



中國鎂業資源集團有限公司\*  
MAGNESIUM RESOURCES CORPORATION OF CHINA LIMITED  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 723)

## NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a special general meeting (“Meeting”) of Magnesium Resources Corporation of China Limited (“Company”) will be held at Boardroom 5, G/F., Renaissance Harbour View Hotel, No.1 Harbour Road, Wanchai, Hong Kong, on Friday, 19 December 2008 at 10:30 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions of the Company, which will be proposed as special resolutions:

### SPECIAL RESOLUTIONS

1. **“THAT** the name of the Company be changed from “Magnesium Resources Corporation of China Limited” to “Bright Prosperous Holdings Limited” with effect from the date on which the new name is entered into the register maintained by the Registrar of Companies in Bermuda and, subject to such name change becoming effective, the Chinese name of “晉盈控股有限公司” be adopted for identification purpose.”
2. **“THAT**
  - (a) the Capital Reorganisation be and is hereby approved in the form as described in the circular of the Company dated 26 November 2008 (the “Circular”) (a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) involving:
    - (i) Capital Reduction: the par value of each ordinary share of HK\$0.1 each in the existing issued share capital of the Company (the “Existing Share”) will be reduced from HK\$0.10 to HK\$0.01 by the cancellation of HK\$0.09 of the paid-up capital on each Existing Share;
    - (ii) Sub-division: subject to and forthwith upon the Capital Reduction becoming effective, each of the authorized but unissued shares in the capital of the Company of par value HK\$0.10 each shall be sub-divided into 10 shares of par value HK\$0.01 each; and

\* For identification purpose only

- (iii) Diminution of authorized Share Capital: subject to and forthwith upon the Capital Reduction and the Share Sub-division becoming effective, the authorised share capital of the Company shall be diminished from HK\$1,000,000,000 to HK\$100,000,000 divided into 10,000,000,000 shares of par value of HK\$0.01 each by the cancellation of 90,000,000,000 shares of par value of HK\$0.01 each in the authorized but unissued share capital of the Company; and
- (b) subject to and forthwith upon the Capital Reduction and Share Sub-division becoming effective, the credit arising from the Capital Reduction shall be applied to set-off the accumulated losses of the Company as of the effective date of the Capital Reduction with the balance (if any) shall be transferred to the contributed surplus account of the Company where it may be applied in accordance with the bye-laws of the Company and all applicable laws,

and that the board of directors of the Company be and are hereby authorized generally to do all acts, deeds and things as they shall, in their absolute discretion, deem appropriate to effect and implement the above.”

3. **“THAT** the sale and purchase agreement dated 15 August 2008 (“Agreement”) between the Company as the vendor, Pure Hope Development Limited (“Purchaser”) as the purchaser and Mr. Yam Tak Cheung as the guarantor for due performance of obligations of the Purchaser under the Agreement, a copy of the same having been produced at the meeting marked “B” and signed by the chairman of the meeting for identification purposes, under which the Company shall sell and assign and the Purchaser shall purchase and accept the assignment of the entire issued share capital of and the shareholder’s loan owed by Ling Kit Holding Limited to the Company respectively at a total price of HK\$1,624,464,456.50, which will be settled at completion of the Agreement in the following manner:–
- (a) as to HK\$212,000,000 by the Purchaser selling and transferring to the Company the 800,000,000 ordinary shares of the Company beneficially held by the Purchaser at a price of HK\$0.265 per share, whereupon the shares purchased shall be treated as cancelled;
  - (b) as to HK\$320,000,000 by cancellation of the Promissory Note (as defined in the circular of the Company dated the same date of the notice convening this special general meeting of which this resolution forms part (“Circular”)) issued by the Company and held by the Purchaser;
  - (c) as to HK\$1,092,000,000 by cancellation of the Convertible Note (as defined in the Circular) issued by the Company and held by the Purchaser; and
  - (d) as to remaining balance of HK\$464,456.50 by payment in cash,

on and subject to the terms and conditions contained therein and the transactions contemplated thereunder (including, for the avoidance of doubt, share repurchase (as defined in the Hong Kong Code on Share Repurchases) made and effected by the Company in or in connection with the purchase, redemption, acquisition and/or cancellation of the 800,000,000 ordinary shares of the Company and the Convertible Note carrying rights to subscribe for ordinary shares of the Company as mentioned above) be and are hereby approved, confirmed and ratified and that the directors of the Company (“Directors”) be and are hereby authorized to sign, execute and deliver any agreements, instruments and any other documents in connection with or to give effect to the transactions contemplated under the Agreement, and, where necessary, to affix the seal of the Company on any instruments and documents in connection with the Agreement in the presence of any one Director and the Company Secretary or of any two Directors or of such other person or persons as the board of Directors may appoint (who be and are hereby authorized to sign the same) in accordance with the bye-laws of the Company and to make and approve any non-material change, amendment or modification to the provisions of the Agreement and to do such acts and things as the Directors may consider necessary, desirable or expedient to carry out or give effect to the transactions contemplated under the Agreement.”

By Order of the Board  
**Magnesium Resources Corporation of China Limited**  
**Teoh Tean Chai, Anthony**  
*Executive Director*

Hong Kong, 26 November 2008

*Notes:*

1. Any member of the Company entitled to attend and vote at the Meeting may appoint one or more than one proxy to attend and to vote instead of him. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share of the Company as if he were solely entitled thereto; but if more than one or such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the proxy form duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. Completion and return of the proxy form will not preclude you from attending the Meeting and voting in person if you so wish. In the event that you attend the Meeting after having lodged the proxy form, it will be deemed to have been revoked.

*As at the date of this announcement, the executive directors are Mr. Teoh Tean Chai, Anthony and Ms. Chung Oi Ling, Stella and the independent non-executive directors are Mr. Lo Chi Ho, William, Mr. Chu Kin Wang, Peleus and Ms. Lau Wa Chun.*