
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Kaisun Energy Group Limited**, you should at once hand this circular together with the enclosed proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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This circular, for which the board of directors of **Kaisun Energy Group Limited** collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to **Kaisun Energy Group Limited**. The board of directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



KAISUN ENERGY GROUP LIMITED

凱順能源集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8203)

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES AND RE-ELECTION OF THE RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Kaisun Energy Group Limited to be held at 27th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on Friday, 30 July 2010 at 10:30 a.m. is set out on pages 14 to 17 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the day of its posting.

* For identification purposes only

2 July 2010

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at 27th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on Friday, 30 July 2010 at 10:30 a.m.
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Kaisun Energy Group Limited, an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general and unconditional mandate to the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate
“Latest Practicable Date”	28 June 2010, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Notice of AGM”	the notice of the AGM as set out on pages 14 to 17 of this circular
“Repurchase Mandate”	the general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the resolution approving the Repurchase Mandate

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases
“HK\$”	Hong Kong dollars, the lawfully currency of Hong Kong
“%”	per cent.



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Executive Directors:

Mr. CHAN Nap Kee, Joseph (*Chairman*)
Mr. YEAP Soon P, Jonathan (*Chief Executive Officer*)
Dr. CHOW Pok Yu, Augustine
Mr. YANG Geyan
Mr. YANG Yongcheng

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent Non-executive Directors:

Mr. LIEW Swee Yean
Mr. SIU Siu Ling, Robert
Dr. WONG Yun Kuen
Mr. ANDERSON Brian Ralph

*Head Office and Principal Place
of Business in Hong Kong:*

5/F
31C–D Wyndham Street
Central
Hong Kong

2 July 2010

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES
AND
RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposals for the Issue Mandate, the Repurchase Mandate, the Extension Mandate, the re-election of the retiring Directors and refreshment of the Scheme Mandate, the amendments to the Articles and to seek your approval at the AGM in connection with, inter alia, such matters.

* For identification purposes only

LETTER FROM THE BOARD

ISSUE MANDATE AND EXTENSION MANDATE

At the extraordinary general meeting held on 14 January 2010, the Shareholders of the Company passed an ordinary resolution to grant a new general mandate to the Directors to allot, issue and deal with Shares. Such new general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

Ordinary resolutions will be proposed at the AGM to grant to the Directors the Issue Mandate and the Extension Mandate. The Issue Mandate will expire at the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Issue Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first. Details of the Issue Mandate and the Extension Mandate are set out in ordinary resolutions number 4 and 6 respectively in the Notice of AGM.

As at the Latest Practicable Date, a total of 2,113,115,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 422,623,000 Shares.

REPURCHASE MANDATE

Also at the extraordinary general meeting held on 14 January 2010, the Shareholders passed an ordinary resolution to grant a new general mandate to the Directors to exercise the powers of the Company to repurchase Shares. Such new general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in ordinary resolution number 5 in the Notice of AGM. The Repurchase Mandate will expire at the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

An explanatory statement as required under the GEM Listing Rules, giving certain information regarding the Repurchase Mandate, is set out in Appendix I to this circular.

RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of nine Directors, Mr. CHAN Nap Kee Joseph, Mr. YEAP Soon P Jonathan, Dr. CHOW Pok Yu Augustine, Mr. YANG Geyan, Mr. YANG Yongcheng, Mr. LIEW Swee Yean, Mr. SIU Siu Ling Robert, Dr. WONG Yun Kuen and Mr. ANDERSON Brian Ralph.

LETTER FROM THE BOARD

In accordance with the Articles, Mr. CHAN Nap Kee Joseph, Mr. SIU Siu Ling Robert and Dr. WONG Yun Kuen shall retire from office by rotation at the AGM, and being eligible, offer themselves for re-election.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

AGM

The notice convening the AGM, which contains, inter alia, ordinary resolutions to approve the Issue Mandate, the Repurchase Mandate, the Extension Mandate and the re-election of the retiring Directors are set out on pages 14 to 17 of this circular.

ACTION TO BE TAKEN

The Notice of AGM is set out on pages 14 to 17 of this circular. A proxy form for use at the AGM is enclosed herein. Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the AGM, or any adjourned meeting, should they so wish.

VOTING BY POLL

Under Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the ordinary resolutions proposed at the AGM will also be taken by poll. A poll results announcement will be made by the Company after the AGM in accordance with Rule 17.47(5) of the GEM Listing Rules.

RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of the retiring Directors, are in the best interests of the Company as well as to the Shareholders. Accordingly, the Directors recommend that all the Shareholders should vote in favour of all the resolutions set out in the Notice of AGM.

By order of the Board
Kaisun Energy Group Limited
CHAN Nap Kee, Joseph
Chairman

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide you with requisite information for your consideration of the Repurchase Mandate.

1. GEM LISTING RULES RELATING TO REPURCHASE OF SHARES

The GEM Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. EXERCISE OF THE REPURCHASE MANDATE

Subject to the passing of the resolution granting the Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate, on the basis of 2,113,115,000 Shares in issue at the Latest Practicable Date, could result in up to 211,311,500 Shares being repurchased by the Company during the period up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

3. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account. The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

5. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's latest published audited financial statements for the year ended 31 March 2010) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

The 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 GEM Listing Rules, the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates (as defined in the GEM Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or has undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the substantial Shareholders (as defined in the GEM Listing Rules) and their respective interests in the issued Share:

Name of substantial Shareholder	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Zhang Zhi Ping (<i>Note 1</i>)	215,640,000	10.20%	11.34%
Zhang Gaobo (<i>Note 1</i>)	215,640,000	10.20%	11.34%
Oriental Patron Financial Group Limited (“OPFGL”) (<i>Note 1</i>)	215,640,000	10.20%	11.34%
OP Financial Investments Limited (“OPFIL”) (<i>Note 1</i>)	129,260,000	6.12%	6.80%
Profit Raider Investments Limited (“PRIL”) (<i>Note 1</i>)	129,260,000	6.12%	6.80%
Oriental Patron Financial Services Group Limited (“OPFSGL”) (<i>Note 1</i>)	86,380,000	4.09%	4.54%
Pacific Top Holdings Limited (“PTHL”) (<i>Note 1</i>)	86,380,000	4.09%	4.54%
Yang Geyan (<i>Note 2</i>)	118,345,000	5.60%	6.22%
Zhong Well Enterprises Limited (<i>Note 2</i>)	103,620,000	4.90%	5.45%
Hung Shui Chak (<i>Note 3</i>)	113,615,000	5.38%	5.97%
Dragonfair International Limited (<i>Note 3</i>)	103,390,000	4.89%	5.44%
GEM Global Yield Fund Limited (“GEM Global”) (<i>Note 4</i>)	230,000,000	10.88%	12.09%

Notes:

- OPFGL holds 215,640,000 Shares and 314,820,000 underlying Shares. OPFGL is 51% owned by Zhang Zhi Ping and is 49% owned by Zhang Gaobo.

Of these 215,640,000 Shares and 314,820,000 underlying Shares of the Company, 86,380,000 Shares and 108,540,000 underlying Shares are held by PTHL. PTHL is wholly-owned by OPFSGL, OPFSGL is 95% held by OPGFL. Zhang Zhi Ping, Zhang Gaobo, OPFGL and OPFSGL are deemed to be interested in the interests held by PTHL under the SFO.

Of these 215,640,000 Shares and 314,490,000 underlying Shares, 129,260,000 Shares and 206,280,000 underlying Shares are held by PRIL. PRIL is wholly-owned by OPFIL, OPFIL is 42.07% held by Ottness Investments Limited (“OIL”). Zhang Zhi Ping, Zhang Gaobo, OPFGL, OIL and OPFIL are deemed to be interested in the interest held by PRIL under the SFO.

- Zhong Well Enterprises Limited is wholly-owned by Yang Geyan who is deemed to be interested in the 103,620,000 Shares held by Zhong Well Enterprises Limited under the SFO.

3. Dragonfair International Limited is wholly-owned by Hung Shui Chak who is deemed to be interested in the 103,390,000 Shares held by Dragonfair International Limited under the SFO.
4. These 1,021,000,000 Shares and underlying Shares represent the aggregate of: (i) the 230,000,000 Shares held by Grand Pacific Source Limited (“Grand Pacific”), which was a wholly-owned subsidiary of GEM Global; and (ii) 170,000,000 underlying Shares held by Grand Pacific and 621,000,000 underlying Shares held by GEM Global. Accordingly, GEM Global is deemed to be interested in those Shares and underlying Shares held by Grand Pacific under the SFO.

The Directors are unable to ascertain the interests of GEM Global as at the Latest Practicable Date, and confirm whether the interests of GEM Global as at the Latest Practicable Date, have been accurately shown. The interest of GEM Global as shown was disclosed in the corporate substantial notice of GEM Global filed on 3 April 2008 and recorded in the register of substantial shareholders maintained by the Company under Section 336 of the SFO. As set out in the Company’s announcement dated 3 June 2008, the Company received default notification from GEM Global in relation to HK\$540 Million Placing Convertible Bonds (as defined in such announcement). Theoretically, the interests of GEM Global should have decreased and updated corporate substantial notice should have been filed with the Company and the Stock Exchange by GEM Global as a result of such default. In addition to the default of the Placing Convertible Bonds mentioned above, as set out in the Company’s announcements dated 3 June 2008 and 11 June 2008, on 10 June 2008, 230 million Consideration Shares (as defined in such announcements) were allotted and issued to Grand Pacific, the entire equity interests of which were acquired by Glimmer Stone Investments Limited (“Glimmer”) from GEM Global on the same day, and 60 million Consideration Shares were transferred from Grand Pacific to GEM Global as consideration for such acquisition. Theoretically, the interests of GEM Global should have decreased and updated corporate substantial notice should have been filed with the Company and the Stock Exchange by GEM Global as a result of the acquisition of Grand Pacific by Glimmer mentioned above. The Company has not received any updated corporate substantial notice of GEM Global after 3 April 2008. However, the Directors cannot exclude the possibility that GEM Global may have acquired or disposed of any interests in shares or underlying shares of the Company after the above announcements.

The Directors are also unable to ascertain the shareholding of GEM Global from the register of members of the Company as the information contained therein may not reflect the actual beneficial shareholdings of the shareholders (i.e. the registered shareholders may be have trustee or holding some shares of the Company on behalf of the others and this kind of interest is not required to be disclosed under the SFO).

On the above basis, the exercise of the Repurchase Mandate in full would not trigger any general offer obligation under Rule 26 of the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

6. SHARE PURCHASED BY THE COMPANY

The Company has not purchased any of its Shares (whether on GEM or otherwise) in the six months preceding the Latest Practicable Date.

7. SHARE PRICES

The table below is a summary of the highest and lowest prices at which Shares are traded on the Stock Exchange in each of the previous twelve calendar months prior to the Latest Practicable Date.

	Highest Traded Price	Lowest Traded Price
	<i>HK\$</i>	<i>HK\$</i>
2009		
July	0.83	0.73
August	0.85	0.70
September	1.06	0.77
October	1.40	1.01
November	1.20	1.04
December	1.08	0.84
2010		
January	1.26	0.86
February	1.13	0.92
March	1.15	0.97
April	1.30	1.08
May	1.19	0.90
1–28 June	1.07	0.96

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED

The following are the particulars of the Directors proposed to be re-elected at the AGM:

Mr. CHAN Nap Kee, Joseph

Mr. Chan Nap Kee, Joseph, aged 49, is the Chairman of the Group. He was appointed as an executive director in September 2008. He received his master's degree majoring in international marketing from the University of Strathclyde and a diploma in China Investment and Trade Study from Peking University. He holds licenses respectively of Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), and Type 9 (asset management) under the Securities and Futures Ordinance (cap. 571 of the Laws of Hong Kong) ("SFO"). Mr. Chan was the deputy manager of Credit Agricole from 1986 to 1994, where he was also in charge of the China business. From 1992 to 1994, he was also the co-head of Credit Agricole Asset Management South East Asia Limited. Mr. Chan has more than twenty years of experience in commercial and investment banking, and asset management. Mr. Chan is a non-executive director of Hainan Meilan International Airport Company Limited (stock code: 357), a company listed on the Main Board of the Stock Exchange, since October 2007.

From 1994 to now, Mr. Chan has been a founding partner of Oriental Patron Financial Group and an executive director of Oriental Patron Asia Limited. Oriental Patron Asia Limited is the investment manager of OP Financial Investments Limited (Stock Code: 1140), a company listed on the Main Board of the Stock Exchange. OP Financial Investments Limited holds 100% shareholding in Profit Raider Investments Limited. Profit Raider Investments Limited was interested in 129,260,000 shares and 206,280,000 underlying shares of the Company.

No service contract has been entered into between the Company and Mr. Chan and there is no proposed length of service of Mr. Chan with the Company. Mr. Chan received a bonus amounting HK\$3,360,000 for the year. He is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the articles of association of the Company ("the Articles"). He is not entitled to receive any director's fee from the Company.

Save as disclosed above, as at the latest practicable date, Mr. Chan did not have other major appointments and professional qualifications, did not hold any positions in the Group and did not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, Mr. Chan did not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the latest practicable date. As at the latest practicable date, Mr. Chan has interest in 200,000 shares of the Company, representing approximately 0.01% of the issued share capital of the Company and share options of the Company with the right to subscribe for 24,981,750 shares of the Company, representing approximately 1.18% of the issued share capital of the Company. Save as disclosed above, as at the latest practicable date, Mr. Chan did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chan has confirmed that there are no other matters that is required to be brought to the attention of the Shareholders in connection with his re-election and there is no other information to be disclosed pursuant to rule 17.50 (2)(h) to (v) of the GEM Listing Rules.

Mr. SIU Siu Ling, Robert

Mr. Siu Siu Ling, Robert, aged 58, joined the Group in December 2002 as an independent non-executive director. He is a partner of the firm Messrs. Robert Siu & Co., Solicitors. Mr. Siu had been an executive director of Maxx Bioscience Holdings Limited (stock code: 512) until 28 June 2006 and is now an independent non-executive director of Incutech Investments Limited (stock code: 356), both of which are listed on the Main Board of the Stock Exchange. Mr. Siu holds a bachelor's degree in laws and a postgraduate certificate in laws from the University of Hong Kong. He has been admitted as a solicitor in Hong Kong since 1992 and has been admitted as a solicitor in England and Wales since 1993. His legal practice is mainly in the field of commercial and corporate finance.

Mr. Siu is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Siu's director's fee is fixed HK\$25,000 per annum, which is commensurate with his duties and responsibilities as an independent non-executive director of the Company and the prevailing market situation and subject to shareholders' approval. Save as disclosed above, Mr. Siu did not hold any position within the Group as at the date of this report. Save as disclosed above, he did not have any relationships with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the date of this report.

Save as disclosed above, as at the latest practicable date, Mr. Siu did not have other major appointments and professional qualifications and did not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, Mr. Siu did not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the latest practicable date. As at the latest practicable date, Mr. Siu has interest in 540,000 shares of the Company, representing approximately 0.03% of the issued share capital of the Company. Save as disclosed above, as at the latest practicable date, Mr. Siu did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Siu has confirmed that there are no other matters that is required to be brought to the attention of the Shareholders in connection with his re-election and there is no other information to be disclosed pursuant to rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Dr. WONG Yun Kuen

Dr. Wong Yun Kuen, aged 52, received a Ph.D. Degree from Harvard University, and was “Distinguished Visiting Scholar” at Wharton School of the University of Pennsylvania. Dr. Wong has worked in financial industries in the United States and Hong Kong for many years, and has considerable experience in corporate finance, investment and derivative products. He is a member of Hong Kong Securities Institute. Dr. Wong is an executive director of UBA Investments Limited, and the independent non-executive director of Bauhaus International (Holdings) Limited, China E-Learning Group Limited, China Grand Forestry Green Resources Group Limited, Climax International Company Limited, Golden Resorts Group Limited, Harmony Asset Limited, Hua Yi Copper Holdings Limited, Kong Sun Holdings Limited, Superb Summit International Timber Company Limited, China Yunnan Tin Minerals Group Company Limited and ZMAY Holdings Limited. Dr. Wong was also an independent non-executive director of Grand Field Group Holdings Limited from September 2004 to September 2009, and the chairman and executive director of Green Energy Group Limited from December 2009 to May 2010. All the companies mentioned above are listed companies in Hong Kong.

Dr. Wong is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. Mr. Wong’s director’s fee is fixed at HK\$25,000 per annum, which is commensurate with his duties and responsibilities as an independent non-executive director of the Company and the prevailing market situation and subject to shareholders’ approval. Save as disclosed above, Dr. Wong did not hold any position within the Group as at the date of this report. Save as disclosed above, he did not have any relationships with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the date of this report.

Save as disclosed above, as at the latest practicable date, Dr. Wong did not have other major appointments and professional qualifications and did not have any directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, Dr. Wong did not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholders of the Company as at the latest practicable date. As at the latest practicable date, Dr. Wong has interest in 540,000 shares of the Company, representing approximately 0.03% of the issued share capital of the Company. Save as disclosed above, as at the latest practicable date, Dr. Wong did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above Dr. Wong has confirmed that there are no other matters that is required to be brought to the attention of the Shareholders in connection with his re-election and there is no other information to be disclosed pursuant to rule 17.50(2)(h) to (v) of the GEM Listing Rules.



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(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8203)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at 27th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on Friday, 30 July 2010 at 10:30 a.m. for the following purposes:

1. To receive and consider the financial statements and the report of the directors and independent auditor's report for the year ended 31 March 2010.
2. To re-elect the retiring directors and to authorize the board of directors to fix the remuneration of the directors.
3. To re-appoint the auditors and to authorize the board of directors to fix the remuneration of the auditors.

ORDINARY RESOLUTIONS

4. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

* For identification purposes only

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(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares of the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; or (iv) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

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5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the GEM Listing Rules (as defined in ordinary resolution in item 4 of the notice convening the meeting) or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“THAT subject to the passing of Resolutions in items 4 and 5 of the notice convening the meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to Resolution in item 4 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the

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authority granted pursuant to Resolution in item 5 of the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board
LEUNG Lit For
Secretary

Dated the 2 July 2010

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be deposited with the Hong Kong branch share registrars of the Company, Computershare Hong Kong Investor Services Limited, at Rooms 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to item no. 2 in this notice, the board of directors of the Company proposes that the retiring Directors, namely, Mr. CHAN Nap Kee Joseph, Mr. SIU Siu Ling Robert and Dr. WONG Yun Kuen be re-elected as directors of the Company. Biographical details of these directors are set out in Appendix II to the Company’s circular dated 2 July 2010.
4. An explanatory statement as required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited in connection with the proposed repurchase mandate as ordinary resolution in item 5 above is set out in Appendix I to the Company’s circular dated 2 July 2010.
5. The 2010 Annual Report containing, inter alia, the financial statements and the report of the directors and independent auditor’s report for the year ended 31 March, 2010 has been despatched to shareholders of the Company on or about 18 June 2010. The 2010 Annual Report is available for download on the website of the Company at www.8203.com.hk.
6. As at the date of this notice, the board of directors of the Company comprises five executive directors, namely, Mr. CHAN Nap Kee Joseph, Mr. YEAP Soon P Jonathan, Dr. CHOW Pok Yu Augustine, Mr. YANG Geyan and Mr. YANG Yongcheng and four independent non-executive directors, namely, Mr. LIEW Swee Yean, Mr. SIU Siu Ling Robert, Dr. WONG Yun Kuen and Mr. ANDERSON Brian Ralph.