

**HAO TIAN RESOURCES GROUP LIMITED**  
*(Incorporated in Cayman Islands with limited liability)*  
**(the “Company”, together with its subsidiaries, the “Group”)**

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**Terms of reference (the “Regulations”) relating to  
the nomination committee (the “Nomination Committee”)  
of the board of directors (the “Board”) of the Company**

(amended and restated with effect from 21 June 2013  
pursuant to a resolution of the Board on 21 June 2013)

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**A. Constitution**

The Nomination Committee is established pursuant to a resolution passed by the Board at a meeting held on 31 August 2009.

**B. Nomination Committee**

**1. Membership**

- 1.1 Members of the Nomination Committee shall be appointed by the Board and shall consist of not less than three members, a majority of the Nomination Committee shall be independent non-executive directors.
- 1.2 The chairman of the Nomination Committee shall be appointed by the Board.
- 1.3 The company secretary of the Company or his/her delegate shall be the secretary of the Nomination Committee.
- 1.4 The appointment of the members and the secretary of the Nomination Committee may be revoked, or additional members may be appointed to the Nomination Committee by separate resolutions passed by the Board.

**2. Proceedings of the Nomination Committee**

**2.1 Notice**

- 2.1.1 Unless otherwise agreed by all the Nomination Committee members, a meeting of the Nomination Committee shall be called by at least seven (7) days’ notice.
- 2.1.2 A member of the Nomination Committee may, and on the request of a member of the Nomination Committee, the secretary to the Nomination Committee shall, at any time summon a meeting of the Nomination Committee. Notice shall be given to each member of the Nomination Committee orally in person or in writing or by telephone or by facsimile or electronic transmission at the telephone number or facsimile number or address or e-mail address from time to time notified to the secretary by such member of the Nomination Committee or by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.

2.1.3 Notices of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the members of the Nomination Committee for the purposes of the meeting.

## 2.2 Quorum

The quorum of the Nomination Committee meeting shall be two members of the Nomination Committee.

## 2.3 Attendance of meetings by non-members

The Nomination Committee may invite any director, member of the senior management or other individual to attend meetings or the Nomination Committee as it considers appropriate.

## 2.4 Frequency of meetings

Meeting shall be held at least once a year. Additional meetings should be held if the Nomination Committee shall so request.

## 2.5 Resolutions

All resolutions of the Nomination Committee shall be passed by a simple majority of votes.

## 2.6 Written resolutions

Written resolutions may be passed by all members of the Nomination Committee in writing.

## **3. Authority**

3.1 The Nomination Committee may exercise the following powers:

- (a) to seek any information it requires from any employee of the Group and any professional advisers, to require any of them to prepare and submit reports, to attend meetings of the Nomination Committee and to supply information and answer questions raised by the Nomination Committee;
- (b) to review, and to make recommendations to the Board on, these Regulations;
- (c) to obtain outside legal or other independent professional advice on or assistance to any matters within these terms of reference, including the advices of independent human resource consultancy firm or other independent professionals, and to secure the attendances of independent third parties with relevant experience and expertise, if it considers this necessary, at the expense of the Company; and
- (d) to exercise such powers as the Nomination Committee may consider necessary

and expedient so that their duties under section 4 below can be properly discharged.

3.2 All employees are directed to co-operate with any request made by the Nomination Committee in performance of its duties in accordance with these Regulations.

3.3 The Company will provide sufficient resources for the Nomination Committee's performance of its duties including the reasonable fees of legal and other independent professional advisors.

#### **4 Duties**

The duties of the Nomination Committee shall be:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually;
- (b) to identify individuals suitably qualified to become members of the Board and may make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of the independent non-executive directors;
- (d) to make recommendations to the Board on:-
  - (i) the roles, responsibilities, capabilities, skills, knowledge and experience required from members of the Board;
  - (ii) the policies on the terms of employment of directors;
  - (iii) the composition of the audit committee, remuneration committee and other board committees of the Company;
  - (iv) proposed changes to the structure, size and composition of the Board to complement the Company's corporate strategy;
  - (v) candidates suitably qualified to become members of the Board;
  - (vi) the selection of individuals nominated for directorship;
  - (vii) re-election by shareholders of the Company of any director who is to retire by rotation having regard to his/her performance and ability to continue to contribute to the Board;
  - (viii) the appointment, re-appointment, election, re-designation and removal of directors;
  - (ix) the continuation (or not) in service of any independent non-executive director serving more than nine years and to provide recommendations to the shareholders of the Company as to how to vote in the resolution

- approving the re-election of such independent non-executive director;
- (x) succession planning for directors in particular the chairman and the chief executive;
- (e) to approve and review the policy concerning diversity of members of the Board, and ensure such policy or a summary of such policy is disclosed in the corporate governance report; and
- (f) to give full consideration to the following in the discharge of its duties as mentioned above or elsewhere in these Regulations:
- (i) leadership needs of the Group with a view of maintaining or fostering the competitive edge of the Group over others;
  - (ii) changes in market environment and commercial needs of the market in which the Group operates;
  - (iii) the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) with regard to directors of a listed issuer;
  - (iv) in respect of any proposed service contracts to be entered into by any members of the Group with its directors or proposed director, which require the prior approval of the shareholders of the Company at general meeting under Rule 13.68 of the Listing Rules, to review and provide recommendations to the shareholders of the Company (other than shareholders who are directors with material interests in the relevant service contracts and their respective associates as defined in the Listing Rules) as to whether the terms of the service contracts are fair and reasonable and whether such service contracts are in the interests of the Company and the shareholders as a whole, and to advise shareholders on how to vote;
  - (v) in relation to composition of the Board, to ensure that (aa) the Board should have a balance of skills, and experience and diversity of perspectives appropriate to the requirements of the Company’s business; (bb) changes to its composition can be managed without undue disruption; (cc) the Board should comprise a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgment; and (dd) non-executive directors should be of sufficient calibre and number for their views to carry weight;
  - (vi) in relation to appointment, re-election and removal of directors, to ensure that (aa) there should be a formal, considered and transparent procedure for the appointment of new directors; (bb) there should be plans in place for orderly succession for appointments; and (cc) all directors should be subject to re-election at regular intervals; and (dd) the Company explains the reasons for the resignation or removal of any directors by way of announcement(s);

- (vii) to ensure that on appointment to the Board, each director receives a formal letter of appointment or enters into a service contract with the Company, as appropriate;
- (viii) to ascertain the reasons for departure of resigning directors;
- (ix) to consider other matters, as defined or assigned by the Board from time to time;
- (x) to produce and approve disclosure statements in relation to the Nomination Committee and its work as required by applicable laws and rules where necessary and to prepare a summary of work for inclusion in the interim and annual report; and
- (xi) to report to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).

## **5 Reporting procedures**

- 5.1 The secretary of the Nomination Committee shall circulate the draft and final versions of minutes of the Nomination Committee meetings to all members of the Nomination Committee for comment and approval and circulate all the minutes and written resolutions of the Nomination Committee to all members of the Board.
- 5.2 The secretary of the Nomination Committee shall maintain as part of the Company's corporate records all approved minutes and written resolutions of the Nomination Committee.

## **6 Continuing application of the articles of association of the Company**

The articles of association of the Company regulating the meetings and proceedings of the directors so far as the same are applicable and not inconsistent with the provisions of these Regulations shall apply to regulate the meetings and proceedings of the Nomination Committee.

## **7 Powers of the Board**

The Board shall be vested with final interpretation power of these Regulations. The Board may, subject to compliance with the articles of associations of the Company and the Listing Rules (including the Corporate Governance Code), amend, supplement and revoke these Regulations and/or any resolution passed by the Nomination Committee provided that no amendments to or revocation of these Regulations and/or any resolution passed by the Nomination Committee shall invalidate any prior act and resolution of the Nomination Committee which would have been valid if these Regulations or resolution had not been amended or revoked.

## **8 Attendance of annual general meeting**

The chairman of the Nomination Committee should, as far as practicable, attend the annual general meeting and make himself available to respond to any shareholders' questions on the Nomination Committee's activities.

(Chinese translation is for reference only. The English text shall prevail in case of any inconsistency.)