

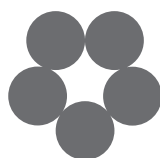
**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Morning Star Resources Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**星晨集團有限公司\***

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**Morning Star Resources Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 542)**

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATE TO ISSUE SHARES AND  
TO REPURCHASE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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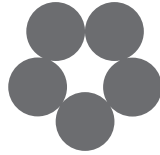
A notice convening the Annual General Meeting of the Company (“AGM”) to be held at the Conference Room, 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 8 April 2013 at 11:30 a.m. is set out on pages 11 to 14 of this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the AGM (or any adjournment thereof) to the office of the Company’s share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

\* *For identification purpose only*

## 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 convened on Monday, 8 April 2013 at 11:30 a.m. at the Conference Room, 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong
“AGM Notice”	the notice convening the AGM as set out on pages 11 to 14 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Morning Star Resources Limited, a company incorporated in the Cayman Islands with limited liability with its Shares listed on the Stock Exchange
“Directors”	directors of the Company
“Latest Practicable Date”	26 February 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	shares(s) of HK\$0.01 each in the capital of the Company
“Shareholders”	the shareholders of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers



星晨集團有限公司\*

**Morning Star Resources Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 542)**

*Executive Directors:*

CHI Chi Hung, Kenneth (*Chief Executive Officer*)  
YEUNG Kwok Leung  
HO Tak Pong, Matthew (appointed on 5 November 2012)  
SUNG Wai Man, Peter (resigned on 6 November 2012)  
LEE Kuang Yeu (appointed on 14 November 2012)

*Non-Executive Director:*

TSO Shiu Kei, Vincent (resigned on 14 December 2012)

*Independent Non-Executive Directors:*

CHAN Hoi Ling  
SO Wai Lam  
SUNG Yat Chun

*Registered office:*

The Offices of Caledonian Bank &  
Trust Limited  
P.O. Box 1043  
George Town  
Grand Cayman KY1-1102  
Cayman Islands

*Head office and principal place of  
business in Hong Kong:*

28th Floor  
LHT Tower  
31 Queen's Road Central  
Hong Kong

4 March 2013

*To the Shareholders*

Dear Sir/Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATE TO ISSUE SHARES AND  
TO REPURCHASE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM relating to (i) the re-election of retiring Directors and; (ii) the granting to the Directors of general mandates to allot, issue and deal with Shares and repurchase existing Shares and, subject to the passing of the resolutions approving the grant of

\* For identification purpose only

## LETTER FROM THE BOARD

the aforesaid general mandates, to extend the general mandate to allot, issue and deal with additional Shares by an amount not exceeding the amount of Shares purchased by the Company under the authority to repurchase.

### RE-ELECTION OF DIRECTORS

Pursuant to Article 112 of the Articles of Association, The Board shall have power at any time, and from time to time, to appoint any person as a Director, either to fill a casual vacancy, or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed by the Board shall hold office only until the next following general meeting of the Company in the case of filling a casual vacancy or until the next following annual general meeting of the Company in case of an addition to the Board, and shall then be eligible for re-election at the meeting and any Director who so retires shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. Accordingly, Mr. HO Tak Pong Matthew and Mr. LEE Kuang Yeu shall offer themselves for re-election at the forthcoming AGM.

Pursuant to Articles 106 and 107 of the Articles of Association, at each AGM of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation such that each Director (including those appointed for a specific term) will be subject to retirement by rotation at least once every three years at the AGM. Accordingly, Ms. SO Wai Lam and Mr. SUNG Yat Chun shall offer themselves for re-election at the forthcoming AGM.

Article 109 of the Articles of Association provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company during the period commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice in writing of his intention to propose such person for election as a Director and the notice in writing executed by the nominee of his willingness to be elected must be validly served at the principal place of business of the Company at 28th Floor, LHT Tower, 31 Queen's Road Central, Hong Kong on or before 28 March 2013.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out below:

**Mr. HO Tak Pong, Matthew**, aged 41, was appointed an Executive Director of the Company in November 2012. He holds a Bachelor of Arts Degree in Business Administration from The University of Western Ontario, Canada. Mr. HO has over 18 years of experience in the banking industry. Prior to his joining the Company, he worked in Deutsche Bank AG Hong Kong Branch as a Managing Director, Head of Institutional Client Group Hong Kong. He was mainly responsible for the FICC (Fixed Income, Currency and Commodity) sales business to

## LETTER FROM THE BOARD

real money clients and the mega wealth/family offices in Hong Kong. Save for the aforesaid, Mr. HO did not hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. HO, pursuant to which (i) there is no fixed length of service with the Company but he will be subject to retirement and rotation in accordance with the Articles of Association of the Company; and (ii) he is entitled to basic salary of HK\$200,000 per month and housing allowance of HK\$200,000 per month. The emoluments of Mr. HO is determined on the basis of performance, his duties and responsibilities with the Company, the Company's performance and its remuneration policy.

Save for being a director of the Company, Mr. HO did not have any relationship with any directors, senior management or substantial shareholders of the Company nor had he any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as at the Latest Practicable Date. Mr. HO is not aware of any other matters that need to be brought to the attention of the shareholders of the Company.

Pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other information in relation to Mr. HO to be disclosed.

**Mr. LEE Kuang Yeu**, aged 70, was appointed an Executive Director of the Company in November 2012. He graduated from Chu Hai College in Business Administration. Mr. LEE has over 35 years of experience in marketing, forex and bullion trading investment. Prior to his joining the Company, he has been working as an overseas consultant to explore overseas forex and bullion investment market. Save for the aforesaid, Mr. LEE did not hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. LEE, pursuant to which (i) there is no fixed length of service with the Company but he will be subject to retirement and rotation in accordance with the Articles of Association of the Company; and (ii) he is entitled to emoluments of HK\$200,000 per annum. The emoluments of Mr. LEE is determined on the basis of performance, his duties and responsibilities with the Company, the Company's performance and its remuneration policy.

Save for being a director of the Company, Mr. LEE did not have any relationship with any directors, senior management or substantial shareholders of the Company nor had he any interests in shares of the Company within the meaning of the SFO as at the Latest Practicable Date. Mr. LEE is not aware of any other matters that need to be brought to the attention of the shareholders of the Company.

Pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other information in relation to Mr. LEE to be disclosed.

**Ms. SO Wai Lam**, aged 32, was appointed an Independent Non-Executive Director of the Company in October 2010. She holds a Bachelor's Degree in Science with double majors in Mathematics and Statistics from the University of British Columbia in Canada and a Master's

## LETTER FROM THE BOARD

Degree in Finance from the University of Hong Kong. Ms. SO has over 9 years of experience in the corporate finance industry. She is also a responsible officer of Fortune Financial Capital Limited, a licensed corporation which carries out Type 6 (advising on corporate finance) regulated activity under the SFO. She was previously an executive director of China Oriental Culture Group Limited. Save for the aforesaid, Ms. SO did not hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Ms. SO, pursuant to which (i) her terms of appointment shall continue until 31 December 2013 but she will be subject to retirement and rotation in accordance with the Articles of Association of the Company; and (ii) she is entitled to a director's fees of HK\$100,000 per annum. The emoluments of Ms. SO is determined upon the prevailing market conditions and her experience.

Save for being a director of the Company, Ms. SO did not have any relationship with any directors, senior management or substantial shareholders of the Company nor had she any interests in shares of the Company within the meaning of the SFO as at the Latest Practicable Date. Ms. SO is not aware of any other matters that need to be brought to the attention of the shareholders of the Company.

Pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other information in relation to Ms. SO to be disclosed.

**Mr. SUNG Yat Chun**, aged 34, was appointed an Independent Non-Executive Director of the Company in October 2010. He holds a Bachelor's Degree in Science from the University of Western Sydney, Australia. Mr. SUNG specialises in product research and in-house operations, and is responsible for trading procedures for investment adviser. Mr. SUNG has been a compliance manager for United Overseas Bank, and an operations officer for Success Securities Limited. He is also a member of the US National Futures Association and chief operation officer of STI Wealth Management Ltd. His product knowledge and long association with innovative strategies has allowed him to provide unique and diversified solutions to clients' investments. Mr. SUNG was appointed director of Ayers Alliance Limited and Ayers Alliance Holdings Pty Limited in July 2012. Save for the aforesaid, Mr. SUNG did not hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. SUNG, pursuant to which (i) his terms of appointment shall continue until 31 December 2013 but he will be subject to retirement and rotation in accordance with the Articles of Association of the Company; and (ii) he is entitled to a director's fees of HK\$100,000 per annum. The emoluments of Mr. SUNG is determined upon the prevailing market conditions and his experience.

Save for being a director of the Company, Mr. SUNG does not have any relationship with any directors, senior management or substantial shareholders of the Company nor had he any interests in shares of the Company within the meaning of the SFO as at the Latest Practicable Date. Mr. SUNG is not aware of any other matters that need to be brought to the attention of the shareholders of the Company.

Pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other information in relation to Mr. SUNG to be disclosed.

## **LETTER FROM THE BOARD**

### **GENERAL MANDATE TO ISSUE SHARES AND TO REPURCHASE SHARES**

It will be proposed at the AGM an ordinary resolution, which is set out in resolution No. 4A of the AGM Notice granting the Directors a general mandate to allot, issue and deal with Shares not exceeding 20 per cent of the Shares in the issued share capital of the Company as at the date of passing the resolution (“Issue Mandate”).

As at the Latest Practicable Date, the Company had 1,931,638,040 Shares in issue. Subject to the passing of the resolution for the approval of the Issue Mandate, the Company would be allowed under the Issue Mandate to allot, issue and deal with a maximum of 386,327,608 Shares.

The Directors have no immediate plans to issue any new Shares.

It will be proposed at the AGM an ordinary resolution, which is set out in resolution No. 4B of the AGM Notice granting the Directors a general mandate to exercise the powers of the Company to repurchase Shares up to a limit of 10 per cent of the aggregate nominal amount of the Company’s issued share capital at the date of passing the resolution (the “Repurchase Mandate”).

In addition, if the resolutions approving the Issue Mandate and the Repurchase Mandate are passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with further Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the Repurchase Mandate.

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

### **AGM**

A notice convening the AGM to be held at the Conference Room, 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 8 April 2013 at 11:30 a.m. is set out on pages 11 to 14 of this circular.

A form of proxy for use at the attend the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (or any adjournment thereof) to the office of the Company’s share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

### **VOTING BY POLL AT THE AGM**

Pursuant to the Listing Rule 13.39(4), any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a

## LETTER FROM THE BOARD

show of hands. Therefore, all the resolutions put to the vote at the AGM will be taken by way of poll. The chairman of the AGM will explain the detailed procedures for conducting a poll at the commencement of the AGM.

After the conclusion of the AGM, the poll results will be published on the website of the Stock Exchange and the website of the Company at [www.msr.com.hk](http://www.msr.com.hk).

### RECOMMENDATION

The Directors are of the opinion that all the proposed resolutions are in the best interest of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all of the resolutions to be proposed at the AGM.

By Order of the Board  
**Morning Star Resources Limited**  
**CHI Chi Hung, Kenneth**  
*Executive Director*



*The following is the explanatory statement required to be sent to Shareholders under Rule 10.06(1)(b) of the Listing Rules to provide requisite information for you to make an informed decision whether to vote for or against the resolution to approve the Repurchase Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,931,638,040 Shares. Subject to the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the passing of the relevant resolution at the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 193,163,804 Shares.

## **2. REASONS FOR REPURCHASES**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and Shareholders as a whole. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and Shareholders as a whole.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of Cayman Islands. A listed company may not repurchase its own shares on the main board of the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Cayman Islands law provides that the amount to be paid in connection with a Share repurchase may only be paid out of the capital paid up on the relevant purchased Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on a repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company. It is envisaged that the funds required for any repurchase under the Repurchase Mandate would be derived from such sources.

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 audited accounts of the Company for the year ended 31 December 2012 in the event that the repurchase of Shares under the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. 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 the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Month	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2012</b>		
February	0.1550	0.1030
March	0.1720	0.1300
April	0.1840	0.1440
May	0.1820	0.1300
June	0.1600	0.1320
July	0.1830	0.1480
August	0.1890	0.1520
September	0.1890	0.1690
October	0.2310	0.1790
November	0.2390	0.1900
December	0.2750	0.2290
<b>2013</b>		
January	0.2900	0.2350
February (up to the Latest Practicable Date)	0.2600	0.2120

#### 5. UNDERTAKING AND DISCLOSURE OF INTERESTS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Cayman Islands and the Articles of Association.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company or its subsidiaries and no such person has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

## 6. HONG KONG CODE ON TAKEOVERS AND MERGERS

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

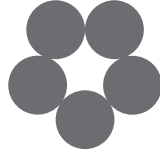
As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. FONG Shing Kwong and Star Advance International Limited (together the "Concert Group") were together beneficially interested in 560,000,000 Shares, representing approximately 28.99% of the issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate and if there is no other change in the issued share capital of the Company, the shareholding of the Concert Group will be increased to approximately 32.21% of the issued share capital of the Company. Accordingly, an exercise of the Repurchase Mandate in full will not result in any member of the Concert Group becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

Save as disclosed above, the Directors are not aware of any shareholder or group of shareholders of the Company acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases pursuant to the Repurchase Mandate.

## 7. SHARE REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**NOTICE OF ANNUAL GENERAL MEETING**



**星晨集團有限公司\***

**Morning Star Resources Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 542)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (“Meeting”) of Morning Star Resources Limited (the “Company”) will be held at the Conference Room, 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 8 April 2013 at 11:30 a.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2012.
2. To re-elect Directors and to authorise the Board of Directors to fix their remuneration.
3. To re-appoint Auditors at a remuneration to be fixed by the Board of Directors.
4. As special business, to consider and if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

A. **“THAT:**

- (a) subject to paragraph (c), 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 (“Shares”) or securities convertible into such Shares or options or warrants or similar rights to subscribe for any Shares and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;

\* *For identification purpose only*

## NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of the Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of any rights of subscription or conversion under the terms of any warrants issued by the Company, or any securities which are otherwise convertible into Shares; (iii) an issue of Shares upon exercise of options granted under the share option scheme from time to time adopted by the Company; or (iv) an issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of dividends or similar arrangement providing for the allotment of Shares in accordance with the articles of association of the Company from time to time, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of 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 the articles of association of the Company or any applicable law of Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors of the Company to holders of Shares and/or warrants on the respective registers of the Company on a fixed record date in proportion to their then holdings of such shares and/or warrants (subject to such exclusions or their 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 jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”

## NOTICE OF ANNUAL GENERAL MEETING

B. “**THAT**:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (for the purpose of this resolution, “Relevant Period” shall have the same meaning as assigned to it under resolution number 4A, as set out in the notice convening this meeting) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of securities authorized to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly.”

- C. “**THAT** conditional on the passing of the resolutions set out in paragraphs 4A and 4B of the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares of the Company pursuant to the resolution set out in paragraph 4A of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in paragraph 4B of the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

By Order of the Board  
**Morning Star Resources Limited**  
**CHI Chi Hung, Kenneth**  
*Executive Director*

Hong Kong, 4 March 2013

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. A member of the Company entitled to attend and vote at the Meeting convened by this notice 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. In order for such appointment to be valid, the form of proxy, and, if required, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority must be deposited at the Company's Share Registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the Meeting or any adjournment thereof.
3. In relation to the proposed resolution numbered 4B above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase the securities of the Company in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the circular despatched to the shareholders of the Company on the date hereof.