

XINTE ENERGY CO., LTD.

Strategy Committee of the Board Terms of Reference

Article 1 With a view to addressing its strategic development requirements, enhancing its core competitiveness, defining its corporate development plans, improving its investment decision-making processes, strengthening viable decision-making, enhancing the major investment decision-making efficiency and quality, rationalizing company's governance structure, the Company hereby has established the Strategy Committee of the Board, and formulated this Terms of Reference in accordance with *the Company Law of the People's Public of China*, its *Articles of Association* and other relevant regulations.

Article 2 The Strategy Committee of the Board is a dedicated body established under the Board to be primarily responsible for reviewing and advising on the Company's long-term development strategies and significant investment decisions.

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

Article 4 The members of the Strategy Committee shall be nominated by the Chairman of the Board, at least one half of independent directors, or one-third of the total Board members, and elected by the Board.

Article 5 The Strategy Committee shall have one chairman who shall be the Chairman of the Board of the Company.

Article 6 The term of office of the Strategy Committee shall be identical to that of the Board. A member may offer himself/herself for re-election upon the expiration of his/her term of office. Any member of the Strategy Committee who no longer holds office as a director of the Company during the term shall automatically cease to be a member of the Committee, and the vacancy shall be filled by the other Committee member with the arrangement of the Committee in light of Articles 3 to 5 above.

Article 7 There is an investment review panel under the Strategy Committee, which is led by the general manager of the Company.

Article 8 The main duties and authorities of the Strategy Committee include: (i) to conduct research on, and give advices to the Board with respect to the long-term development strategies of the Company; (ii) to conduct research on, and give advices to the Board with respect to major investment and financing plans which, pursuant to the Articles of Association of the Company, are required to be approved by the Board; (iii) to conduct research on, and give advices to the Board with respect to major projects on capital and asset operations which, pursuant to the Articles of Association of the Company, are required to be approved by the Board; (iv) to conduct research on, and give advices to the Board with respect to other major matters which are influential to the development of the Company; (v) to inspect the implementation of the items above; and (vi) other matters as authorized by the Board.

Article 9 The Strategy Committee shall report to the Board and submit its proposals to the Board for review.

Article 10 The investment review panel is responsible to make preliminary preparation for decision-making by the Strategy Committee and to provide information in respect of the Company: (i) persons-in-charge of the relevant departments of the Company or its holding (or non-wholly-owned) enterprises shall submit information about major investment and financing, capital operation, objectives of asset operation, preliminary feasibility reports and general information of the partners; (ii) the investment review panel shall carry out initial review and issue a written opinion on the approval of the project, which shall be submitted to the Committee for the record; (iii) the relevant departments of the Company or its holding (or non-wholly-owned) enterprises shall hold discussions with external parties regarding any agreements, contracts, constitutive documents and feasibility reports, and shall report to the investment review panel; (iv) the investment review panel shall review and issue written opinions, and make a formal proposal to the Strategy Committee.

Article 11 The Strategy Committee holds meetings to discuss proposals by the investment review panel, and submits the results of discussions to the Board, while giving feedback to the investment review panel.

Chapter 12 The Strategy Committee holds meetings on demand. Two-days-in-advance notice shall be given to all members before each meeting; however, such time limit is not applicable to emergent cases. The chairman of the Committee shall chair the meetings. If he/she is unable to be present, the chairman may authorize any other member (shall be independent director) to chair the meeting.

Article 13 Two-thirds of the members are required to constitute a quorum of a Strategy Committee meeting. Each member shall be entitled to one vote. Resolutions at any meetings shall be passed by a simple majority of votes of all the members.

Article 14 Votes shall be taken on a show of hands or on a poll. An extraordinary meeting may be convened by telecommunication voting.

Article 15 Head of the investment review panel may be present at a Strategy Committee meeting. Where necessary, directors, supervisors or any other senior management members may be invited to be present at the meeting.

Article 16 Intermediaries may be engaged by the Strategy Committee at the expense of the Company to give professional advice on its decision-making if necessary.

Article 17 The holding of a Strategy Committee meeting, voting processes and resolutions passed at the meeting shall be compliant with laws, regulations, the Company's *Articles of Association* and provisions herein.

Article 18 Minutes shall be taken on all meetings of the Strategy Committee and signed by each attending member. All meeting minutes shall be kept by the Secretary of the Board.

Article 19 Resolutions passed at a Strategy Committee meeting and voting results thereon shall be submitted to the Board in writing.

Article 20 All members present at Strategy Committee meetings shall be obliged to keep confidential all matters discussed at the meeting and shall not disclose such information without authorization.

Article 21 The Terms of Reference shall take effect from the date the resolution is passed by the Board.

Article 22 In case of matters not covered herein, the relevant state laws, regulations and the *Articles of Association* of the Company shall apply. In case any of the Terms of Reference conflicts with the state laws and regulations which are to be issued in the future or the *Articles of Association* as legally modified, the relevant state laws, regulations and the *Articles of Association* shall prevail. In such case, corresponding amendments shall be made to the Terms of Reference immediately and submitted to the Board for approval.

Article 23 The Terms of Reference shall be construed and interpreted by the Board of the Company.

Board of Directors of
XINTE ENERGY CO., LTD.

2 June 2015