



G-PROP (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of G-Prop (Holdings) Limited (“**Company**”) will be held at Function Room of Queensway and Victoria, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 11:00 a.m. on Wednesday, 12 September 2007 for the purpose of considering and, if thought fit, with or without amendments, passing the following resolutions, each of which will be proposed as an ordinary resolution:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the agreement entered into by 山東魯能礦業集團有限公司 (unofficial English translation as Shandong Luneng Mining Group Ltd.) as vendor, Grade Crystal Investments Limited, an indirect wholly-owned subsidiary of the Company, as the purchaser and Fame Ascent Investments Limited in relation to the acquisition of the entire registered capital of 內蒙古伊澤礦業投資有限公司 (unofficial English translation as Inner Mongolia Yize Mining Investment Co., Ltd.) dated 1 August 2007 (“**Acquisition Agreement**”) (a copy of the Acquisition Agreement marked “A” and initialed by the chairman of the Meeting for identification purpose has been tabled at the Meeting) and all transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and
- (b) the directors of the Company (“**Directors**”) or a duly authorised committee of the board of Directors be and are hereby authorised to do all such acts and things (including, without limitation, signing, executing (under hand or under seal), perfecting and delivery of all agreements, documents and instruments,) which are in their opinion necessary, appropriate, desirable or expedient to implement or to give effect to the terms of the Acquisition Agreement and all transactions contemplated thereunder and all other matters incidental thereto or in connection therewith and to agree to and make such variation, amendment and waiver of any of the matters relating thereto or in connection therewith that are, in the opinion of the Directors, not material to the terms of the Acquisition Agreement and all transactions contemplated thereunder and are in the interests of the Company.”

2. **“THAT** subject to and conditional upon the passing of the ordinary resolution numbered 3 as set out in the notice convening this meeting:
- (a) the subscription agreement entered into by the Company (as issuer), Asian Kingdom Limited and Fame Ascent Investments Limited (both as subscribers) in relation to the subscription of the an aggregate of 1,234,197,208 shares of HK\$0.01 each of the Company (**“Subscription Shares”**) and the convertible bonds in the aggregate principal amount of HK\$180,000,000 due 2010 (**“Convertible Bonds”**) by Asian Kingdom Limited and Fame Ascent Investments Limited dated 1 August 2007 (**“Subscription Agreement”**) (a copy of the Subscription Agreement marked **“B”** and initialed by the chairman of the Meeting for identification purpose has been tabled at the Meeting) and all transactions contemplated thereunder be and are hereby confirmed, approved and ratified;
 - (b) subject to the completion of the Subscription Agreement, the allotment and issue of the Subscription Shares at the subscription price of HK\$0.162 each as to 493,678,883 Subscription Shares to Asian Kingdom Limited and as to 740,518,325 Subscription Shares to Fame Ascent Investments Limited in accordance with the terms of the Subscription Agreement be and are hereby approved;
 - (c) subject to the completion of the Subscription Agreement, the creation and issue by the Company of the Convertible Bonds to Asian Kingdom Limited and Fame Ascent Investments Limited in accordance with the terms of the Subscription Agreement be and are hereby approved;
 - (d) the allotment and issue of the Shares (as such term is defined in the draft deed poll constituting the Convertible Bonds attached to the Subscription Agreement) upon the exercise of the conversion rights attaching to the Convertible Bonds be and are hereby approved; and
 - (e) the directors of the Company (**“Directors”**) or a duly authorised committee of the board of Directors be and are hereby authorised to do all such acts and things (including, without limitation, signing, executing (under hand or under seal), perfecting and delivery of all agreements, documents and instruments) which are in their opinion necessary, appropriate, desirable or expedient to implement or to give effect to the terms of the Subscription Agreement and all transactions contemplated thereunder and all other matters incidental thereto or in connection therewith and to agree to and make such variation, amendment and waiver of any of the matters relating thereto or in connection therewith that are, in the opinion of the Directors, not material to the terms of the Subscription Agreement and all transactions contemplated thereunder and are in the interests of the Company.”
3. **“THAT** subject to the Executive (as defined in the circular of the Company dated 28 August 2007 (**“Circular”**)) granting to Asian Kingdom Limited, Fame Ascent Investments Limited, Chinese Estates Holdings Limited and parties acting in concert with any of them (**“Combined Concert Group”**) the Whitewash Waiver (as defined in the Circular) and the satisfaction of any condition attached to the Whitewash Waiver imposed by the Executive, the waiver pursuant to Note 1 to the notes on dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers (**“Takeovers Code”**) waiving any obligation on the Combined Concert Group to make a mandatory general offer to the holders of securities of the Company to acquire securities of the Company other than those already owned by the Combined Concert Group which would otherwise arise under Rule 26.1 of the

Takeovers Code as a result of the subscription of the Subscription Shares (as defined in resolution numbered 2 as set out in the notice convening this meeting) and the allotment and issue of the shares of the Company upon the exercise of the conversion rights attaching to the Convertible Bonds (as defined in resolution number 2 as set out in the notice convening this meeting) be and is hereby approved.”

Yours faithfully,
For and on behalf of the Board
G-Prop (Holdings) Limited
Lam, Kwong-wai
Company Secretary

Hong Kong, 28 August 2007

*Head office and principal place
of business in Hong Kong:*
26th Floor
MassMutual Tower
38 Gloucester Road
Wanchai
Hong Kong

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting (or any adjournment thereof).
- (3) Completion and deposit of the form of proxy will not preclude members from attending and voting at the meeting or any adjournment thereof should they so wish, and in such event, the form of proxy will be deemed to be revoked.
- (4) Where there are joint registered holders of any share(s) of the Company, any one of such joint holders may attend and vote at the meeting, either in person or by proxy, in respect of such share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the registered of members of the Company in respect of the joint holding.
- (5) Each of the resolutions as set out above will be voted on by way of a poll.

As at the date hereof, the Board comprises Mr. Leung, Wing-pong and Mr. Kong, Chi-ming as executive Directors and Mr. Leung, Yun-fai, Mr. Lam, Yat-fai and Dr. David Chain, Chi-woo as independent non-executive Directors.