

DIRECTORS AND SENIOR MANAGEMENT OF THE RESTRUCTURED GROUP

BOARD OF DIRECTORS

The Offeror currently proposes that as soon as the proposed changes are allowed under the Takeovers Code, after completion of the Transactions (and as soon as the appointment of the Directors nominated by the Offeror is permitted under the Takeovers Code), the Board will consist of seven Directors, comprising two executive Directors, two non-executive Directors and three independent non-executive Directors. Save for Chen Zhiwu who is an existing independent non-executive director appointed on 31 July 2015, all other members of the proposed Board are to be appointed subject to completion of the Transfer and the requirements under the Takeovers Code, the Listing Rules and the Bye-laws.

The following table sets out certain information of the proposed new Board and, subject to the appointment of the proposed Directors to the Board, their roles and responsibilities in the Company:

Name	Age	Position	Principal responsibilities	Relationship with other Directors or Proposed Directors
WANG Jingbo	38	Executive Director and chief executive officer	Responsible for the overall business development of the Restructured Group	None
LEE Khay Kok	50	Executive Director and chief engineer	Responsible for overall technical and engineering management of the Restructured Group	None
LIN Dongliang	53	Non-executive Director	Provides guidance and advice in major decisions of the Restructured Group	None
SHONG Hugo, alias Hugo Hsiung	60	Non-executive Director	Provides guidance and advice in major decisions of the Restructured Group	None
SHI Cen	40	Independent non-executive Director	Provides independent judgement and scrutinises the performance of the Restructured Group	None
CHAU Shing Yim, David	52	Independent non-executive Director	Provides independent judgement and scrutinises the performance of the Restructured Group	None
CHEN Zhiwu	53	Independent non-executive Director	Provides independent judgement and scrutinises the performance of the Restructured Group	None

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Executive Directors

WANG Jingbo (王靜波), aged 38, is proposed by the Offeror to be appointed as an executive Director and the chief executive officer of the Company and a director of the PRC Target after completion of the Transactions (and as soon as his appointment is allowed under the Takeovers Code). Mr. Wang will be responsible for developing overall business strategy and plans (including the exploration, development and production plan of Block 212 and Block 378), overseeing execution of the plans, leading major investment and acquisition and senior management recruitment.

Mr. Wang graduated with a bachelor's degree in Engineering from the Mechanical Engineering Department of Tsinghua University, and obtained a master's degree in Science, and a Ph.D in Mechanical Engineering from Cornell University and master's degree in Business and Administration from New York University. Mr. Wang has approximately 10 years of experience in research, management and investment in upstream oil and gas industry and other energy sectors, including around 5 years of practical experience in upstream oil and gas companies.

Mr. Wang is a founder of Titan Gas Holdings, the immediate holding company of the Offeror, and has been its executive director, managing director and chief executive officer of Titan Gas Holdings since 2012. Titan Gas Holdings is principally engaged in development and investments in oil and gas upstream assets globally. During his tenure with Titan Gas Holdings, Mr. Wang has led sourcing, technical assessment, commercial negotiation, and development of a number of investment and acquisition opportunities in oil and gas sector in Mainland China, Middle East and North America.

From September 2005 to September 2008, Mr. Wang was a senior engineer at ExxonMobil Research and Engineering Company's Complex Systems Science section of the Corporate Strategic Research (CSR) Department where he gained experience and knowledge in, among other things, well drilling optimisation and seismic data processing and analysis as well as co-invented two patents which relate to these two areas.

From October 2008 to April 2011, Mr. Wang worked at D. E. Shaw & Co, a US investment institution, during which period he was involved in several major energy investment projects, including investment projects in (i) First Wind, a wind power company in the US; (ii) Deepwater Wind, an offshore wind developer in the US; and (iii) Greenrock Energy, an industrial coal gasification company.

Since April 2011 to date, Mr. Wang has also worked at IDG Capital Partners as a partner and has been in charge of the firm's energy investments, where he led the investments in Freestone International, a US-based LNG facility developer, United Guar, a Houston-based oilfield service company; and several other energy investments.

Since July 2013 to date, in addition to Mr. Wang's investment and management career track, he has been the Engineering Head of Guizhou Natural Gas Energy Group ("GNGEG") where he further developed his oil and gas field operation expertise. GNGEG is an integrated natural gas company in Guizhou Province of the PRC. As the Engineering Head of GNGEG,

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Mr. Wang supervised the geology and engineering team of GNGEG and managed the overall planning, design and execution of exploration work of GNGEG. Under his management, GNGEG has drilled and completed a number of shale gas wells and coal bed methane wells.

Mr. Wang was selected to "The Thousand Talents Plan" ("千人計劃" 創業人才) (the tenth election) by the Organisation Department of the Central Committee of the PCC (中共中央組織部) and was the 12th committee member of All-China Youth Federation (中華全國青年聯合會) in 2015.

Mr. Wang expects that his knowledge in seismic data analysis and drilling know-how will help the PRC Target in formulating appropriate drilling plan and structure.

LEE Khay Kok, aged 50, is proposed by the Offeror to be appointed as an executive Director and the chief engineer of the Company after completion of the Transactions (and as soon as his appointment is permitted under the Takeovers Code). Mr. Lee will be responsible for managing the engineering department and staff, technical design of wells, overseeing field execution and technology innovation.

Mr. Lee graduated from National Cheng Kung University in Taiwan with a bachelor's degree in Mineral and Petroleum Engineering and a master's degree in Petroleum Engineering from The University of Oklahoma. Mr. Lee has approximately 19 years of experience involving upstream oil and gas exploration and development, in particular in the fields of production enhancement and fracturing stimulation.

From October 1994 to March 2013, Mr. Lee worked for Schlumberger Group, a major company providing a wide range of oilfield services globally from exploration through production. Mr. Lee held several key technical positions during his approximately 19-year tenure at Schlumberger, including Geomarket Technical Engineer — Principal (chief technical advisor in Schlumberger company), In Touch Manager — Stimulation (responsible for 24/7 technical support to Schlumberger worldwide stimulation community) and CHG Stimulation Domain Manager (regional chief technical engineer supporting North-east Asia area) providing technical support and advice to Schlumberger Technical personnel or to oil companies.

At Schlumberger Group, Mr. Lee was involved in many key oilfield production enhancement projects. His involvement in these projects varied from the technical design of the job to field execution and in some cases where he was the engineer in-charge in operations.

Mr. Lee has been the chief engineer of Titan Gas Holdings since 2013. He is mainly responsible for engineering and technology in Titan Gas Holdings.

Mr. Lee co-authored research papers published by the Society of Petroleum Engineers and International Petroleum Technology Conference during his time in Schlumberger in 2008 and 2009, respectively. He was also a recipient of the 1995 Rock Mechanics Award from the US National Committee for Rock Mechanics for his Master's Thesis.

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Mr. Lee expects that his solid experience and in-depth knowledge in simulation and production enhancement will help the PRC Target in formulating its workover plan which is important to the development plan in Block 212 of the PRC Target as the oil reserves have similar characteristics of relatively low porosity and permeability as other "tight" reservoirs.

Non-executive Directors

LIN Dongliang (林棟梁), aged 53, is proposed by the Offeror to be appointed as a non-executive Director after completion of the Transactions (and as soon as his appointment is permitted under the Takeovers Code). Mr. Lin graduated with a Master's degree in Engineering Management in 1986 from Tsinghua University. Mr. Lin joined International Data Group ("IDG") in 1994, served as the vice president of IDG Capital Partners — IDG Technology Venture Investment, the China Risk Investment team of IDG, and has then served as a general partner of IDG Capital Partners. He is also a partner of the IDG Capital Investment Consultancy (Beijing) Co., Ltd. and a non-executive director of NetDragon Websoft Inc., a company listed on the Main Board of the Stock Exchange (stock code: 777).

Mr. Lin was a director or supervisor of the following companies which were incorporated in the PRC and had their business licences revoked. The relevant details are as follows:

Company name	Date of revocation	Reasons for revocation
天津市國聯在綫網絡有限公司 (Tianjin Guolian Online Network Company Limited*) ("Tianjin Guolian")	2005	Tianjin Guolian was a state-owned holding enterprise. The principal business of Tianjin Guolian was information service trades. The business licence of Tianjin Guolian was revoked due to its failure to attend annual examination. Mr. Lin was a director of Tianjin Guolian at the time its business licence was revoked.
北京珠穆朗瑪電子商務網絡服務有限公司 (Beijing Everest E-commerce Network Services Company Limited*) ("Beijing Everest")	17 October 2013	Beijing Everest was a wholly foreign-owned enterprise. The business scope of Beijing Everest was research, development, production of computer software and hardware, undertake computer network systems integration; provide technical consultation, services and training; website design; design and production of online advertisements; public online advertisements on a website; sales of self-made products. The business licence of Beijing Everest was revoked due to its failure to attend annual examination. Mr. Lin was a director of Beijing Everest at the time its business licence was revoked.

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Company name	Date of revocation	Reasons for revocation
寧波慧聰電子商務技術有限公司 (Ningbo Huicong E-commerce Technology Company Limited*) (“ Ningbo Huicong ”)	29 October 2009	Ningbo Huicong was a wholly foreign-owned enterprise. The business scope of Ningbo Huicong was development of electronic commerce technology, development of electronic products and provision of technical consultation, development of computer hardware and software technology, development of network systems technology, self-operated and agency import and export of goods and technology, provision of network systems technology services, electronic commerce technology services and technology information consultation services. The business licence of Ningbo Huicong was revoked due to its failure to attend annual examination. Mr. Lin was a director of Ningbo Huicong at the time its business licence was revoked.
網絡秀媒體技術（北京）有限公司 (Network Show Media Technology (Beijing) Company Limited *) (“ Network Show Media ”)	9 October 2013	Network Show Media was a wholly foreign-owned enterprise. The business scope of Network Show Media was research and development of computer and internet applied technology; telecommunications; graphics production; technological consultation, information technology training, technical services and the transfer of self-developed technology. The business licence of Network Show Media was revoked due to its failure to attend annual examination. Mr. Lin was a supervisor of Network Show Media at the time its business licence was revoked.

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SHONG Hugo (熊曉鵠), alias Hugo Hsiung and formerly known as Xiong Xiaoge (熊小鵠), aged 60, is proposed by the Offeror to be appointed as a non-executive Director after completion of the Transactions (and as soon as his appointment is permitted under the Takeovers Code). Mr. Shong completed his undergraduate studies at Hunan University. After that, he earned a master's degree in Science from Boston University in 1987. He also completed the 151st session of the Advanced Management Program, the International Senior Managers Program of the Graduate School of Business Administration of Harvard University. Mr. Shong joined IDG Capital Partners in 1993 and was responsible for its business operations in the PRC. He has been focusing on the development of IDG Capital Partners — IDG Technology Venture Investment in which he has been the general partner since 1994. Mr. Shong is also the director of IDG (China) Investment Co., Ltd. and a partner and a director of IDG Capital Investment Consultancy (Beijing) Co., Ltd.

Mr. Shong is a non-executive director of China Jiuhao Health Industry Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 419); Mei Ah Entertainment Group Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 391), and WPP plc, a company listed on the Main Market of the London Stock Exchange (stock code: WPP). Mr. Shong is a member of the board of trustees of Boston University.

Independent non-executive Directors

SHI Cen (石岑), aged 40, is proposed by the Offeror to be appointed as an independent non-executive Director after completion of the Transactions (and as soon as his appointment is permitted under the Takeovers Code). Mr. Shi obtained his bachelor's degree in Economics, specialising in international finance, and a master's degree in Economics from Tsinghua University. He is a Managing Director of Ascendent Capital Partners (Asia) Ltd., which is a private equity investment company focusing on the Greater China market. Prior to joining Ascendent Capital Partners (Asia) Ltd. in April 2011, Mr. Shi was a Senior Vice President of D. E. Shaw & Co., responsible for its Greater China private equity investment business. Prior to joining D. E. Shaw & Co., Mr. Shi served as a vice president at CCMP Capital Asia Pte Ltd. (formerly JP Morgan Partners Asia), where he focused on buyouts and other private equity investments in China and the Asia-Pacific region. He began his career at Goldman Sachs Investment Banking division, where he focused on providing overseas equity offerings and cross-border mergers and acquisitions advice for Chinese companies.

Mr. Shi is a director of 寧夏夏進乳業集團股份有限公司 (Ningxia XiaJin Dairy Group Co., Ltd.*), a company established in the PRC.

CHEN Zhiwu (陳志武), aged 53, was appointed as an independent non-executive Director on 31 July 2015. He is a Professor of Finance and Economics at the School of Management of Yale University, a Special-Term Visiting Professor at School of Economics at Peking University, and Visiting Professor and HKU-AXA Senior Fellow on China's Market Reform at The University of Hong Kong. Prof. Chen started his career by publishing research in economics and finance journals on topics related to financial markets and theories of asset pricing. In the early 2000s, Prof. Chen began to expand his research beyond mature markets by investigating market development. He is an independent non-executive director of PetroChina

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Company Limited (a company listed on the Stock Exchange and the Shanghai Stock Exchange), Bank of Communications Co., Ltd. (a company listed on the Stock Exchange and the Shanghai Stock Exchange), and Noah Holdings Limited (a company listed on the New York Stock Exchange).

CHAU Shing Yim David (周承炎), aged 52, is proposed by the Offeror to be appointed as an independent non-executive Director after completion of the Transactions (and as soon as his appointment is permitted under the Takeovers Code). He has over 20 years' experience in corporate finance, working on projects ranging from initial public offering transactions and restructuring of PRC enterprises to cross border and domestic takeover transactions. Mr. Chau was formerly a partner of Deloitte Touche Tohmatsu, one of the big four accounting firms in Hong Kong, holding the position as the Head of Merger and Acquisition and Corporate Advisory. He is a member of the Hong Kong Securities and Investment Institute, the Institute of Chartered Accountants of England and Wales ("ICAEW"), and was granted the Corporate Finance Qualification of ICAEW. He is a member of the Hong Kong Institute of Certified Public Accountants ("HKICPA") and was an ex-committee member of the Disciplinary Panel of HKICPA. Mr. Chau is currently an independent non-executive director of six companies which are listed on the Main Board of the Stock Exchange, namely, Lee & Man Paper Manufacturing Limited (stock code: 2314), Man Wah Holdings Limited (stock code: 1999), Evergrande Real Estate Group Limited (stock code: 3333), Richly Field China Development Limited (stock code: 313), Evergrande Health Industry Group Limited (stock code: 708) and Hengten Networks Group Limited (stock code: 136). Mr. Chau was also an independent non-executive director of Up Energy Development Group Limited (stock code: 307), a company listed on the Main Board of the Stock Exchange, from 20 June 2013 to 25 September 2015, a director of China Solar Energy Holdings Limited (stock code: 155), a company listed on the Main Board of the Stock Exchange, from 15 May 2015 to 12 June 2015, and an independent non-executive director of Varitronix International Limited (stock code: 710), a company listed on the Main Board of the Stock Exchange, from 1 July 2009 to 3 June 2016.

Mr. Chau was a supervisor of 深圳市富隆投資顧問有限公司 (Shenzhen Fulong Investment Consulting Company Limited*) ("**Shenzhen Fulong**"). Shenzhen Fulong was a wholly foreign-owned enterprise. Shenzhen Fulong was inactive and had never commenced business. According to Mr. Chau, as a result of Shenzhen Fulong's failure to commence business, its business license was subsequently revoked on or around 1 April 2014. Mr. Chau was a supervisor of Shenzhen Fulong at the time or within a period of 12 months from the time of the revocation of Shenzhen Fulong's business licence.

Each of the Directors proposed by the Offeror to be appointed to or remain as a member of the Board after completion of the Transactions referred to in this section above has confirmed that save as disclosed in this circular, (i) he has no other interests in the shares of the Company within the meaning of Part XV of the SFO, (ii) he is independent from, and is not related to, any other then Directors, members of senior management, substantial Shareholders or Controlling Shareholders immediately after completion of the Transactions, (iii) he has not held any other directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years, and (iv) there is no other information which is required to be disclosed pursuant to any of the requirements under Rules 13.51(2) of the Listing Rules, nor are there any matters which need to be brought to the attention of the Shareholders in connection with his proposed appointment as a Director.

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SENIOR MANAGEMENT

Apart from Mr. Wang and Lee Khay Kok who will become the Company's chief executive officer and chief engineer, respectively, mentioned above, the Restructured Group's proposed senior management team will also comprise the following members:

KANG Weili (康偉力), aged 64, is proposed by the Offeror to be appointed as the chief geologist of the Company after completion of the Transactions, responsible for general geological research and study, developing exploration and production plans, reserve discovery and assessment.

Mr. Kang graduated with a bachelor's degree in Petroleum Geology from Daqing Petroleum Institute. He has over 30 years of experience in managing upstream oil and gas exploration and development, from reservoirs and reserve discovery, formulation and implementation of exploration and development plans. Mr. Kang has extensive experience in leading projects from exploration to production. He was accredited as Professor Level Senior Engineer (教授級高級工程師) in 1998 and a Valuer of Mineral Reserve (礦產儲量評估師) in 2002.

From 1977 to 2005, Mr. Kang worked for 吉林油田公司 (Jilin Oilfield Company*), the Jilin branch oilfield company of 中國石油天然氣集團公司 (China National Petroleum Corporation*) ("CNPC") and engaged in oil and gas exploration and research in Jilin, the PRC, during which he held positions including head of the exploration department and deputy chief geologist and was in charge of the exploration, development and research of various oil and gas fields in Jilin.

Mr. Kang was employed by MOLR at the oil and gas evaluation office (中國國土資源部油氣儲量評審辦公室) as the deputy department head from 2005 to 2011. Since 2013, Mr. Kang has been the chief geologist of Titan Gas Holdings, responsible for geology and research in Titan Gas Holdings.

Mr. Kang has received various awards in respect of his contributions in discovering new reserves and exploration. He was granted government special allowance (政府特殊津貼) by the State Council of the PRC in 1994 to recognise his contribution in engineering and technology. In January 2013, Mr. Kang was awarded with the Individual Special Contribution Award in National Mineral Resources Investigation (全國礦產資源利用現狀調查工作先進個人特別貢獻獎).

Mr. Kang believes that his experience in managing upstream exploration work and his contributions in discovering new reserves and production enhancement will help the PRC Target move its development work in Unit 2 and Unit 19 of Block 212 to commercial production; and will also help migrate resources into reserves and identify new reserves.

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XIE Jianping (謝建平), aged 50, is proposed by the Offeror to be appointed as senior vice president of the Company and a director of the PRC Target after completion of the Transactions. Mr. Xie will be responsible for business development, investment execution, and general management of the PRC Target.

Mr. Xie graduated from North China University of Technology with a bachelor's degree in engineering. Mr. Xie served as vice president of IDG Capital Partners and has approximately 9 years of investment and management experience and invested in a number of large enterprises. With his extensive investment and management experience in the energy and mineral industries, Mr. Xie led the investment in Minco Gold Corporation, a company listed in Canada.

Mr. Xie has served as the vice president of Titan Gas Holdings since 2013, mainly responsible for business development and general management.

Mr. Xie believes that his investment and management experience will help the PRC Target manage its cost control measures by leveraging on his seasoned experience in advising investee companies on profit enhancement.

JIN Yufen (金玉芬), aged 55, is proposed by the Offeror to be appointed as vice president of the Company after completion of the Transactions. Ms. Jin will be responsible for overall procurement management, organising bidding arrangement and process, contracts negotiation, oilfield service contractors supervision and management. Ms. Jin was accredited as Senior Engineer (高級工程師) in 1994.

Ms. Jin graduated with a bachelor's degree in Geophysical Exploration from Huadong Petroleum Institute (華東石油學院) (subsequently renamed as "China University of Petroleum") and a master's degree in Business Administration from the University of Wyoming. Ms. Jin has over 20 years of oil and gas experience obtained from various companies operating in the oil and gas industry.

From 1983 to 2002, Ms. Jin worked for CNPC, where she held various positions including senior engineer. Among other projects, Ms. Jin was responsible for the seismic work at the Shenxian depression, including seismic data acquisition, processing and interpretation.

From 2005 to 2008, Ms. Jin was employed as deputy manager of Apex Solutions Inc., an oilfield technique service provider. She was in charge of contracting and contract management, finance and technical project proposals.

From 2009 to 2012, Ms. Jin was the General Manager (Technical) at Pacific Asia Petroleum Limited ("PAPL"), a company which was engaged in the development of coalbed methane located in Shanxi province, the PRC through a production sharing contract with a company engaged in among others, exploration, development and sale of coalbed methane.

Since 2013, Ms. Jin has been the vice president of Titan Gas Holdings, responsible for contracting and technical procurement in Titan Gas Holdings.

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Ms. Jin believes that her experience in seismic interpretation and her background of working for an oilfield service company in charge of contracting and contract management will help the PRC Target in its service provider procurement.

WANG Ping (王平), aged 43, is currently a director and the general manager of the PRC Target. Wang Ping is proposed by the Offeror to be appointed as vice president of the Company after completion of the Transactions. Wang Ping will be responsible for general operation management, business plan, budget management, staff management and public relation management of the PRC Target.

Wang Ping received his bachelor degree in construction engineering from the Shanghai Institute of Urban Construction. Since November 2008, Wang Ping has been working for the PRC Target, where he held positions as deputy general manager, executive deputy general manager and general manager. He has approximately 7 years of on-site practical experience in managing exploration and development of the PRC Target's upstream oil assets, including formulating and approving exploration plans, development plans and operating budgets. Wang Ping was elected as Representative of People's Congress of East Ujimqin Banner, Xilin Gol League, Inner Mongolia, the PRC in 2012.

Wang Ping believes that his knowledge accumulated from working on Block 212 will continue to contribute to the operation and management of Block 212 based on its past practical knowledge and experience.

SONG Bo (宋波), aged 51, is proposed by the Offeror to be appointed as the Deputy Chief Engineer of the Company after completion of the Transactions. Mr. Song will be responsible for well site planning, field operation management, and production operation management operation.

Mr. Song received his bachelor degree in petroleum geology and exploration from Daqing Petroleum Institute and his master degree of coalfield and petroleum exploration from China University of Petroleum. He has approximately 30 years of experience in upstream oil and gas assets field operations. Mr. Song is particularly experienced in oil assets evaluation, and formulation of medium to long term reserve planning. He was accredited as a senior engineer (高級工程師) in 1998.

From July 1984 to March 2010, Mr. Song worked for Jilin Oilfield Company, where he held positions including, among others, deputy chief geologist of the Exploration and Development Institute, section chief (科長) of the Foreign Cooperation Department (對外合作部) and deputy department head (副主任) of the reserve office of the Exploration and Development Institute.

From April 2010 to April 2013, Mr. Song was employed by 中聯煤層氣國家工程研究中心有限責任公司 (China United Coalbed Methane National Engineering Research Center Corporation Limited*) of the PRC and held the position as deputy director (副所長) of its geological planning institute.

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From April 2013 to September 2014, Mr. Song was employed by the Linfen branch of 中石油煤層氣有限責任公司 (PetroChina Coalbed Methane Company Limited*) as manager assistant and was responsible for production operation, exploration and development planning, extraction and workover operation.

Since 2014, Mr. Song has been the deputy chief engineer of Titan Gas Holdings, responsible for field operation management in Titan Gas Holdings.

Mr. Song believes that his experience in oil assets evaluation, formulation of medium to long term reserve planning and his experience in exploration, planning, extraction and workover operation of coalbed methane will help him manage the exploration and development for Block 212.

GAO Jihong (高吉宏), aged 46, is currently the chief geologist of the PRC Target, and is proposed by the Offeror to be appointed as the deputy chief geologist of the Company after completion of the Transactions. Mr. Gao will be responsible for execution of geological exploration and research, geological plan and design, exploration and appraisal plan, geological study and research, and reserve evaluation.

Mr. Gao received his bachelor degree from the petroleum geology department at China University of Geosciences. Mr. Gao has approximately 17 years of experience in upstream oil assets exploration and development work. Mr. Gao was accredited as engineer (工程師) in 2002.

From July 1997 to July 2003, Mr. Gao worked at the Exploration and Development Research Institute of 中石油華北油田勘探開發研究院 (CNPC Huabei Oilfield Company*). During this tenure, Mr. Gao was mainly responsible for petroleum exploration research.

From November 2004 to March 2014, Mr. Gao was employed by 任丘市新發油田技術服務有限公司 (Renqiu City Xinfu Oilfield Service Company Limited*), and served as general manager. During his tenure, he was in-charge of several exploration and research projects. Mr. Gao has been the chief geologist of the PRC Target since April 2014.

Mr. Gao has been assisting the PRC Target in its exploration plan and development plan formulation since he joined the PRC Target in April 2014. Combining his knowledge on researches of other oilfields and Block 212, Mr. Gao believes that his continued involvement will help an effective further evaluation on Block 212.

JOINT COMPANY SECRETARIES

KU Sau Shan Lawrence James (顧受山), aged 48, is a graduate of the University of Toronto with a bachelor degree of science; and the York University with a bachelor of administrative studies. Mr Ku also obtained a master degree of corporate finance and corporate governance from Hong Kong Polytechnic University. He is a member of the Hong Kong Institute of Chartered Secretaries (HKICS).

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TAN Jue (譚嶺), aged 33, is a graduate of Renmin University of China and has been a member of the Association of Chartered Certified Accountants ("ACCA") since 2011. He has approximately 9 years of experience in advisory, investment and corporate governance. From 2006 to 2013, he was employed by PricewaterhouseCoopers Consultants Shenzhen Limited Beijing Branch and his last position held was manager in the advisory department. Mr. Tan joined IDG Capital Partners in 2013 and is now vice president of the firm where he is responsible for the execution of the fund's investment in companies in growth and mature stages and is involved in the management of portfolio companies in areas of finance, operation, internal control and corporate governance.

NON-COMPETITION

Each of the Directors and proposed Directors has confirmed that save as disclosed in the sections headed "Relationship between the Restructured Group and the Controlling Shareholders" and "Directors and Senior Management of the Restructured Group" in this circular, he or she and his/her respective associate(s) are not engaged in, or interested in any business which, directly or indirectly, competes or may compete with the business of the Restructured Group.

BOARD COMMITTEES

The Board has established the audit committee, the remuneration committee and the nomination committee.

Audit Committee

The Company has established the audit committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to consider issues relating to the external auditors and their appointment and removal, reviewing the interim and annual financial statements, reviewing and overseeing the Company's financial reporting system and internal control procedures.

As at the Latest Practicable Date, the composition of the audit committee of the Company was as follows:

PALASCHUK Derek Myles (*Chairman*)
YE Jianping
CHEN Zhiwu

The Offeror proposes that the composition of the audit committee of the Company after completion of the Transactions (and as soon as the appointment of the Directors nominated by the Offeror is permitted under the Takeovers Code) will be as follows:

CHAU Shing Yim David (*Chairman*)
SHI Cen
LIN Dongliang

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Remuneration Committee

The Company has established a remuneration committee of the Board in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The primary duties of the remuneration committee are to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and to review and approve the remuneration proposals of the management with reference to the Group's corporate goals and objectives.

As at the Latest Practicable Date, the composition of the remuneration committee of the Company was as follows:

YE Jianping (*Chairman*)
CAO Jing
CHEN Zhiwu

The Offeror proposes that as soon as the proposed changes to the Board composition are allowed under the Takeovers Code, the composition of the remuneration committee of the Company after completion of the Transactions (and as soon as the appointment of the Directors nominated by the Offeror is permitted under the Takeovers Code) will be as follows:

CHAU Shing Yim David (*Chairman*)
CHEN Zhiwu
SHONG Hugo

Nomination Committee

The Company has established a nomination committee of the Board as recommended by the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The primary duties of the nomination committee are to review the structure, size and composition of the Board, identifying individuals suitably qualified to become members of Board, assessing the independence of the independent non-executive directors and make recommendations to the Board on the appointment and re-appointment of directors and succession planning for directors.

As at the Latest Practicable Date, the composition of the nomination committee of the Company was as follows:

YE Jianping (*Chairman*)
PALASCHUK Derek Myles
CAO Jing

The Offeror proposes that as soon as the proposed changes to the Board composition are allowed under the Takeovers Code, the composition of the nomination committee of the Company after completion of the Transactions (and as soon as the appointment of the Directors nominated by the Offeror is permitted under the Takeovers Code) will be as follows:

CHEN Zhiwu (*Chairman*)
SHI Cen
WANG Jingbo

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DIRECTORS' REMUNERATION AND REMUNERATION OF THE FIVE HIGHEST PAID INDIVIDUALS

The Company's remuneration policy is built upon the principle of providing an equitable, motivating and market-competitive remuneration package that can stimulate and drive staff at all levels to work towards achieving the Group's strategic objectives. The remuneration of the directors of the Company is reviewed by the Remuneration Committee, having regard to directors' duties, responsibilities, the Group's operating results and comparable market statistics.

The above remuneration policy is expected to continue and apply to the Directors and senior management of the Restructured Group.

The remuneration paid to the Directors in aggregate for the financial years ended 31 March 2013, 2014 and 2015 were approximately HK\$1,056,000, HK\$1,150,000 and HK\$1,134,000, respectively.

For the financial year ended 31 March 2013, two Directors were among the Group's five highest paid individuals. The remuneration paid to the remaining three highest paid individuals were approximately HK\$1,165,000.

For the financial year ended 31 March 2014, two Directors were among the Group's five highest paid individuals. The remuneration paid to the remaining three highest paid individuals were approximately HK\$759,000.

For the financial year ended 31 March 2015, two Directors were among the Group's five highest paid individuals. The remuneration paid to the remaining three highest paid individuals were approximately HK\$757,000.

During the years ended 31 March 2013, 2014 and 2015, no emoluments were paid or payable by the Group to any of the Directors or the chief executive of the Company or the five highest paid individuals (including Directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office, and none of the Directors and the chief executive waived or agreed to waive any emoluments paid by the Group.

Based on the existing remuneration package, the Company estimates the aggregate remuneration payable to, and benefits in kind receivable by, the existing Directors in respect of the financial year ending 31 March 2016 to be approximately HK\$1,134,000.

COMPLIANCE ADVISOR

The Offeror proposes that the Company will appoint REORIENT Financial as its compliance advisor pursuant to Rule 3A.19 of the Listing Rules to advise the Company on the following matters in accordance with Rule 3A.23 of the Listing Rules:

- (a) before the publication of any regulatory announcement, circular or financial report;

DIRECTORS AND SENIOR MANAGEMENT OF THE RESTRUCTURED GROUP

- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (c) where the business activities, developments or results of the Restructured Group deviate from any forecast, estimate, or other information in this circular; and
- (d) where the Stock Exchange makes an inquiry of the Company of unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of the appointment will commence upon completion of the Transactions and end on the date on which the Company sends its financial results as required under Rule 13.46 of the Listing Rules for the first full financial year commencing after completion of the Transactions or until the compliance advisor resigns or its agreement is terminated, whichever is earlier. Where the compliance advisor resigns or its agreement is terminated earlier, the Company shall appoint a replacement compliance advisor within three months of the resignation or termination.