors setting out the key terms and condition of their appointment. Since the practice of our Company, consistent with the market practice of Canada, is that directors are appointed by Shareholders at each annual general meeting, our Company has not entered into formal letters of appointment with our Directors and therefore do not intend to comply with Provision D.1.4 of the Code of Corporate Governance.

#### **5. Directors' Remuneration**

The aggregate amount of remuneration (including fees, salaries, stock based compensations, contributions to pension schemes, housing allowances and other allowances and benefits in kind and discretionary bonuses) which were paid to our Directors for the years ended 31 December 2008, 31 December 2009 and 31 December 2010 and the nine months ended 30 September 2011 were C\$3,521,973, C\$598,953, C\$2,826,667 and C\$5,221,108, respectively.

Remuneration and benefits in kind equivalent to approximately C\$5.2 million in aggregate are expected to be paid and granted to our Directors by us in respect of the financial year ending 31 December 2012 under arrangements in force at the Latest Practicable Date.

#### **6. Fees or Commissions Received**

Each of Mr. Hok Ming Tseung, a non-executive director of our Company, Bin Yang, Tianhong Liang, Dong Liu, Hong Pa, Huixing Shan and Yingxia Xie, being consultants and advisers to our Company, were issued Class H Shares, in August 2010 and March 2011 as compensation for the solicitation of certain private placements of securities of our Company.

#### **7. Nominee Directors of the Substantial Shareholders**

Each of Mr. Hok Ming Tseung, Mr. Haotian Li and Mr. Tingan Liu are subject to their obligations as directors of a listed company under Rule 3.08 of the Listing Rules. In the event that there is a conflict between the decision of our Company's board and the rights of Orient, BOCGI or China Life, the relevant Director would be obliged to abstain from voting at such meetings pursuant to Rule 3.08 of the Listing Rules. Further, they are also subject to section 120(1) and 120(6) of the ABCA, which applies restrictions on a director voting on certain material transactions upon which they



have an interest, and section 7.01 of the By-Laws of our Company which provides that if a director is party to, or is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with our Company or subsidiary thereof, the director must disclose his interest and the relevant contract or transaction must be referred to the board of directors for approval, regardless of whether the contract is one that, in the ordinary course of our Company's business, would not require approval by the board or shareholders. In addition, the Directors are subject to re-election at every annual general meeting. Shareholders entitled to vote at the annual general meeting for the election of Directors are entitled to elect a Board consisting of the number of Directors for the time being set under the Articles and all the Directors cease to hold office immediately before such election, but are eligible for re-election at such meeting. Please refer to the section entitled "Summary of the Articles and By-laws of Our Company, Certain Alberta Laws and Canadian Federal Laws and Shareholder Protection Matters — Summary of Key Alberta Corporate Laws, Our Articles and By-laws — Election of Directors" in Appendix V to the Prospectus.

Our Company's constitutional documents as well as the ABCA prohibit directors from voting on matters relating to their disclosed interests in certain circumstances. Please refer to the sections entitled "Summary of the Articles and By-laws of Our Company, Certain Alberta Laws and Canadian Federal Laws and Shareholder Protection Matters — Summary of Key Alberta Corporate Laws, Our Articles and By-laws — Disclosure of Directors' interests" and "Summary of the Articles and By-laws of Our Company, Certain Alberta Laws and Canadian Federal Laws and Shareholder Protection Matters — Summary of Key Alberta Corporate Laws, Our Articles and By-laws — Restrictions on Directors' voting" in Appendix V to this Prospectus. Each of Mr. Tseung, Mr. Li and Mr. Liu have undertaken to fulfil the fiduciary duties and duties of skill, care and diligence as required under Rule 3.08 of the Listing Rules, including to act in the interests of our Company as a whole.

#### **D. PRE-IPO SHARE OPTION SCHEMES**

##### **Summary of Terms**

Set out below is a summary of the terms of our Pre-IPO Share Option Schemes. The terms of our Pre-IPO Share Option Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as our Pre-IPO Share Option Schemes will not involve the grant of options by us to subscribe for Shares once we have become a listed issuer.

##### **Share option plan approved and adopted on 9 May 2007 and amended on 30 April 2008 (the "2007 Share Option Plan")**

##### ***Present Status of 2007 Share Option Plan***

The 2007 Share Option Plan was amended on 30 April 2008 and terminated in 2009, after which termination no further options were granted under the 2007 Share Option Plan but the provisions of the 2007 Share Option Plan continue to apply to options granted thereunder before such termination. In accordance with the rules of our 2007 Share Option Plan, the Board resolved on 9 February 2012 to adjust the number of Shares subject to our 2007 Share Option Plan and subject to any outstanding options granted thereunder by a ratio of 1:20, and to adjust the option price per Share underlying any outstanding option so that there is no change in the total exercise price applicable to the unexercised portion of the option, in each case so as to give effect to the adjustment in the number of Shares resulting from the 20-for-1 share split.

***Purpose***

The purpose of our 2007 Share Option Plan is to provide our directors, officers and employees and our consultants and our affiliates with an opportunity to purchase Shares and to benefit from the appreciation thereof. This provides an increased incentive for these individuals to contribute to our future success and prosperity, thus enhancing the value of our Shares for the benefit of all our Shareholders and increasing our ability and that of our Subsidiary to attract and retain skilled individuals.

***Eligible participants***

Our Board may determine the directors, officers and employees of our Company and our consultants and our affiliates to whom options may be granted under our 2007 Share Option Plan.

***Number of Shares authorised to be issued upon exercise of options***

The maximum number of Shares issuable pursuant to our 2007 Share Option Plan is 169,289,160 Shares, until such time as the number of options issued is equal or less than 10% of our then issued and outstanding Shares, at which time the maximum number of issuable options becomes and remains a “rolling” maximum number equal to 10% of our issued and outstanding Shares. No fractional shares may be purchased or issued under our 2007 Share Option Plan.

Prior to the amendment of our 2007 Share Option Plan on 30 April 2008, the aggregate number of Shares reserved for issuance under our 2007 Share Option Plan could not exceed 20% of our outstanding Shares. The Shares in respect of which options were not exercised were to be available for subsequent options.

***Maximum entitlement of each participant***

The number of Shares that may be acquired under an option granted to a participant shall be determined by our Board at the time the option is granted, provided that the aggregate number of Shares reserved for issuance to any one participant under our 2007 Share Option Plan shall not exceed 5% of the total number of issued and outstanding Shares (calculated on a non-diluted basis) in any 12 month period (and, in the case of consultants, shall not exceed 2% in any 12 month period).

Prior to the amendment of our 2007 Share Option Plan on 30 April 2008 there was no limit on the number of Shares that could be acquired under an option granted to a participant or on the aggregate number of Shares reserved for issuance to any one participant.

***Exercise period***

An option must be exercised within a maximum period of five years from the date of the granting of the option. The vesting period or periods within this five year period during which an option or a portion thereof may be exercised by a participant shall be determined by our Board.

***Performance targets for exercise of options***

The grant of options is subject to the conditions contained in our 2007 Share Option Plan and summarised in this section and may be subject to additional conditions determined by our Board from time to time.

***Amount payable on subscription for the options***

Options are granted for such nominal consideration as is stipulated in the stock option agreement made between us and the participant, such consideration being C\$1.00.

***Basis of determining exercise price***

The exercise price shall be such price as is determined by our Board at the time the option is granted, provided that such exercise price shall not be less than that which is from time to time permitted under the rules of any stock exchange or exchanges on which the Shares are then listed.

Prior to the amendment of our 2007 Share Option Plan on 30 April 2008 there was no limit on our Board's discretion to fix the exercise price.

At the discretion of our Board, the exercise price may increase, throughout the period or for any part of the period that the option or a portion thereof remains unexercised, by an amount per annum fixed by our Board at the time the option is granted.

***Votes, dividends and transfer and other rights***

A participant shall not have any rights as a Shareholder until the issuance of a certificate for Shares upon the exercise of an option or a portion thereof, and then only with respect to the Shares represented by such certificate or certificates.

***Circumstances under which the options will automatically be cancelled***

In the event of the resignation, retirement or termination of a participant prior to the expiry time of an option, such option shall cease and terminate on the 30th day following the effective date of such resignation, retirement or termination and shall be of no further force or effect whatsoever as to the Shares in respect of which an option has not previously been exercised. Notwithstanding the foregoing, in the event of termination for cause such option shall cease and terminate immediately.

In the event of the death of a participant on or prior to the expiry time of an option, the unexpired portion of such option may be exercised by the legal personal representatives of the participant at any time up to and including (but not after) the earlier of (i) the date that is one year following the date of death of the participant and (ii) the expiry time after which all the participant's rights to exercise an option (to the extent not already exercised) shall cease and terminate.

Options may provide that, in the event of a Change of Control (as defined below), such option may be exercised, as to all or any of the Shares in respect of which such option has not previously been exercised (including in respect of the right to purchase Shares not otherwise vested at such time), by the participant at any time up to and including (but not after) the earlier of the date that is 30 days following the date of the Change of Control and the expiry time of such option after which all the participant's rights to exercise an option (to the extent not already exercised) shall cease and terminate.

For the purposes of our 2007 Share Option Plan, "**Change of Control**" means: (i) the sale to a person or acquisition by a person not affiliated with us of our net assets or those of our subsidiary having a value greater than 50% of the fair market value of our net assets and those of our subsidiary determined on a consolidated basis prior to such sale whether such sale or acquisition occurs by way of

reorganisation, consolidation, amalgamation, merger, sale or otherwise; (ii) any change in the holding, direct or indirect, of our Shares by a person not affiliated with us as a result of which such person, or a group of persons, or persons acting in concert, or persons associated or affiliated with any such person or group within the meaning of the Securities Act, are in a position to exercise effective control of our Company whether such change in the holding of such Shares occurs by way of takeover bid, reorganisation, consolidation, amalgamation, merger, sale or otherwise; and for the purposes of our 2007 Share Option Plan, a person or group of persons holding shares or other securities in excess of the number which, directly or following conversion thereof, would entitle the holders thereof to cast 50% or more of the votes attaching to all our Shares which, directly or following conversion of the convertible securities forming part of the holdings of the person or group of persons noted above, may be cast to elect our directors shall be deemed, other than a person holding such shares or other securities in the ordinary course of business as an investment manager who is not using such holding to exercise effective control, to be in a position to exercise effective control of our Company; (iii) any reconstruction, reorganisation, recapitalisation, consolidation, amalgamation, arrangement, merger, transfer, sale or other transaction involving us where all of our Shareholders immediately prior to such reconstruction, reorganisation, recapitalisation, consolidation, amalgamation, arrangement, merger, transfer, sale or other transaction hold less than 50% of our Shares or of the continuing corporation following completion of such reconstruction, reorganisation, recapitalisation, consolidation, amalgamation, arrangement, transfer, sale or other transaction; (iv) any initial public offering of our Company; or (v) any event or transaction which our Board, in its discretion, deems to be a Change of Control.

Prior to the amendment of our 2007 Share Option Plan on 30 April 2008, an initial public offering of our Company was not included in the definition of "Change of Control".

#### ***Adjustment of exercise price or number of shares***

Appropriate adjustments in the number of Shares subject to our 2007 Share Option Plan and outstanding options and in the exercise price shall be made by our Board to give effect to adjustments in the number of Shares resulting from subdivisions, consolidations or reclassifications of our Shares, the payment of stock dividends by us (other than dividends in the ordinary course) or other relevant changes in our authorised or issued capital, which changes occur subsequent to the approval of our 2007 Share Option Plan by our Board or the issuance of such outstanding options.

#### ***Cancellation of unvested options***

Other than as described above, our 2007 Share Option Plan does not contain any provisions for the cancellation of unvested options granted thereunder.

#### ***Transferability of options***

Options granted to participants under our 2007 Share Option Plan are non-transferable and non-assignable and, except in the case of the death of a participant, are exercisable only by the participant to whom the options have been granted.

#### ***Amendment and termination***

Our Board may amend or discontinue our 2007 Share Option Plan at any time without the consent of the participants provided that such amendment shall not alter or impair any option

previously granted under our 2007 Share Option Plan except as permitted by the provisions regarding the adjustment of exercise price or number of shares in the event of subdivision, consolidation or reclassification of Shares, the payment of stock dividends by us (other than dividends in the ordinary course) or other relevant changes in our authorised or issued capital.

**Share option plan approved and adopted on 7 May 2009 and amended on 13 June 2010 (the “2009 Share Option Plan”)**

***Present Status of 2009 Share Option Plan***

The 2009 Share Option Plan was amended on 13 June 2010 and will terminate upon Listing, after which no further options will be granted under the 2009 Share Option Plan but the provisions of our 2009 Share Option Plan shall continue to apply to options granted thereunder before such termination. In accordance with the rules of our 2009 Share Option Plan, the Board resolved on 9 February 2012 to increase the number of Shares subject to our 2009 Share Option Plan by a ratio of 1:20 and to make a corresponding adjustment to the number of Shares deliverable upon the exercise of any option granted prior to the 20-for-1 share split without any change in the total exercise price applicable to the unexercised portion of the option, but with a corresponding adjustment in the price for each Share covered by the option, so as to give effect to the adjustment in the number of Shares resulting from the 20-for-1 share split.

***Purpose***

The purpose of our 2009 Share Option Plan is to advance our interests by encouraging our directors, officers, employees or providers of services and those of our Subsidiary to acquire our Shares, thereby increasing the proprietary interests of such persons in our Company; aligning the interests of such persons with the interests of our Shareholders generally; encouraging such persons to remain associated with us; and furnishing such persons with an additional incentive in their efforts on behalf of us.

***Eligible participants***

Our Board may, in its discretion, select any directors, officers or employees of, or providers of services to, us or our Subsidiary to participate in our 2009 Share Option Plan.

***Number of Shares authorised to be issued upon exercise of options***

The aggregate number of Shares that may be issued under our 2009 Share Option Plan and any of our other share compensation arrangements, including our 2007 Share Option Plan, is the higher of (i) 210,000,000; or (ii) 10% of the total number of issued and outstanding Shares or such higher percentage as is approved in accordance with applicable laws and regulations. If any option granted under our 2009 Share Option Plan has expired or terminated for any reason before being exercised in full any un-purchased Shares to which such option relates shall be available for the purposes of the granting of options under our 2009 Share Option Plan.

Prior to the amendment of our 2009 Share Option Plan on 13 June 2010, the aggregate number of Shares that could be issued under our 2009 Share Option Plan and any of our other share

compensation arrangements, including our 2007 Share Option Plan, was the higher of (i) 169,289,160 Shares; or (ii) 10% of the total number of issued and outstanding Shares or such higher percentage as is approved in accordance with applicable laws and regulations. If any option granted under our 2009 Share Option Plan has expired or terminated for any reason before being exercised in full any un-purchased Shares to which such option relates shall be available for the purposes of the granting of options under our 2009 Share Option Plan. This increase in the number of Shares that could be issued under our 2009 Share Option Plan was the only amendment made to the 2009 Share Option Plan on 13 June 2010.

#### ***Maximum entitlement of each participant***

The aggregate number of Shares issued or to be issued to any one participant under the 2009 Share Option Plan or any of our other share compensation arrangements shall not exceed 5% of the total number of issued and outstanding Shares (calculated on a non-diluted basis).

#### ***Exercise period***

The period during which an option may be exercised is determined by our Board at the time the option is granted, subject to any vesting limitations imposed by our Board in its sole unfettered discretion at the time of grant, provided that: (a) no option shall be exercisable for a period exceeding five years from the date the option is granted; and (b) unless otherwise agreed by our Board, the option period shall be automatically reduced upon the participant ceasing to be a director, officer, employee or provider of services to us or our subsidiary or upon his/her death, permanent disability or normal retirement. There is no minimum period for which options must be held by a participant prior to its vesting.

#### ***Performance targets for exercise of options***

Options may be granted to participants upon such terms, conditions and limitations (not being inconsistent with the rules of our 2009 Share Option Plan) as our Board may determine.

#### ***Amount payable on subscription for the options***

Options are granted for such nominal consideration as is stipulated in the stock option agreement made between us and the participant, such consideration being C\$1.00.

#### ***Basis of determining exercise price***

The price per Share at which the participants may subscribe for Shares on the exercise of their options is stipulated in the stock option agreement made between us and the participant and is equal to the price of a Share in the last closing of any equity transaction, unless our Board believes, acting reasonably, that the prior equity offering price is not representative of market value.

#### ***Votes, dividends and transfer and other rights***

No participant has any rights or privileges of a Shareholder in respect of any Shares issuable upon exercise of his/her option until such Shares have been paid for in full and issued to such person. The Shares issued to participants upon exercise carry such rights as are attached to all other Shares.

*Circumstances under which the options will automatically be cancelled*

If any participant ceases to be a director, officer or employee of, or provider of services to, us or our subsidiary for any reason other than death, permanent disability or normal retirement, his/her option will terminate immediately with regards to any portion of it which is then unvested; and, with regards to any portion of it which is then vested, will terminate at 5.00pm (Calgary time) on the earlier of the date of expiry of the option period and the 90<sup>th</sup> day after the date on which the participant ceases to be a director, officer, employee or services provider as at the date on which they ceased to be a director, officer, employee or provider of services (including any notice period arising from such cease). Notwithstanding the foregoing, subject to the provisions of any agreement between us or our subsidiary and a participant and subject to any additional discretionary directions of our Board, if any participant ceases to be a director, officer or employee of, or provider of services to, us or our subsidiary for any reason other than voluntary resignation or dismissal for cause, that participant's options, to the extent that he/she was entitled to exercise them at the date of so ceasing, shall continue to be exercisable until the earlier of (i) the expiry of the option period; or (ii) if on the date of so ceasing the Shares underlying the option are listed on a recognised stock exchange and are freely tradable on such exchange, 90 days following the date of so ceasing following which date they shall lapse automatically.

At our Board's discretion and subject to the provisions of any agreement between us or our subsidiary and a participant:

- (a) in the event of death of a participant, our Board may accelerate vesting of any option previously granted to such participant;
- (b) in the event of death or permanent disability of a participant, and in the absence of accelerated vesting under (a) above, options shall be exercisable only by the person(s) to whom the participant's rights under the option pass by the participant's will or by applicable law and to the extent that the participant was entitled to exercise the option as at the date of death or permanent disability; and
- (c) in the event of normal retirement by a participant, options that would have vested in the year following retirement will accelerate such that they will vest upon the normal retirement.

Any of the options exercisable following death, permanent disability or normal retirement shall be exercisable until the earlier of the expiry of the option period and the date 12 months after the date of death, permanent disability or normal retirement the participant, following which date they shall lapse automatically.

In the event of (i) a sale by us of all or substantially all of our assets; or (ii) a change of control (defined, in summary, as the acceptance by Shareholders representing 50% or more of our issued Shares on a takeover bid; the acquisition by a person or persons acting in concert of beneficial ownership of such number of Shares or rights to Shares as together with that person's previous shareholding represents 50% or more of the combined voting rights of our then outstanding Shares; the entering into an agreement for the merger, consolidation, restructuring, amalgamation or absorption into or with another company; or the passing of a resolution by our Board or Shareholders to substantially liquidate the assets or wind up our business or significantly rearrange its affairs in a transaction or series of transactions); then the participant shall be entitled to exercise in full or in part

any unexercised options previously granted, whether vested or not, until the earlier of the expiration of the option period and the date of closing of the sale or change of control, after which all the participant's rights to exercise an option (to the extent not already exercised) shall terminate.

In the event that the sale or change of control does not complete within the time specified in the agreements governing the sale or change of control, or in the event that all of the Shares which a participant had purchased pursuant to his/her option and had tendered, sold, delivered or exchanged following such exercise are not taken up, paid for, accepted, exchanged or otherwise dealt with by the other party to the sale or change of control, then such Shares may be returned by the participant to us and the participant's option shall be reinstated as if it had not been exercised and we shall immediately refund the exercise price to the participant for such Shares.

#### *Adjustment of exercise price or number of Shares*

The number of Shares subject to our 2009 Share Option Plan shall be adjusted proportionately in the event of the subdivision or consolidation of our outstanding Shares, and a corresponding adjustment shall be made to the number of Shares deliverable upon the exercise of any option granted prior to such event and the exercise price of each such underlying Share, such that there is no change in the total exercise price applicable to the unexercised portion of the option. In the event of reorganisation or merger or consolidation or amalgamation of our Company with another company, appropriate provisions shall be made for the continuance of options outstanding and to prevent their dilution or enlargement. Any amendments described in this paragraph shall be made by our Board, whose determination as to what adjustments shall be made and the extent thereof shall be final, binding and conclusive.

#### *Cancellation of unvested options*

Other than as described above, our 2009 Share Option Plan does not contain any provisions for cancellation of unvested options granted thereunder.

#### *Transferability of options*

All benefits, rights and options accrued to any participant under our 2009 Share Option Plan are not transferable or assignable other than specifically provided by the rules of our 2009 Share Option Plan. In the event of death or permanent disability of a participant, the option may only be exercised by the person(s) to whom the participant's rights under the option pass by the participant's will or by applicable law.

#### *Amendment and termination*

Our Board may, at any time, suspend or terminate our 2009 Share Option Plan without Shareholders' approval. Subject to the following paragraph, our Board may also at any time amend or revise the terms of our 2009 Share Option Plan or any options, without Shareholders' approval but subject to any necessary regulatory approval, provided that no such amendment or revision shall in any manner materially adversely affect the rights of any participant under any options theretofore granted under our 2009 Share Option Plan or any prior plan (a "**Material Amendment**") without such participant's consent. We shall advise the participants on any Material Amendment.



Any Material Amendment or any increase in the maximum number of Shares issuable under our 2009 Share Option Plan shall be approved by a majority of the votes cast at a meeting of Shareholders. Any amendment to an option held by an Insider (as defined below), including a change in the exercise price or expiry date, must be approved by a majority of the votes cast at a meeting of our Shareholders, excluding the votes attached to Shares beneficially owned by such Insider. For the purposes of this paragraph, the cancellation of an option prior to its expiry date to permit the granting of an option to the same Insider on different terms shall be considered to be an amendment requiring Shareholders' approval as outlined in this paragraph.

For the purposes of our 2009 Share Option Plan, "Insider" has the meaning ascribed to it by the Securities Act, being (i) a director or officer of an issuer, (ii) a director or officer of a person or company that is itself an insider or subsidiary of an issuer, (iii) a person or company that has (A) beneficial ownership of, or control or direction over, directly or indirectly, or (B) a combination of beneficial ownership of and control or direction over, directly or indirectly, securities of an issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution, (iv) an issuer that has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security, (v) a person designated as an insider in an order made under section 10 of the Securities Act, or (vi) a person that is in a prescribed class of persons.

### **Outstanding Options granted**

As at the Latest Practicable Date, options to subscribe for an aggregate of 204,383,800 new Shares, representing approximately 6.71% of the Shares in issue at completion of the Global Offering (assuming that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full and assuming that all of the Orient Shares are issued as at the Listing Date and excluding any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date) have been granted pursuant to the Pre-IPO Share Option Schemes and have not yet been exercised. Of these:

- options to subscribe for an aggregate of 131,639,980 new Shares, representing approximately 4.32% of our Shares issued and outstanding at completion of the Global Offering (assuming that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full and assuming that all of the Orient Shares are issued as at the Listing Date and excluding any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date), were granted pursuant to the 2007 Share Option Plan; and
- options to subscribe for an aggregate of 72,743,820 new Shares, representing approximately 2.39% of our Shares issued and outstanding at completion of the Global Offering (assuming that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full and assuming that all of the Orient Shares are issued as at the Listing Date and excluding any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date), were granted pursuant to the 2009 Share Option Plan.

No further options have been or will be granted under either of our Pre-IPO Share Option Schemes after the Latest Practicable Date.

The options were granted for nominal consideration of C\$1.00 and have an exercise price per option based on the price of a Share at the last closing of any equity transaction prior to the date of such grant. The number of Shares underlying the option granted to each grantee under our Pre-IPO Share Option Schemes was determined by our Board at the time of grant, subject to the rules of the relevant Pre-IPO Share Option Scheme. The options will vest over a period of up to three years, as follows: (i) in the case of options granted in the period 15 May 2007 to 22 January 2010, the option may be exercised in respect of one-third of the underlying Shares on each of the first, second and third anniversary of grant; and (ii) in the case of options granted in the period from 2 March 2010 until the latest date on which options were granted prior to the Latest Practicable Date, the option may be exercised in respect of one-third of the underlying Shares on each of the date of grant and first and second anniversaries thereof; provided that no grantee may exercise any option in respect of any underlying Shares after close of business on the fifth anniversary of grant.

#### Options granted pursuant to the 2007 Share Option Plan:

Details of the unexercised options granted pursuant to our 2007 Share Option Plan to our employees are set out below:

<u>Name of grantee</u>	<u>Date of grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Songbo Cong .....	15 May 2007	400,000	C\$0.06	0.22%
	20 Jul 2007	400,000	C\$0.07	
	24 Aug 2007	200,000	C\$0.08	
	9 Oct 2007	1,000,000	C\$0.15	
	9 Jan 2008	3,000,000	C\$0.14	
	31 Mar 2008	900,000	C\$0.20	
	13 Jun 2008	500,000	C\$0.20	
	22 Aug 2008	400,000	C\$0.20	
	Perla Woo .....	15 May 2007	1,200,000	
15 Jun 2007		900,000	C\$0.06	
20 Jul 2007		4,320,000	C\$0.07	
24 Aug 2007		2,940,000	C\$0.08	
9 Oct 2007		1,800,000	C\$0.15	
9 Jan 2008		4,284,000	C\$0.14	
31 Mar 2008		842,000	C\$0.20	
13 Jun 2008		828,000	C\$0.20	
22 Aug 2008		480,000	C\$0.20	
Jason James Hancheruk .....	9 Oct 2007	200,000	C\$0.15	0.07%
	9 Jan 2008	900,000	C\$0.14	
	31 Mar 2008	400,000	C\$0.20	
	13 Jun 2008	200,000	C\$0.20	
	22 Aug 2008	300,000	C\$0.20	

<u>Name of grantee</u>	<u>Date of grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Douglas Stewart Brown .....	9 Jan 2008	4,284,000	C\$0.14	0.29%
	31 Mar 2008	1,296,000	C\$0.20	
	13 Jun 2008	1,300,000	C\$0.20	
	22 Aug 2008	1,980,000	C\$0.20	
Tomasz Wnorowski .....	9 Jan 2008	1,500,000	C\$0.14	0.09%
	31 Mar 2008	300,000	C\$0.20	
	13 Jun 2008	200,000	C\$0.20	
	22 Aug 2008	400,000	C\$0.20	
Daniel Joseph Dugas .....	9 Jan 2008	1,700,000	C\$0.14	0.09%
	31 Mar 2008	300,000	C\$0.20	
	13 Jun 2008	200,000	C\$0.20	
	22 Aug 2008	400,000	C\$0.20	
Thomas Kenneth Rouse .....	1 Feb 2008	400,000	C\$0.14	0.11%
	31 Mar 2008	900,000	C\$0.20	
	13 Jun 2008	1,100,000	C\$0.20	
	22 Aug 2008	800,000	C\$0.20	
John Stanley Kowal .....	1 Apr 2008	3,300,000	C\$0.20	0.22%
	13 Jun 2008	1,300,000	C\$0.20	
	22 Aug 2008	1,980,000	C\$0.20	
Margrethe Waldman .....	31 Mar 2008	160,000	C\$0.20	0.01%
	13 Jun 2008	50,000	C\$0.20	
	22 Aug 2008	150,000	C\$0.20	
Peter Cooper .....	13 Jun 2008	300,000	C\$0.20	0.02%
	22 Aug 2008	300,000	C\$0.20	
Jennifer Kristensen .....	13 Jun 2008	20,000	C\$0.20	0.00%
	22 Aug 2008	100,000	C\$0.20	
David Owen Sealock .....	13 Jun 2008	3,000,000	C\$0.20	0.11%
	22 Aug 2008	400,000	C\$0.20	
Nguyen Vu .....	22 Aug 2008	800,000	C\$0.20	0.03%
Shaun Rhyno .....	22 Aug 2008	300,000	C\$0.20	0.01%
E. Tham Greenwood .....	16 Sept 2008	800,000	C\$0.20	0.03%
Albert Stark .....	28 Nov 2008	1,000,000	C\$0.20	0.03%
Yang Bai .....	28 Nov 2008	300,000	C\$0.20	0.01%
Tawnya Franklin .....	28 Nov 2008	40,000	C\$0.20	0.00%
<b>TOTAL .....</b>		<b>57,754,000</b>		<b>1.9%</b>

*Note:*

- (1) This table assumes that 3,045,305,235 Shares are issued and outstanding as at completion of the Global Offering, that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full, that all of the Orient Shares are issued as at the Listing Date and excludes any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date.

Details of the unexercised options granted pursuant to our 2007 Share Option Plan to Directors, officers, consultants and other persons (other than our employees) are set out below:

Name of grantee	Residential address	Position	Date of Grant	Number of Shares underlying the unexercised options granted	Exercise Price	Percentage of issued Shares immediately after completion of the Global Offering <sup>(1)</sup>
Abby Badwi	1111 Riverdale Avenue S.W. Calgary AB T2S 0Y9 Canada	Consultant	15 May 2007	300,000	C\$0.06	0.02%
			20 Jul 2007	400,000	C\$0.07	
Soheil Asgarpour	3822 8A Street S.W. Calgary AB T2T 3B5 Canada	Consultant	15 May 2007	500,000	C\$0.06	0.03%
			20 Jul 2007	200,000	C\$0.07	
			31 Mar 2008	100,000	C\$0.20	
Richard Walter Pawluk	34 Spirit Ridge Lane S.W. Calgary AB T3H ON4	Consultant	15 May 2007	200,000	C\$0.06	0.04%
			15 Jun 2007	100,000	C\$0.06	
			20 Jul 2007	200,000	C\$0.07	
			9 Oct 2007	500,000	C\$0.15	
			9 Jan 2008	200,000	C\$0.14	
			31 Mar 2008	100,000	C\$0.20	
Danielle Grover	601-330 26th Ave S.W. Calgary AB T2S 2T3 Canada	Consultant	9 Oct 2007	299,980	C\$0.15	0.01%
			9 Jan 2008	100,000	C\$0.14	
Zhi Jun Qin	10417 Hamptons Blvd. NW Calgary AB T3A 6A3 Canada	Former director	31 Mar 2008	900,000	C\$0.20	0.03%
Raymond Shengti Fong	3915 16A Street SW Calgary AB T2T 4K9 Canada	Independent non-executive Director	20 Jul 2007	400,000	C\$0.07	0.04%
			24 Aug 2007	100,000	C\$0.08	
			9 Oct 2007	300,000	C\$0.15	
			9 Jan 2008	200,000	C\$0.14	
			31 Mar 2008	100,000	C\$0.20	
Kevin Flaherty	1908 10A Street SW Calgary, AB T2T 3K1 Canada	Former director	9 Oct 2007	300,000	C\$0.15	0.02%
			9 Jan 2008	200,000	C\$0.14	
			31 Mar 2008	100,000	C\$0.20	
			22 Aug 2008	100,000	C\$0.20	
Douglas Urch	250095 Dynasty Drive Box 129 Dewinton AB T0L 0X0 Canada	Consultant	9 Oct 2007	400,000	C\$0.15	0.03%
			31 Mar 2008	500,000	C\$0.20	
			13 Jun 2008	150,000	C\$0.20	
Julia Ma	1429 Thorogood Lane Edmonton AB T6R 3K6 Canada	Consultant	15 Jun 2007	500,000	C\$0.06	0.08%
			20 Jul 2007	1,000,000	C\$0.07	
			24 Aug 2007	240,000	C\$0.08	
			9 Oct 2007	400,000	C\$0.15	
			9 Jan 2008	100,000	C\$0.14	
			31 Mar 2008	200,000	C\$0.20	

Name of grantee	Residential address	Position	Date of Grant	Number of Shares underlying the unexercised options granted	Exercise Price	Percentage of issued Shares immediately after completion of the Global Offering <sup>(1)</sup>
Michael John Hibberd	24226 Aspen Drive Calgary, AB T3R 1A4 Canada	Executive Director	15 Jun 2007	1,200,000	C\$0.06	0.93%
			20 Jul 2007	7,200,000	C\$0.07	
			24 Aug 2007	4,900,000	C\$0.08	
			9 Oct 2007	3,070,000	C\$0.15	
			9 Jan 2008	7,146,000	C\$0.14	
			31 Mar 2008	1,404,000	C\$0.20	
			13 Jun 2008	1,380,000	C\$0.20	
			22 Aug 2008	1,980,000	C\$0.20	
Songning Shen	143 Hamptons Heath NW Calgary, AB T3A 5E7 Canada	Executive Director	15 Jun 2007	1,400,000	C\$0.06	0.94%
			20 Jul 2007	7,200,000	C\$0.07	
			24 Aug 2007	4,900,000	C\$0.08	
			9 Oct 2007	3,070,000	C\$0.15	
			9 Jan 2008	7,146,000	C\$0.14	
			31 Mar 2008	1,404,000	C\$0.20	
			13 Jun 2008	1,380,000	C\$0.20	
			22 Aug 2008	1,980,000	C\$0.20	
Gregory George Turnbull	15 Garden Lane S.W., Calgary. AB T2S 3E2 Canada	Non-executive Director	9 Oct 2007	800,000	C\$0.15	0.04%
			9 Jan 2008	200,000	C\$0.14	
			31 Mar 2008	100,000	C\$0.20	
			22 Aug 2008	100,000	C\$0.20	
Mehran Joozdani	118 Discovery Ridge Blvd. S.W. Calgary, AB T3H 4Y2 Canada	Consultant	24 Aug 2007	400,000	C\$0.08	0.02%
			31 Mar 2008	200,000	C\$0.20	
Jeff Magus	19 Tumbleweed Point Calgary. AB T3Z 3B7 Canada	Consultant	9 Oct 2007	100,000	C\$0.15	0.01%
			31 Mar 2008	100,000	C\$0.20	
Bavani Bhaskar	76 Citadel Pass Crescent NW Calgary AB T3G 3V2 Canada	Consultant	9 Jan 2008	700,000	C\$0.14	0.02%
Wazir Chand Seth	176 Blueridge Rise NW, Calgary, AB T3L 2N6, Canada	Independent non-executive Director	9 Jan 2008	1,200,000	C\$0.14	0.04%
			31 Mar 2008	100,000	C\$0.20	
Yongfu Wang	4-5-1101, No. 2 Xiangluyingdongxiang, Xuanwu District, Beijing, China	Consultant	1 Apr 2008	1,000,000	C\$0.20	0.03%
Wenbian Gao	4-5-1101, No. 2 Xiangluyingdongxiang, Xuanwu District, Beijing, China	Consultant	1 Apr 2008	200,000	C\$0.20	0.01%

<u>Name of grantee</u>	<u>Residential address</u>	<u>Position</u>	<u>Date of Grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise Price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
John Hibberd	1 Riverview Court, Cochrane, Alberta T4C 1K6 Canada	Consultant	31 Mar 2008 13 Jun 2008 22 Aug 2008	200,000 100,000 400,000	C\$0.20 C\$0.20 C\$0.20	0.02%
Gordon Sanders	Box 1999 Sundre AB T0M 1X0 Canada	Consultant	22 Aug 2008	136,000	C\$0.20	0.00%
Matthew Hall	#1-722 56th Avenue S.W. Unit 1 Calgary, AB T2V 0H1 Canada	Consultant	30 Apr 2008	100,000	C\$0.20	0.00%
Vlad Derevyansky	78 Aspen Stone Terrace S.W. Calgary, AB T3H 5Z2 Canada	Consultant	13 Jun 2008 22 Aug 2008	100,000 400,000	C\$0.20 C\$0.20	0.02%
Gordon Zhao	571 Tuscany Ravine Road N.W, Calgary, AB T3L 3B1 Canada	Consultant	13 Jun 2008 22 Aug 2008	100,000 400,000	C\$0.20 C\$0.20	0.02%
Margaret Bahcheli	114 Crooked Pond Way Calgary AB T3Z 3E8 Canada	Consultant	13 Jun 2008	100,000	C\$0.20	0.00%
Ron Hutzal	28th Brookpark Mews SW Calgary AB T2W 2P3 Canada	Consultant	22 Aug 2008	500,000	C\$0.20	0.02%
<b>TOTAL</b>				<b>73,885,980</b>		<b>2.43%</b>

*Note:*

- (1) This table assumes that 3,045,305,235 Shares are issued and outstanding as at completion of the Global Offering, that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full, that all of the Orient Shares are issued as at the Listing Date and excludes any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date.

**Options granted pursuant to 2009 Share Option Plan:**

Details of the unexercised options granted pursuant to the 2009 Share Option Plan to our employees are set out below:

<u>Name of grantee</u>	<u>Date of grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Songbo Cong	2 Mar 2010	1,500,000	C\$0.28	0.05%
	15 Sept 2011	100,000	C\$0.48	
Perla Woo	2 Mar 2010	400,000	C\$0.28	0.01%
Jason James Hancheruk	2 Mar 2010	1,500,000	C\$0.28	0.05%
	15 Sept 2011	100,000	C\$0.48	
Douglas Stewart Brown	2 Mar 2010	2,400,000	C\$0.28	0.08%
Tomaz Wnorowski	2 Mar 2010	760,000	C\$0.28	0.03%
	15 Sept 2011	156,200	C\$0.48	
Daniel Joseph Dugas	2 Mar 2010	1,500,000	C\$0.28	0.05%
	15 Sept 2011	100,000	C\$0.48	
Thomas Kenneth Rouse	2 Mar 2010	1,500,000	C\$0.28	0.05%
John Stanley Kowal	2 Mar 2010	2,400,000	C\$0.28	0.08%
Margrethe Waldman	2 Mar 2010	240,000	C\$0.28	0.01%
	15 Sept 2011	21,580	C\$0.48	
Peter Cooper	2 Mar 2010	760,000	C\$0.28	0.03%
	15 Sept 2011	136,360	C\$0.48	
Jennifer Kristensen	2 Mar 2010	200,000	C\$0.28	0.01%
	15 Sept 2011	35,640	C\$0.48	
David Owen Sealock	2 Mar 2010	1,500,000	C\$0.28	0.05%
Nguyen Vu	2 Mar 2010	760,000	C\$0.28	0.03%
	15 Sept 2011	142,560	C\$0.48	
Shaun Rhyno	2 Mar 2010	500,000	C\$0.28	0.02%
	15 Sept 2011	49,020	C\$0.48	
E. Tham Greenwood	2 Mar 2010	760,000	C\$0.28	0.03%
	15 Sept 2011	143,180	C\$0.48	
Albert Norman Stark	2 Mar 2010	1,300,000	C\$0.28	0.05%
	15 Sept 2011	100,000	C\$0.48	
Yang Bai	2 Mar 2010	500,000	C\$0.28	0.02%
	15 Sept 2011	56,820	C\$0.48	
Tawnya Franklin	2 Mar 2010	140,000	C\$0.28	0.01%
	15 Sept 2011	13,940	C\$0.48	
David Holloway	1 Oct 2009	700,000	C\$0.26	0.06%
	2 Mar 2010	800,000	C\$0.28	
	15 Sept 2011	177,020	C\$0.48	
Stefka Alexandrova	1 Oct 2009	150,000	C\$0.26	0.02%
	2 Mar 2010	300,000	C\$0.28	
	15 Sept 2011	19,220	C\$0.48	
Genlin Tian	10 May 2010	700,000	C\$0.28	0.03%
	15 Sept 2011	101,240	C\$0.48	

<u>Name of grantee</u>	<u>Date of grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Hien Pham	10 May 2010	300,000	C\$0.28	0.01%
	15 Sep 2011	42,620	C\$0.48	
Dustin Morissette	1 Jun 2010	700,000	C\$0.28	0.03%
	15 Sep 2011	185,960	C\$0.48	
Corey Jerome	31 May 2010	400,000	C\$0.28	0.02%
	15 Sep 2011	64,220	C\$0.48	
Trevor Dufresne	31 May 2010	500,000	C\$0.28	0.02%
	15 Sep 2011	83,740	C\$0.48	
Jennifer Wadden	28 Jun 2010	450,000	C\$0.28	0.02%
	15 Sep 2011	52,800	C\$0.48	
Tim Hancsicsak	3 Aug 2010	466,660	C\$0.28	0.02%
	15 Sep 2011	74,380	C\$0.48	
Chase Bendick	15 Jul 2010	400,000	C\$0.48	0.02%
	15 Sep 2011	73,940	C\$0.48	
Tonino Sabelli	1 Sep 2010	1,000,000	C\$0.48	0.05%
	15 Sep 2011	400,000	C\$0.48	
John Hibberd	12 Oct 2010	700,000	C\$0.48	0.03%
	15 Sep 2011	115,700	C\$0.48	
Michael Fox	1 Sep 2010	700,000	C\$0.48	0.03%
	15 Sep 2011	209,760	C\$0.48	
James Coey	3 Aug 2010	250,000	C\$0.48	0.01%
	15 Sep 2011	31,980	C\$0.48	
David Patruyo	1 Nov 2010	250,000	C\$0.48	0.01%
	15 Sep 2011	40,280	C\$0.48	
John Ponce	8 Nov 2010	350,000	C\$0.48	0.01%
	15 Sep 2011	47,040	C\$0.48	
Mike Hardcastle	6 Dec 2010	700,000	C\$0.48	0.03%
	15 Sep 2011	102,620	C\$0.48	
Mike Doty	4 Jan 2010	800,000	C\$0.48	0.03%
	15 Sep 2011	110,660	C\$0.48	
Don Whalen	16 Dec 2010	600,000	C\$0.48	0.03%
	15 Sep 2011	192,800	C\$0.48	
Manjeet Dhillon	6 Dec 2010	900,000	C\$0.48	0.04%
	15 Sep 2011	183,500	C\$0.48	
Shyam Mohamed	6 Dec 2010	900,000	C\$0.48	0.04%
	15 Sep 2011	195,920	C\$0.48	
Jason Pretty	17 Feb 2011	200,000	C\$0.48	0.01%
	15 Sep 2011	36,200	C\$0.48	
Mary Jo Spence	17 Feb 2011	500,000	C\$0.48	0.02%
	15 Sep 2011	158,720	C\$0.48	
Marek Wronski	17 Feb 2011	400,000	C\$0.48	0.01%
	15 Sep 2011	41,340	C\$0.48	
Melanie Chisolm	17 Feb 2011	300,000	C\$0.48	0.01%
	15 Sept 2011	29,560	C\$0.48	



<u>Name of grantee</u>	<u>Date of grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Cody Wanner	17 Feb 2011	400,000	C\$0.48	0.02%
	15 Sept 2011	89,820	C\$0.48	
Michele Langer	17 Feb 2011	400,000	C\$0.48	0.02%
	15 Sept 2011	75,500	C\$0.48	
Stacey Lennie	1 Mar 2011	600,000	C\$0.48	0.02%
	15 Sept 2011	112,460	C\$0.48	
Roland Coutu	21 Mar 2011	600,000	C\$0.48	0.02%
	15 Sept 2011	99,820	C\$0.48	
Julie Csikos	1 Apr 2011	200,000	C\$0.48	0.01%
	15 Sept 2011	26,860	C\$0.48	
Janice Larsen	1 Apr 2011	300,000	C\$0.48	0.01%
	15 Sept 2011	48,200	C\$0.48	
Carly Zeleny	1 Apr 2011	150,000	C\$0.48	0.01%
	15 Sept 2011	13,260	C\$0.48	
Bryce Labrosse	25 Apr 2011	400,000	C\$0.48	0.02%
	15 Sept 2011	103,260	C\$0.48	
Robert Logan	26 Apr 2011	600,000	C\$0.48	0.02%
	15 Sept 2011	101,360	C\$0.48	
April Ai	9 May 2011	200,000	C\$0.48	0.01%
	15 Sept 2011	33,060	C\$0.48	
Michael Fleming	16 May 2011	400,000	C\$0.48	0.01%
Jesse Dunn	16 May 2011	200,000	C\$0.48	0.01%
	15 Sept 2011	34,720	C\$0.48	
Pingke Li	16 May 2011	1,000,000	C\$0.48	0.04%
	15 Sept 2011	211,980	C\$0.48	
Kevin Carriere	16 Jun 2011	200,000	C\$0.48	0.01%
	15 Sept 2011	44,940	C\$0.48	
Josh Gibb	1 Jul 2011	200,000	C\$0.48	0.01%
	15 Sept 2011	38,740	C\$0.48	
Charles Mackie	1 Jul 2011	150,000	C\$0.48	0.00%
Yibing Li	18 Jul 2011	300,000	C\$0.48	0.01%
Christine Profili	15 Aug 2011	600,000	C\$0.48	0.02%
Tawry Kazi-Tani	22 Aug 2011	466,660	C\$0.48	0.03%
Jeanette Neumann	22 Aug 2011	150,000	C\$0.48	0.00%
Lonnie Lischka	11 Oct 2011	700,000	C\$0.48	0.02%
Joanne Finnerty	1 Oct 2011	240,000	C\$0.48	0.01%
Ken Winsborrow	12 Dec 2011	300,000	C\$0.48	0.01%
Norma Kirkland	1 Dec 2011	150,000	C\$0.48	0.00%
Cameron Wuthrich	1 Dec 2011	200,000	C\$0.48	0.01%
Steven Cordick	3 Jan 2012	800,000	C\$0.48	0.03%
Shawn Cable	3 Jan 2012	250,000	C\$0.48	0.01%
Marshall Evetts	16 Jan 2012	180,000	C\$0.48	0.01%
John Zahary	20 Dec 2011	2,000,000	C\$0.48	0.07%
Bernice Bolin	1 Feb 2012	200,000	C\$0.48	0.01%
Corey O'How	10 Feb 2012	300,000	C\$0.48	0.01%
<b>TOTAL</b>		<b>50,833,820</b>		<b>1.67%</b>

*Note:*

- (1) This table assumes that 3,045,305,235 Shares are issued and outstanding as at completion of the Global Offering, that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full, that all of the Orient Shares are issued as at the Listing Date and excludes any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date.

Details of the unexercised options granted pursuant to the 2009 Share Option Plan to Directors, officers, consultants and other persons other than our employees are set out below:

<u>Name of grantee</u>	<u>Residential address</u>	<u>Position</u>	<u>Date of Grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise Price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Zhi Jun Qin	10417 Hamptons Blvd. NW Calgary AB T3A 6A3 Canada	Former director	2 Mar 2010	400,000	C\$0.28	0.01%
Raymond Shengti Fong	3915 16A Street SW Calgary AB T2T 4K9 Canada	Independent non-executive director	2 Mar 2010	400,000	C\$0.28	0.01%
Kevin Flaherty	1908 10A Street SW Calgary, AB T2T 3K1 Canada	Former director	2 Mar 2010	400,000	C\$0.28	0.01%
Michael John Hibberd	24226 Aspen Drive Calgary, AB T3R 1A4 Canada	Executive director	2 Mar 2010	2,400,000	C\$0.28	0.08%
Songning Shen	143 Hamptons Heath NW Calgary, AB T3A 5E7 Canada	Executive director	2 Mar 2010	2,400,000	C\$0.28	0.08%
Gregory George Turnbull	15 Garden Lane S.W., Calgary, AB T2S 3E2 Canada	Non-executive director	2 Mar 2010	400,000	C\$0.28	0.01%
Wazir Chand Seth	176 Blueridge Rise NW, Calgary, AB T3L 2N6, Canada	Independent non-executive director	2 Mar 2010	400,000	C\$0.28	0.01%
Gordon Sanders	Box 1999 Sundre AB T0M 1X0 Canada	Consultant	2 Mar 2010	510,000	C\$0.28	0.02%
Kwang Allen Yeung	1335 Highland Oaks Drive, Arcadia, California 91006 USA	Consultant	22 Oct 2009 22 Jan 2010 19 Mar 2010	1,285,700 1,714,300 1,000,000	C\$0.26 C\$0.26 C\$0.28	0.13%

<u>Name of grantee</u>	<u>Residential address</u>	<u>Position</u>	<u>Date of Grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise Price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Wai Kuen Elysia Tse	20 Newport Parkway, Apt. 2710 Jersey City, New Jersey 07310 USA	Consultant	22 Oct 2009 22 Jan 2010 19 Mar 2010	1,285,700 1,714,300 1,000,000	C\$0.26 C\$0.26 C\$0.28	0.13%
Don Robertson	150 Eagle Ridge Drive SW Calgary AB T2V 2V4 Canada	Consultant	2 Mar 2010	500,000	C\$0.28	0.02%
Hok Ming Tseung	16D Island Lodge No. 180 Java Road, North Point, Hong Kong, PRC	Non-executive director	2 Mar 2010	1,000,000	C\$0.28	0.03%
Dong Liu	Room 808 No. 20 Shouti Nan Road, Haidian District, Beijing, PRC	Consultant	14 May 2010	300,000	C\$0.28	0.01%
Tianhong Liang	Floor 4, T6 He-Ping E. Road Section 3, Taipei, Taiwan Province, PRC	Consultant	17 May 2010	300,000	C\$0.28	0.01%
Bin Yang	Room 602, Building No. 40 Lane 300, Huaguang Road, Minghang District, Shanghai, PRC	Consultant	17 May 2010	300,000	C\$0.28	0.01%
Yingxia Xie	Room 2802 Building 20, Lane 388, Furongjiang Road, Changning District, Shanghai PRC	Consultant	17 May 2010	50,000	C\$0.28	0.00%
Randy Block	35 Alexa Close, NW Calgary, AB, T3R 1B9 Canada	Consultant	31 May 2010	150,000	C\$0.28	0.00%

<u>Name of grantee</u>	<u>Residential address</u>	<u>Position</u>	<u>Date of Grant</u>	<u>Number of Shares underlying the unexercised options granted</u>	<u>Exercise Price</u>	<u>Percentage of issued Shares immediately after completion of the Global Offering<sup>(1)</sup></u>
Haotian Li	Flat C, 19/F, Block 2, Sherwood Court, 12 Kwai Sing Lane, Happy Valley, Hong Kong	Non-executive director	23 Mar 2011	1,000,000	C\$0.48	0.3%
John Lau	2A Henderson Road, Jardine's Lookout, Hong Kong	Adviser	9 Jun 2011	1,000,000	C\$0.48	0.3%
Robert John Herdman	45 Douglas Park Manor SE, Calgary, Alberta, T2Z 2L1, Canada	Independent non-executive director	15 Jul 2011	1,000,000	C\$0.48	0.3%
Gerald Franklin Stevenson	84 Kingsland Court SW, Calgary, Alberta, T2V 0S2, Canada	Independent non-executive director	15 Jul 2011	1,000,000	C\$0.48	0.3%
<b>TOTAL</b>				<b>21,910,000</b>		<b>0.72%</b>

*Note:*

- (1) This table assumes that 3,045,305,235 Shares are issued and outstanding as at completion of the Global Offering, that all of the Share options granted under our Pre-IPO Share Option Schemes have been exercised in full, that all of the Orient Shares are issued as at the Listing Date and excludes any Shares which may be issued (i) pursuant to the Over-Allotment Option; or (ii) pursuant to the conversion of any Class H Shares or Class G Shares as at the Listing Date.

If all the unexercised options granted pursuant to our Pre-IPO Share Option Schemes were exercised in full on the Listing Date, subject to the assumptions set out below, our shareholding structure prior to and immediately following the exercise of such options would be as follows:

Name of Shareholder	Immediately following the completion of the Global Offering and prior to the exercise in full of all the currently unexercised options granted pursuant to our Pre-IPO Share Option Schemes		Immediately following the completion of the Global Offering and the exercise in full of all the currently unexercised options granted pursuant to our Pre-IPO Share Option Schemes	
	Number of Shares <sup>(1)</sup>	%	Number of Shares	%
Orient International Resources Group Limited	280,233,035	9.86	280,233,035	9.20
Charter Globe Limited	206,611,560 <sup>(3)</sup>	7.27	206,611,560	6.79
China Life Insurance (Overseas) Company Limited	144,628,100	5.09	144,628,100	4.75
Cross-Strait Common Development Fund Co. Limited	82,644,640	2.91	82,644,640	2.71
Directors and Chief Executive	105,357,660	3.71	105,357,660	3.46
Other Shareholders <sup>(2)</sup>	1,098,146,940	38.66	1,098,146,940	36.06
Grantees of options granted pursuant to the Pre-IPO Share Option Schemes	—	—	204,383,800	6.71
Shareholders taking up new Shares pursuant to the Global Offering	923,299,500	32.50	923,299,500	30.32
<b>Total</b>	<b>2,840,921,435<sup>(3)</sup></b>	<b>100.00</b>	<b>3,045,305,235</b>	<b>100.00</b>

*Notes:*

- (1) This table assumes that all Class B Shares will be exchanged for Shares on a one-for-one basis on or immediately prior to Listing. This table does not include any Class G Shares or Class H Shares which, together, accounted for 4.34% of our issued share capital as at the Latest Practicable Date and will account for 2.95% of our issued share capital upon completion of the Global Offering. This table also assumes that the Orient Shares are issued to Orient Financial on the Listing Date and excludes any Shares which may be issued pursuant to the Over-Allotment Option. The table assumes that no Shareholders of the Company as at the Latest Practicable Date will acquire Shares pursuant to the Global Offering. The table illustrates the dilutive effect of the unexercised Share options of our Company on our Shares immediately following completion of the Global Offering and, as such, the table does not allocate any unexercised Share options to specific Shareholders featured on the table or changes their aggregate holdings of issued shares in the Company.
- (2) The Other Shareholders comprise our Senior Management (excluding our Chief Executive), our Employees, Consultants, Canadian Company Secretary, Corporate Investors and Individual Investors, as described on page 100 of the Prospectus.
- (3) For illustrative purposes, this calculation includes the Shares and the Class B Shares held by Charter Globe Limited, which will be exchanged for Shares on or immediately prior to Listing.

In addition to a dilutive effect on the shareholding interest of our Shareholders (as illustrated by the table above), there would be an anti-dilutive effect on the pro forma estimated loss per Share for the year ended 31 December 2011 considering our Group was in a loss position. The number of Shares used in these calculations assumes that the Orient Shares are issued to Orient Financial on the Listing Date but excludes any Shares which may be issued pursuant to the exercise of the Over-Allotment Option. However, as each of the options granted pursuant to the Pre-IPO Share Option Schemes is exercisable in tranches on either the date of grant and the first and second anniversaries thereof, or on the first, second and third anniversaries of the date of grant, such dilutive effect will be staggered over several years.

No further options will be granted under the Pre-IPO Share Option Schemes after the Latest Practicable Date and the grantees will not exercise any options if as a result of such exercise we will not be able to comply with the public float requirements of the Listing Rules.

Details of the Pre-IPO Share Option Schemes, including particulars and movements of the options granted during each of our financial years, and our employee costs arising from the grant of the options will be disclosed in our annual report.

## **E. POST-IPO SHARE OPTION SCHEME**

The following is a summary of the principal terms of our Post-IPO Share Option Scheme conditionally approved and adopted by our Shareholders on 26 January 2012, the implementation of which is conditional on Listing. The terms of our Post-IPO Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

### **Purpose of our Post-IPO Share Option Scheme**

The purpose of our Post-IPO Share Option Scheme is to attract skilled and experienced personnel, to incentivise them to remain with our Group and to motivate them to strive for the future development and expansion of our Group by providing them with the opportunity to acquire equity interests in our Company.

### **Participants of our Post-IPO Share Option Scheme and Basis For Determining the Eligibility of the Participants**

Our Board may, at its discretion, grant options pursuant to our Post-IPO Share Option Scheme to the Directors (including executive Directors, non-executive Directors and independent non-executive Directors), the directors of our Subsidiary, the officers and employees of our Group and any other persons (including consultants and advisers) who our Board considers, in its absolute discretion, have contributed or will contribute to our Group (the “**Participants**”).

### **Status of Our Post-IPO Share Option Scheme**

#### **(a) Conditions of our Post-IPO Share Option Scheme**

Our Post-IPO Share Option Scheme shall take effect subject to (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options to subscribe for Shares granted pursuant to our Post-IPO Share Option Scheme and (ii) the commencement of trading of our Shares on the Main Board of the Stock Exchange (the “**Conditions**”).

#### **(b) Term of our Post-IPO Share Option Scheme**

Subject to the Conditions being satisfied, our Post-IPO Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of its conditional adoption by our Shareholders (the “**Term**”), after which period no further options shall be offered or granted but the provisions of our Post-IPO Share Option Scheme shall remain in full force and effect in all other respects. Options granted during the Term shall continue to be valid in accordance with their terms of grant after the end of the Term.

**Grant of Options****(a) Making an offer**

An offer of the grant of an option shall be made to a Participant by a notice of grant requiring the Participant to undertake to hold the option on the terms on which it is to be granted (which may include a minimum period for which the option must be held before it can be exercised and a performance target that must be reached before the option can be exercised in whole or in part) and to be bound by the terms of our Post-IPO Share Option Scheme.

**(b) Acceptance of an offer**

An offer of the grant of an option is accepted by the Participant (the “**Grantee**”) when we receive from the Grantee the duplicate notice of grant duly executed by the Grantee and a remittance of the sum of HK\$1.00 (or such other amount in any other currency as our Board determines) as consideration for the grant of an option. Such remittance is not refundable in any circumstances. An offer may be accepted in full or in part provided that if it is accepted in part, the acceptance must be in respect of a board lot of Shares or an integral multiple thereof.

The offer shall remain open for acceptance for such time to be determined by our Board, provided that no such offer shall be open for acceptance after the expiry of the Term or after the termination of our Post-IPO Share Option Scheme in accordance with its terms or after the Participant to whom the offer is made has ceased to be a Participant. To the extent that the offer is not accepted within the time period and in the manner specified in the offer, the offer will be deemed to have been irrevocably declined and will lapse.

**(c) Restrictions on time of grant**

A grant of an option may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until we have published such price sensitive information in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- (i) the date of the meeting of our Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for us to publish an announcement of our results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, no option may be granted; and where a grant of an option is to a Director, no option may be granted on any day on which our financial results are published and during the period of:

- (iii) 60 days immediately preceding the publication date of our annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of our results; and

- (iv) 30 days immediately preceding the publication date of our quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of our results.

**(d) Grant to connected persons**

Any grant of an option to any Director, chief executive or substantial Shareholder of our Company, or any of their respective associates, shall be subject to the prior approval of our independent non-executive Directors (excluding the independent non-executive Director who is the proposed Grantee of the option in question).

**(e) Grant to substantial Shareholders and independent non-executive Directors**

Where any grant of options to a substantial Shareholder or an independent non-executive Director of our Company, or any of their respective associates, would result in the Shares issued and to be issued upon the exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person pursuant to our Post-IPO Share Option Scheme and any of our other share option schemes in the 12 month period up to and including the offer date:

- (i) representing in aggregate over 0.1% of our Shares issued and outstanding on the offer date; and
- (ii) having an aggregate value, based on the closing price of our Shares as stated in the daily quotations sheets issued by the Stock Exchange on the offer date, in excess of HK\$5 million,

such further grant of options shall be subject to prior approval by our Shareholders in general meeting and all connected persons of our Company shall abstain from voting in favour of the resolution relating to the grant of such options at such general meeting.

Any change in the terms of an option granted to any Director, chief executive or substantial Shareholder of our Company, or any of their respective associates, shall also be subject to the prior approval of our Shareholders in general meeting and all connected persons of our Company shall abstain from voting in favour of the resolution.

**Exercise Price**

The price per Share at which a Grantee may subscribe for Shares upon the exercise of an option (the “**Exercise Price**”) shall be determined by our Board in its absolute discretion but in any event shall not be less than the higher of:

- (a) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the offer date, which must be a Business Day; and
- (b) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Business Days immediately preceding the offer date,

provided that for the purpose of determining the Exercise Price where the Shares have been listed on the Stock Exchange for less than five Business Days, the Offer Price shall be used as the closing price of the Shares for any Business Day falling within the period before the Listing.



**Maximum Number of Shares Available for Subscription****(a) Scheme Mandate Limit**

At any time during the Term, the maximum aggregate number of Shares in respect of which options may be granted pursuant to our Post-IPO Share Option Scheme shall be calculated in accordance with the following formula:

$$X = A - B - C$$

where:

- X = the maximum aggregate number of Shares in respect of which options may be granted pursuant to our Post-IPO Share Option Scheme;
- A = the total number of Shares in respect of which options may be granted pursuant to our Post-IPO Share Option Scheme and any other share option schemes of our Company, being (i) 284,092,143 Shares representing approximately 10% of our Shares issued and outstanding at the date of completion of the Global Offering (excluding any Shares which may be issued pursuant to the exercise of the Over-Allotment Option) or (ii) 10% of our Shares issued and outstanding as at the New Approval Date (as defined below) (as the case may be) (the “**Scheme Mandate Limit**”);
- B = the maximum aggregate number of Shares underlying the options already granted pursuant to our Post-IPO Share Option Scheme which in the event that there has been a New Approval Date (as defined in paragraph (b) below), shall only include those Shares underlying options that have been granted since that most recent New Approval Date; and
- C = the maximum aggregate number of Shares underlying the options already granted pursuant to any of our other share option schemes.

Shares in respect of options which have lapsed in accordance with the terms of our Post-IPO Share Option Scheme and any of our other share option schemes will not be counted for the purpose of determining the maximum aggregate number of Shares in respect of which options may be granted pursuant to our Post-IPO Share Option Scheme.

**(b) Renewal of Scheme Mandate Limit**

The Scheme Mandate Limit may be renewed subject to prior Shareholders’ approval, but in any event, the total number of Shares in respect of which options may be granted pursuant to our Post-IPO Share Option Scheme and any of our other share option schemes following the date of approval of the renewed limit (the “**New Approval Date**”) under the limit as renewed must not exceed 10% of our Shares issued and outstanding as at the New Approval Date. Shares in respect of options granted pursuant to our Post-IPO Share Option Scheme and any of our other share option schemes (including those outstanding, cancelled, lapsed in accordance with our Post-IPO Share Option Scheme or any of our other share option schemes or exercised options) prior to the New Approval Date will not be counted for the purpose of determining the maximum aggregate number of Shares in respect of which options may be granted following the New Approval Date under the limit as renewed. For the avoidance of doubt, Shares issued prior to the New Approval Date pursuant to the exercise of options

granted pursuant to our Post-IPO Share Option Scheme and any of our other share option schemes will be counted for the purpose of determining the number of Shares issued and outstanding as at the New Approval Date.

**(c) Grant of options beyond the Scheme Mandate Limit**

Notwithstanding the foregoing, we may grant options beyond the Scheme Mandate Limit to Participants if:

- (i) separate Shareholders' approval has been obtained for granting options beyond the Scheme Mandate Limit to Participants specifically identified by us before such Shareholders' approval is sought; and
- (ii) in connection with the seeking of such separate Shareholders' approval, we have first sent a circular to Shareholders containing such information as may be required by the Listing Rules.

**(d) Maximum number of Shares issued pursuant to the exercise of options**

At any time, the maximum number of Shares which may be issued upon the exercise of all outstanding options which have been granted and have yet to be exercised pursuant to our Post-IPO Share Option Scheme and any of our other share option schemes shall not exceed 30% of the Shares in issue from time to time.

**(e) Grantee's maximum holding**

Subject to the paragraph below, the maximum number of Shares issued and to be issued upon the exercise of the options granted to each Participant pursuant to our Post-IPO Share Option Scheme (including both exercised and outstanding options) in any 12-month period shall not (when aggregated with any Shares underlying the options granted during such period pursuant to any of our other share option schemes other than those options granted pursuant to a specific approval by our Shareholders in a general meeting) exceed 1% of our Shares issued and outstanding for the time being.

Where any further grant of options to a Participant would result in the Shares issued and to be issued upon the exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant (when aggregated with any Shares pursuant to options granted during such period pursuant to any of our other share option schemes other than those options granted pursuant to a specific approval by our Shareholders in a general meeting) representing in aggregate over 1% of our Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Participant and his associates abstaining from voting. We must send a circular to our Shareholders disclosing the identity of the Participant in question, the number and terms of the options to be granted (and options previously granted to such Participant) and such other information required under the Listing Rules.

**Rights Attached to the Options**

The options do not carry any right to vote at our general meetings, or any dividend, transfer or other rights (including those arising on the winding up of our Company).

No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an option pursuant to our Post-IPO Share Option Scheme, unless and until the Shares underlying the option are actually issued to the Grantee pursuant to the exercise of such option.

### **Rights Attached to the Shares**

No dividends or distributions shall be payable in respect of any Shares underlying an option which has not been exercised.

Subject to the foregoing, the Shares which are allotted and issued upon the exercise of an option shall be subject to all the provisions of our Articles and By-laws for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a winding-up of our Company) as, the existing fully paid Shares issued and outstanding on the date on which those Shares are allotted and issued upon the exercise of the option and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which the Shares are allotted and issued, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued.

### **Assignment of Options**

An option shall be personal to the Grantee and shall not be assignable or transferable by the Grantee and the Grantee shall not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any option.

### **Exercise of Options**

#### **(a) General**

The period during which an option may be exercised by a Grantee (the “**Option Period**”) shall be the period to be determined and notified by our Board to the Grantee at the time of making an offer, which shall not expire later than 10 years from the offer date.

Subject to any restrictions applicable under the Listing Rules, an option may be exercised in whole or in part (but if in part only, in respect of a board lot of Shares or any integral multiple thereof) by the Grantee at any time during the Option Period in accordance with the terms of our Post-IPO Share Option Scheme and the terms on which the option was granted. If the vesting of Shares underlying an option is subject to the satisfaction of performance or other conditions and such conditions are not satisfied, the option shall lapse automatically on the date on which such conditions are not satisfied in respect of the relevant Shares underlying the option.

#### **(b) Rights on a takeover**

In the event a general offer by way of takeover or otherwise (other than by way of scheme of arrangement pursuant to (c) below) is made to all our Shareholders (or all such Shareholders other than

the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) by any person and such offer becomes or is declared unconditional prior to the expiry of the Option Period of the relevant option, we shall, as soon as practicable, give notice to each Grantee of such offer. Notwithstanding any other terms on which the option was granted, the Grantee shall be entitled to exercise the option (to the extent not already exercised) to its full extent or, if we give the relevant notification, to the extent notified by us, by the Grantee giving us notice at any time thereafter and up to the close of such offer (or, as the case may be, revised offer). Subject to the foregoing, the option (to the extent not already exercised) will lapse automatically on the date on which such offer (or, as the case may be, revised offer) closes.

**(c) Rights on a scheme of arrangement**

In the event a general offer for Shares by way of plan or scheme of arrangement is made by any person to all our Shareholders and has been approved by the necessary number of Shareholders at the requisite meetings prior to the expiry of the Option Period of the relevant option, we shall, as soon as practicable, give notice to each Grantee of such approval. Notwithstanding any other terms on which the option was granted, each Grantee shall be entitled to exercise the option (to the extent not already exercised) to its full extent or, if we give the relevant notification, to the extent notified by us, by the Grantee giving us notice at any time thereafter and up to the record date for determining entitlements under such scheme of arrangement. Subject to the foregoing and to the scheme of arrangement becoming effective, the option (to the extent not already exercised) will lapse automatically on the record date for determining entitlements under such scheme of arrangement.

**(d) Rights on a compromise or arrangement**

If, pursuant to the ABCA, a compromise or arrangement (other than a scheme of arrangement contemplated in paragraph (c) above) between us and our Shareholders and/or our creditors is proposed for the purposes of or in connection with a scheme for the reconstruction or re-organisation of our Company or the amalgamation of our Company with any other company or companies prior to the expiry date of the Option Period of the relevant option, we shall give notice thereof to all the Grantees on the same day as we dispatch to our Shareholders and/or our creditors a notice summoning the meeting to consider such a compromise or arrangement and, notwithstanding any other terms on which the option was granted, each Grantee shall be entitled to exercise the option (to the extent not already exercised) to its full extent or, if we give the relevant notification, to the extent notified by us, by the Grantee giving us notice, such notice to be given not later than three Business Days prior to the date of the proposed meeting. We shall as soon as possible and in any event no later than one Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise of the option, credited as fully paid and shall issue to the Grantee (or his custodian agent) share certificates in respect of the Shares so allotted. With effect from the date two Business Days before the date of such meeting, the rights of all Grantees to exercise their respective options shall forthwith be suspended. Our Board shall endeavour to procure that the Shares issued upon the exercise of the options in such circumstances shall for the purposes of such compromise or arrangement form part of our issued share capital on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If, for any reason, such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court), the rights of the Grantees to exercise their respective options shall, with effect from the date of the making of the order

by the relevant court and to the extent they had not been exercised at the date such rights were suspended, be restored in full as if we had not proposed such compromise or arrangement and neither we nor the Directors shall be liable for any loss or damage suffered or sustained by any Grantee as a result of the aforesaid suspension of rights.

**(e) Rights on a voluntary winding-up**

In the event we give notice to our Shareholders to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up our Company prior to the expiry date of the Option Period of the relevant option, we shall give notice thereof to all the Grantees on the same day as we dispatch to our Shareholders the notice convening the meeting and, notwithstanding any other terms on which the option was granted, each Grantee shall be entitled to exercise the option (to the extent not already exercised) to its full extent or, if we give the relevant notification, to the extent notified by us, by the Grantee giving us notice, such notice to be given not later than three Business Days prior to the date of the proposed meeting. We shall as soon as possible and in any event no later than one Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise of the option, credited as fully paid and shall issue to the Grantee (or his custodian agent) share certificates in respect of the Shares so allotted. With effect from the date two Business Days prior to the date of such meeting, the rights of all Grantees to exercise their respective options shall forthwith be suspended. If, for any reason, the resolution for the voluntary winding-up of our Company is not approved by our Shareholders, the rights of the Grantees to exercise their respective options shall be restored in full, to the extent that they had not been exercised at the date such rights were suspended, as if we had not proposed such resolution for the voluntary winding-up of our Company and neither we nor the Directors shall be liable for any loss or damage suffered or sustained by any Grantee as a result of the aforesaid suspension of rights.

Upon the occurrence of any of the events referred to in paragraphs (b) to (e) above, we may in our discretion and notwithstanding the terms of the relevant option also give notice to a Grantee that his option may be exercised at any time within such period as we shall notify (which period shall not expire after the expiry of the periods for exercising the options referred to in paragraphs (b) to (e) above) and/or to the extent (not being more than the extent to which it could then be exercised in accordance with its terms) notified by us. If we give such notice that any option may be exercised in part only, the balance of the option shall lapse.

**Lapse of Options**

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the Option Period (subject to the provisions of our Post-IPO Share Option Scheme);
- (b) the date of termination of the Grantee's employment or service by us or our subsidiary for Cause (as defined below);
- (c) the date on which the Grantee: (i) becomes an officer, director, employee, consultant, adviser, partner of, or a shareholder or other proprietor owning more than a 5% interest

- in, any Competitor (as defined below); or (ii) knowingly performs any act that may confer any competitive benefit or advantage upon any Competitor;
- (d) the expiry of the period for exercising the option referred to above in the event of a takeover or scheme of arrangement;
  - (e) the date on which the compromise or arrangement becomes effective;
  - (f) the date of the commencement of the winding-up of our Company;
  - (g) in the event of the Grantee's employment or service terminating other than for Cause, the expiry of the period for exercising the option referred to below;
  - (h) the date on which the Grantee (whether intentionally or otherwise) commits a breach of the prohibition on assignment of options above;
  - (i) the date on which the Grantee is declared bankrupt or enters into any arrangement or composition with his creditors generally; and
  - (j) (in respect of such Shares which are subject to vesting condition(s)) the date on which the condition(s) to vesting of the relevant Shares underlying the option are not satisfied.

Our Board shall have the right to determine whether the Grantee's employment or service has been terminated for Cause, the effective date of such termination for Cause and whether someone is a Competitor, and such determination by our Board shall be final and conclusive.

If the Grantee's employment or service with us or our Subsidiary is terminated for any reason other than for Cause (including by reason of resignation, retirement, death, Disability or non-renewal of the employment, service or other agreement upon its expiration for any reason other than for Cause) prior to the expiry of the Option Period of any option, then notwithstanding any other terms on which the option was granted, our Board shall determine at its absolute discretion and shall notify the Grantee whether the Grantee shall be entitled, following such termination of employment or service, to exercise the option (to the extent not already exercised) in respect of vested and unvested Shares as at the date the Grantee's employment or service is terminated and the period during which such option may be exercised. If our Board determines that such option may not be exercised following such termination of employment or service, such option shall automatically lapse with effect from the date on which the Grantee's employment or service is terminated.

For the purpose of our Post-IPO Share Option Scheme:

- (A) "**Cause**" means, with respect to a Grantee and subject to applicable laws, such event which will entitle our Company and/or our Subsidiary to terminate the employment or services of the Grantee with immediate notice without compensation under the relevant agreement or, if it is not otherwise provided for in the relevant agreement, (I) the commission of an act of theft, embezzlement, fraud, dishonesty, ethical breach or other similar acts or commission of a criminal offence, (II) a material breach of any agreement or understanding between the Grantee and our Company and/or our subsidiary, including any applicable invention assignment, employment,

non-competition, confidentiality or other agreement, (III) misrepresentation or omission of any material fact in connection with his employment or services, (IV) a material failure to perform the customary duties of our employee and/or an employee of our subsidiary, to obey the reasonable directions of a supervisor or to abide by the policies or codes of conduct of the Group or (V) any conduct that is materially adverse to the name, reputation or interests of the Group;

- (B) “**Competitor**” means any corporation, partnership, joint venture, trust, individual proprietorship, firm, governmental unit or other enterprise (including any of their respective affiliates) that carries on activities for profit or is engaged in or is about to become engaged in any activity of any nature that competes (directly or indirectly) with a product, process, technique, procedure, device or service of our Company or our subsidiary; and
- (C) “**Disability**” means a disability, whether temporary or permanent, partial or total as determined by our Board in its absolute discretion.

### **Cancellation of Options**

Our Board may at any time with the consent of and on such terms as may be agreed with the relevant Grantee cancel options previously granted to but not yet exercised by a Grantee. Where we cancel options and offer new options to the same Grantee, the offer of such new options may only be made with available options to the extent not yet granted (excluding the cancelled options) within the limits prescribed on pages VI-56 to VI-57 above.

### **Reorganisation of Capital Structure**

#### **(a) Adjustments**

In the event of an alteration in our capital structure by way of a capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares or reduction of our share capital in accordance with applicable laws and the Listing Rules (other than any alteration in our capital structure as a result of an issue of Shares as consideration in a transaction to which we or our subsidiary is a party or in connection with any of our share option, restricted share or other equity incentive schemes) whilst any option remains unvested or has vested but not yet been exercised and/or satisfied, such corresponding adjustments (if any) shall be made to:

- (i) the Scheme Mandate Limit;
- (ii) the number of Shares underlying the option so far as unvested, unexercised or exercised but not yet satisfied; and/or
- (iii) the Exercise Price,

or any combination thereof, provided that:

- (iv) any such adjustments give a Grantee the same proportion of our share capital as that to which that Grantee was previously entitled; and

- (v) notwithstanding paragraph (iv), any adjustments as a result of an issue of securities with a price-dilutive element, such as a rights issue, open offer or capitalisation issue, should be based on a scrip factor similar to the one used in accounting standards in adjusting the earnings per share figures.

In respect of any such adjustments, our auditors or our independent financial adviser (as the case may be) must confirm to our Board in writing that the adjustments are in their opinion fair and reasonable.

#### **(b) Auditors or independent financial adviser certification**

We shall engage our auditors or our independent financial adviser to certify in writing, either generally or as regards any particular Grantee, that the adjustments we made satisfy the requirements set out in paragraphs (iv) and (v) above.

#### **Alteration of our Post-IPO Share Option Scheme**

Save as provided in our Post-IPO Share Option Scheme, our Board may alter any of the terms of our Post-IPO Share Option Scheme at any time. Those specific provisions of our Post-IPO Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of Participants and changes to the authority of our Board in relation to any alteration of the terms of our Post-IPO Share Option Scheme shall not be made, in either case, without the prior approval of Shareholders in general meeting.

Any alterations to the terms and conditions of our Post-IPO Share Option Scheme which are of a material nature or any changes to the terms of the options granted must be approved by our Shareholders in general meeting, except where the alterations or changes take effect automatically under the existing terms of our Post-IPO Share Option Scheme. The Board's determination as to whether any proposed alteration to the terms and conditions of our Post-IPO Share Option Scheme is material shall be conclusive. Our Post-IPO Share Option Scheme so altered must comply with Chapter 17 of the Listing Rules.

#### **Termination of our Post-IPO Share Option Scheme**

We may by ordinary resolution in general meeting or our Board may at any time terminate our Post-IPO Share Option Scheme and in such event, no further options may be offered or granted but in all other respects the terms of our Post-IPO Share Option Scheme shall remain in full force and effect in respect of options which are granted during the life of our Post-IPO Share Option Scheme and which remain unvested or which have vested but not yet been exercised immediately prior to the termination of the operation of our Post-IPO Share Option Scheme.

#### **Administration of our Post-IPO Share Option Scheme**

Our Post-IPO Share Option Scheme shall be subject to the administration of our Board whose decision as to all matters arising in relation to our Post-IPO Share Option Scheme or its interpretation or effect shall (save as otherwise provided in our Post-IPO Share Option Scheme) be final and binding on all parties.



## General

An application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares which may be issued pursuant to the exercise of the options which may be granted pursuant to our Post-IPO Share Option Scheme.

As at the Latest Practicable Date, we had not granted or agreed to grant any option pursuant to our Post-IPO Share Option Scheme.

Details of our Post-IPO Share Option Scheme, including particulars and movements of the options granted during each of our financial years, and our employee costs arising from the grant of the options will be disclosed in our annual report.

## F. CLASS B SHARES, CLASS G SHARES AND CLASS H SHARES

### Class B Shares

Our Class B Shares are Common Shares in the share capital of our Company and have the same terms as, and rank equally with, all of the Shares and Class B Shares currently in issue or to be issued. On 1 February 2011 the Class B Shares were issued to China Life at an issue price of C\$9.68 per share as part of a strategic investment into our Company.

As at the Latest Practicable Date there were 144,628,100 Class B Shares issued and outstanding, equal to 7.60% of our Common Shares issued and outstanding (which would be equal to approximately 5.09% of our issued Shares as at the date of completion of the Global Offering assuming the issue of the Orient Shares and excluding any Excluded Shares). The Class B Shares will be exchanged for Shares on a one-for-one basis on or immediately prior to Listing.

### Class G Shares and Class H Shares

#### Overview

The Class G Shares and Class H Shares were issued between August 2010 and February 2012 to our directors, officers, employees, consultants and advisers in connection with the performance of their services to the Group as an incentive to them to remain in our employment. As a result, they amount to, and we have accounted for them as a form of compensation scheme for the holders thereof, as opposed to investments.

We issued the Class G Shares to our directors, officers, employees, consultants and advisers in August, September, October, November, December 2010 and February, April, May, June, July, August, October, November, December 2011 and February 2012 at an effective price of C\$0.01 per Share.

The authorised share capital of the Class G Shares is unlimited, however the Board, in accordance with the terms of the Class G Shares, set out in the Articles, has set a limit of 64,140,000

Class G Shares for issuance. As at the Latest Practicable Date, 64,140,000 Class G Shares were issued and outstanding, which were equal to 3.22% of our issued share capital as at the Latest Practicable Date (which would be equal to approximately 2.19% of our issued share capital at the date of completion of the Global Offering (assuming the issue of the Orient Shares and excluding any Excluded Shares).

We issued the Class H Shares to Hok Ming Tseung, Bin Yang, Tianhong Liang, Dong Liu, Hong Pu, Huixing Shan and Yingxia Xie, being seven consultants and advisers to our Company, in August 2010 and March 2011 as compensation for the solicitation of certain private placements of securities in our Company for at an effective price of C\$0.01 per Share.

The authorised share capital of the Class H Shares is unlimited, however the Board, in accordance with the terms of the Class G Shares, set out in the Articles, has set a limit of 22,200,000 Class H Shares for issuance. As at the Latest Practicable Date, 22,200,000 Class H Shares were issued and outstanding, which were equal to 1.12% of our issued share capital as at the Latest Practicable Date (which would be equal to approximately 0.76% of our issued share capital at the date of completion of the Global Offering (assuming the issue of the Orient Shares and excluding any Excluded Shares). The principal terms of the Class G Shares and Class H Shares are set out below.

We will not issue any further Class G Shares or Class H Shares following the Listing Date.

### **Terms of the Class G Shares**

The Class G Shares have the following principal terms under the Articles and under the subscription agreements entered into between our Company and each Class G Shareholder. We have noted below where the term is included in the Articles or the subscription agreements:

***Ranking of Class G Shares:*** Class G Shares are preferred shares and take priority with regards to dividends, return of capital and the distribution of assets on dissolution of our Company.

***Vesting period:***

The Class G Shares are convertible at the option of the holder at any time prior the expiry date for the number of Shares such holder is then entitled to pursuant to the vesting schedule set out below. The Expiry Date means the earlier of:

- (a) the date that is 24 months after the date that we complete an initial public offering and listing on the Stock Exchange, or such other going public transaction or listing as the Board may determine in its sole discretion;
- (b) the date upon which a change of control occurs; or
- (c) 31 December 2013 in the event an initial public offering as described in paragraph (a) above does not occur by the end of 2011.

- Redemption:*** The Class G Shares may be redeemed by us at any time (for the number of shares that the holder is entitled to on the date of redemption in accordance with the vesting schedule set out below).
- Retraction:*** The Class G Shares are retractable by the holder commencing on the date that is 21 months after the initial public offering of our Shares for the number of Shares the holder is entitled to on the date of retraction as set out in the vesting schedule below.
- Preferential rights:*** The holders of Class G Shares (and Class H Shares) are entitled to an annual non-cumulative cash dividend equal to the dividend declared by the Board in that year, if any, on the Shares based on the number Shares the Class G Shares are convertible into pursuant to the vesting schedule set out below on the record date for such dividend. No dividend shall be declared and paid on or set apart for payment on the Shares or any other shares that rank junior to the Class G Shares (and the Class H Shares) in any fiscal year unless the dividends on all the Class G Shares (and the Class H Shares) which are issued and outstanding at that time have been declared and paid for that fiscal year or set apart for payment, except with the consent in writing of all the holders of the Class G Shares (and the Class H Shares).
- Expiry:*** The Class G Shares expire on the earlier of:
- (a) the date that is 24 months after the date that we complete an initial public offering and listing on the Stock Exchange, or such other going public transaction or listing as the Board may determine in its sole discretion;
  - (b) the date upon which a change of control occurs; or
  - (c) 31 December 2013 in the event an initial public offering as described in paragraph (a) above does not occur by the end of 2011.
- Termination of services:*** In the event that a holder of Class G Shares ceases to be a director, officer, employee, consultant or adviser of our Company, the Class G Shares held by such holder shall terminate on the date that is 30 days after such holder ceases to retain such role and shall only be convertible, redeemable or retractable for the number of Shares the holder is then entitled to on that date as set out in the vesting schedule below. The Board has sole discretion to determine and/or extend a holder's status as a director, officer, employee, consultant or adviser of our Company beyond the date such holder ceases to be a director, officer, employee, consultant or adviser. A holder's employment, consulting or services contract with our Company shall not affect, in any manner whatsoever,

such holder's entitlement to Shares upon the conversion, redemption or retraction of the holder's Class G Shares.

***Additional features:*** The Class G Shares are voting shares and are non-transferable. The voting rights of Class G Shares will be removed immediately prior to the date of completion of the Global Offering.

### **Terms of the Class H Shares**

The Class H Shares have the following principal terms under the Articles and under the subscription agreements entered into between our Company and Class H Shareholder. We have noted below where the term is included in the Articles or the subscription agreements:

***Ranking of Class H Shares:*** Class H Shares are preferred shares and take priority with regards to dividends, return of capital and the distribution of assets on dissolution of our Company.

***Vesting period:*** The Class H Shares are convertible at the option of the holder at any time prior to the expiry date for the number of Shares such holder is then entitled to pursuant to the vesting schedule set out below. The Class H Shares shall automatically convert on the expiry date for the number of Shares the holder is entitled to as set out in the vesting schedule set out below. The Expiry Date means the earlier of:

- (a) the date that is 24 months after the date that we complete an initial public offering and listing on the Stock Exchange, or such other going public transaction or listing as the Board may determine in its sole discretion;
- (b) the date upon which a change of control occurs; or
- (c) 31 December 2013 in the event an initial public offering as described in paragraph (a) above does not occur by the end of 2011.

***Redemption:*** The Class H Shares may be redeemed by our Company for C\$0.01 each on or after the date that is 21 months after the date of an initial public offering of our Shares upon 30 days' notice to the holder. During the 30 day notice period, the holder may elect to have the holder's Class H Shares retracted in accordance with the holder's retraction rights.

***Retraction:*** The Class H Shares are retractable by the holder commencing on the date that is 21 months after the initial public offering of our Shares for the number of Shares the holder is entitled to on the date of retraction as set out in the vesting schedule below.

***Preferential rights:*** The holders of Class H Shares (and Class G Shares) are entitled to an annual non-cumulative cash dividend equal to the dividend declared by the Board in that year, if any, on our Shares based on the number of Shares the Class H Shares are convertible into pursuant to the vesting schedule set out below on the record date for such dividend. No dividend shall be declared and paid on or set apart for payment on our Shares or any other shares that rank junior to the Class H Shares (and the Class G Shares) in any fiscal year unless the dividends on all the Class H Shares (and the Class G Shares) which are issued and outstanding at that time have been declared and paid for that fiscal year or set apart for payment, except with the consent in writing of all the holders of the Class H Shares (and the Class G Shares).

***Expiry:*** The Class H Shares expire on the earlier of:

- (a) the date that is 24 months after the date that we complete an initial public offering and listing on the Stock Exchange, or such other going public transaction or listing as the Board may determine in its sole discretion;
- (b) the date upon which a change of control occurs; or
- (c) 31 December 2013 in the event an initial public offering as described in paragraph (a) above does not occur by the end of 2011.

On their expiry, all certificates representing the issued and outstanding Class G and Class H Preferred Shares will be marked “Cancelled” and the share registers for the Class G and Class H Preferred Shares will be updated accordingly.

***Termination of services:*** In the event that a holder of Class H Shares ceases to be a director, officer, employee, consultant or adviser of our Company, the Class H Shares held by such holder shall terminate on the date that is 30 days after such holder ceases to retain such role and shall only be convertible, redeemable or retractable for the number of Shares the holder is then entitled to on that date as set out in the vesting schedule below. The Board has sole discretion to determine and/or extend a holder’s status as a director, officer, employee, consultant or adviser of our Company beyond the date such holder ceases to be a director, officer, employee, consultant or adviser. A holder’s employment, consulting or services contract with our Company shall not affect, in any manner whatsoever, such holder’s entitlement to Shares upon the conversion, redemption or retraction of the holder’s Class H Shares.

***Additional features:*** The Class H Shares are non-voting shares and are non-transferable.

**Vesting Schedule for the Class G Shares and Class H Shares**

<u>Time Period</u>	<u>Conversion Schedule %</u>	<u>Class G Shares and Class H Shares Outstanding</u>		<u>Shares Issuable on Conversion</u>
Date of issuance to Listing Date less a day . . . . .	0%	86,340,000		—
Listing Date to 6 months after Listing Date less a day . . . . .	30%	86,340,000		25,902,000
6 months after Listing Date to 12 months after Listing Date less a day . . .	46%	86,340,000		39,716,400
12 months after Listing Date to 18 months after Listing Date less a day . .	62%	86,340,000		53,530,800
18 months after Listing Date to 21 months after Listing Date less a day . .	78%	86,340,000		67,345,200
21 months after Listing Date to 24 months after Listing Date . . . . .	100%	86,340,000		86,340,000
Expiry date . . . . .	100%	86,340,000		86,340,000

**G. OTHER INFORMATION****1. Estate Duty**

Estate duty has been abolished in Hong Kong by The Revenue (Abolition of Estate Duty) Ordinance which came into effect on 11 February 2006. Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or our Subsidiary.

**2. Expenses**

Our estimated aggregated expenses in respect of the Global Offering are approximately C\$40,000,000 (approximately HK\$299,600,000) and are payable by us.

### 3. Qualifications of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies Ordinance) who have given their opinions or advice in this Prospectus are as follows:

<u>Name</u>	<u>Qualifications</u>
Morgan Stanley Asia Limited	a licensed corporation to conduct type 1 (dealing in securities), type 4 (advising on securities) type 5 (advising on future contracts), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO
BOCI Asia Limited	a licensed corporation to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Deutsche Bank AG, Hong Kong Branch	a registered institution with respect to type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
Deloitte Touche Tohmatsu	Certified public accountants
McCarthy Tétrault LLP	Canadian solicitors and barristers
DeGolyer and MacNaughton Canada Limited	Competent Person
GLJ Petroleum Consultants Limited	Competent Person

Notwithstanding that Mr. Gregory George Turnbull, a non-executive director of our Company, is regional managing partner of the Calgary office of McCarthy Tétrault, the Joint Sponsors are satisfied that McCarthy Tétrault, as an expert, is independent from our Company and its Directors under the Listing Rules on the advice of the Joint Sponsors' Canadian legal advisers, Blake, Cassels & Graydon LLP that such practice is not uncommon in Canada and does not contravene any applicable laws or regulations in Canada or the legal professional code of conduct in Alberta. It is further confirmed by McCarthy Tétrault that Mr. Turnbull acts as our Company's non-executive director in his personal capacity, and is not advising our Company in connection with the Global Offering as a partner of McCarthy Tétrault.

### 4. Consents

Each of Morgan Stanley, BOCI, Deutsche Bank, Deloitte, McCarthy Tétrault, D&M and GLJ has given and has not withdrawn its respective written consents to the issue of this Prospectus with the inclusion of their reports and/or letters and/or valuation certificates and/or the references to their names included herein in the form and context in which they are respectively included.

Save as noted below or otherwise disclosed in the Prospectus, none of the experts named above has any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group:

- (a) Certain partners and associates of McCarthy Tétrault are Shareholders of our Company. The total shareholdings held by these partners and associates amounts to less than 2% of the fully diluted share capital of our Company as at the Latest Practicable Date;
- (b) BOCI, one of the Joint Sponsors, is an indirect wholly owned subsidiary of Bank of China. Bank of China Group Investment Limited, also an indirect wholly owned subsidiary of Bank of China, through its subsidiary, Charter Globe Limited, holds in aggregate 206,611,560 Shares, equal to 10.85% of our issued and outstanding Common Shares as at the Latest Practicable Date. We are currently in discussions with Bank of China in relation to a possible credit facility in the amount of US\$200 million pursuant to a non-binding letter of intent.

## 5. Share Register

Our principal register of members will be maintained by the Principal Share Registrar, Alliance Trust Company, in Canada and our Hong Kong Share Register will be maintained by the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, in Hong Kong. Please refer to the section entitled “Information About the Global Offering — Canadian Securities Law Restrictions and Steps to Enforce Resale Restrictions” in this Prospectus.

Dealings in the Shares will be subject to Hong Kong stamp duty. For further details of Hong Kong stamp duty, please seek professional tax advice. Unless otherwise determined by our Board, dividends will be paid to Shareholders whose names are listed on our register of members in Hong Kong, by ordinary post at the Shareholders’ risk, in Hong Kong dollars. We have not declared or paid any dividends during the Track Record Period, nor do we have any present intentions of paying any dividends in the near term. We do not have a fixed dividend policy. Our determination of future dividend policy is further described in the section entitled “Financial Information — Dividend Policy” in the section entitled of this Prospectus.

## 6. Application for Listing of the Shares and Admission into CCASS

We have applied to the Listing Committee for the granting of listing of, and permission to deal in, our Shares in issue and to be issued, including (i) our Offer Shares to be issued pursuant to the Global Offering; (ii) any Shares to be issued pursuant to the exercise of any Share options under the Share Option Schemes; (iii) the Orient Shares; and (iv) any Shares which may be issued upon conversion of Class G Shares and Class H Shares pursuant to the vesting schedule as agreed between our Company and the respective shareholders of Class G Shares and Class H Shares.

Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.



All necessary arrangements have been made for the Shares to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **7. Taxation**

### **Hong Kong**

Dealings in Shares will be subject to Hong Kong stamp duty. The current ad valorem rate of which is 0.1% of the consideration or, if higher, the adjudicated market value of the Shares being sold or transferred. It is charged on the purchaser on every purchase and the seller on every sale of Shares. A total stamp duty charge of 0.2% is currently payable on a typical sale and purchase transaction involving the Shares. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

### **Alberta**

In general, there are no specific taxes exigible in Alberta in respect of the acquisition or disposition of Shares other than tax on gains arising on the disposition of Shares for those Shareholders that are resident in or have been resident in Alberta, or that have or have had a permanent establishment in Alberta, at any time during which the Shareholders dealt with such Shares.

### **Professional Advice**

Applicants for the Offer Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding and dealing in the Shares. It is emphasised that neither we, nor our Directors, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our/their respective affiliates, directors, supervisors, employees, agents or advisers or any other party involved in the Global Offering accepts responsibility for any tax affects or liabilities resulting from the subscription, purchase, holding, dealing or disposal of the Shares or the exercise of any rights attaching to the Shares.

## **8. Promoter**

We have no promoter for the purposes of the Listing Rules or the Companies Ordinance.

## **9. Bilingual Prospectus and Language**

The English language and Chinese language versions of this Prospectus are being published separately in reliance upon the exemption provided by Section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). If there is any inconsistency between this Prospectus and the Chinese translation of this Prospectus, this Prospectus shall prevail unless otherwise stated.

## 10. Binding Effect

This Prospectus shall have the effect, if an application is made in pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.

## H. MISCELLANEOUS

### 1. Save as otherwise disclosed in this Prospectus:

- (a) none of our directors nor any of the parties listed in the section entitled “— G. Other Information — 4. Consents” in this Appendix VI is interested in our promotion, or in any assets which have, within the two years immediately preceding the issue of this Prospectus, been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (b) none of our directors nor any of the parties listed in the section entitled “— G. Other Information — 4. Consents” in this Appendix VI is materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to our business;
- (c) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;
- (d) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;
- (e) within the two years preceding the date of this Prospectus, no commission has been paid or was payable (except commissions to the underwriters) for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares in our Company;
- (f) no amount or securities or benefit has been paid or allotted or given within the two years preceding the date of this Prospectus to any of our promoters nor is any such securities or amount or benefit intended to be paid or allotted or given;
- (g) no part of the share or loan capital of our Company is listed on or dealt in on any other stock exchange and no such listing or permission to list is being proposed to be sought in the near future. At present, our Company is not seeking or proposing to seek such listing of, or permission to deal in, the share or loan capital of our Company on any other stock exchange; and
- (h) none of our Directors are interested in any business apart from the Group’s business which competes or is likely to compete, directly or indirectly, with the business of the Group.
- (i) save for the Underwriting Agreements, none of the parties listed in the section entitled “— G. Other Information — 3. Qualifications of Experts”:
  - (i) is interested legally or beneficially in any of our Shares or any shares in any our Subsidiary; or

- (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribed for our securities;
  - (j) within the two years preceding the date of this Prospectus, we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash;
  - (k) we have no outstanding convertible debt securities;
  - (l) within the two years immediately preceding the date of this Prospectus, no commissions, discounts, brokerages or other special items have been granted in connection with the issue or sale of any share or loan capital of our Company or our Subsidiary;
  - (m) no amount or securities or benefit has been paid or allotted or given within the two years preceding the date of this Prospectus to any promoters nor is any such securities or amount or benefit intended to be paid or allotted or given;
2. Our Directors confirm that there has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this Prospectus.