

China BlueChemical Ltd.

Procedures for Election of Directors by Shareholders

Shareholders may elect directors of the Company by the following methods and procedures:

1. Shareholders may recommend candidates for directorship to the Company for consideration. The nomination committee under the board of directors will, upon review of the candidates, make recommendations to the board of directors. After the candidates are reviewed and approved by the board of directors, the board of directors will convene a general shareholders' meeting where the candidates are to be submitted to the shareholders for review.
2. Shareholders who individually or jointly hold more than 10% of the Company's issued and outstanding shares with the right to vote may sign one or more written requests of the same format and contents to propose to the board of directors for the convening of an extraordinary general meeting for the election/replacement of directors. The board of directors will forthwith convene the extraordinary general meeting for the election/replacement of directors upon receipt of the written request aforesaid. If the board of directors has not delivered the notice for the convening of the meeting within thirty days upon receipt of the written request aforesaid, shareholders requiring such may propose to the supervisory committee for the convening of an extraordinary general meeting for the election/replacement of directors with reference to the provisions referred to above. If the supervisory committee has not convened and presided over the extraordinary general meeting according to law within five days upon receipt of the written request aforesaid, shareholders requiring such and individually or jointly holding more than 10% of the Company's shares for more than 90 consecutive days may call the meeting on their own within four months from the date of receipt of such request by the board of directors.
3. Where the Company convenes a general shareholders' meeting, shareholders who individually or jointly hold 3% or more of the Company's total number of shares with the right to vote are entitled to submit to the convener a provisional proposal for the election/replacement of directors in writing ten days prior to the meeting. The convener will issue a supplementary notice of the general shareholders' meeting within two days upon the receipt of such proposal and include such proposal into the agenda of the meeting for consideration by shareholders in the general meeting.