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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 Feishang Non-metal Materials Technology Limited, you should at once hand this circular, together with the enclosed 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.

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Feishang Non-metal Materials Technology Limited **飛尚非金屬材料科技有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8331)

PROPOSALS FOR **(1) RE-ELECTION OF RETIRING DIRECTORS;** **AND** **(2) GENERAL MANDATES TO REPURCHASE SHARES** **AND ISSUE SHARES;** **AND** **NOTICE OF ANNUAL GENERAL MEETING**

Capitalized terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 3 to 7 of this circular. A notice convening the Annual General Meeting to be held at Park Lane Room VI, 27th Floor, The Park Lane Hong Kong, A Pullman Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong on Friday, 27 May 2016 at 2:00 p.m. is set out on pages 21 to 25 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed with this circular. Such form of proxy is also published on the designated website of the GEM (<http://www.hkgem.com>) and the website of the Company (<http://www.fsnmmaterials.com>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the date of publication and will also be published on the website of the Company at <http://www.fsnmmaterials.com>.

31 March 2016

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This circular is available in printed form in both English and Chinese and published on the designated website of the GEM (<http://www.hkgem.com>) and the website of the Company (<http://www.fsnmmaterials.com>). The English version will prevail in case of any inconsistency between the English and Chinese version of this circular.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	an annual general meeting of the Company to be held at Park Lane Room VI, 27th Floor, The Park Lane Hong Kong, A Pullman Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong on Friday, 27 May 2016 at 2:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting as set out on pages 21 to 25 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of Directors
“Company”	Feishang Non-metal Materials Technology Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the GEM
“CNY”	Chinese Yuan, the lawful currency of the People’s Republic of China
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issuance Mandate”	as defined in paragraph 4 of the Letter from the Board as set out on page 5 of this circular
“Latest Practicable Date”	22 March 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Prospectus”	the prospectus of the Company dated 18 December 2015 issued in connection with the listing of Shares on the GEM
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Repurchase Mandate”	as defined in paragraph 3 of the Letter from the Board as set out on page 4 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



Feishang Non-metal Materials Technology Limited **飛尚非金屬材料科技有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8331)

Executive Directors:

Mr. XU Chengyin (*Chairman and
Chief Executive Officer*)
Mr. ZHANG Pingwu
Mr. CHEN Gongbao

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent Non-executive Directors:

Mr. CHAN Chiu Hung Alex
Mr. ZHENG Shuilin
Mr. DUAN Xuechen

Principal Place of Business in

Hong Kong:
Room 2204, Shun Tak Centre
200 Connaught Road Central
Sheung Wan
Hong Kong

31 March 2016

To the Shareholders

Dear Sir/Madam,

PROPOSALS FOR
(1) RE-ELECTION OF RETIRING DIRECTORS;
AND
(2) GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE NEW SHARES;
AND
NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting to be held on Friday, 27 May 2016, and to give you notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Articles 83(3) and 84(1) of the Articles of Association, Mr. XU Chengyin, Mr. ZHANG Pingwu, Mr. CHEN Gongbao, Mr. CHAN Chiu Hung Alex, Mr. ZHENG Shuilin and Mr. DUAN Xuechen shall retire from office at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

Each of Messrs. CHAN Chiu Hung Alex, ZHENG Shuilin and DUAN Xuechen has given to the Company an annual confirmation of his independence in accordance with Rule 5.09 of the GEM Listing Rules. The Board, therefore, considers them to be independent and believes that they should be re-elected.

Pursuant to Rule 17.46A of the GEM Listing Rules, the biographical details of the retiring Directors standing for re-election at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

As set out in the Prospectus, the general mandate granted by the then Shareholder to the Directors on 12 December 2015 to repurchase Shares will expire at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase its shares if and when appropriate, a resolution of the Shareholders will be proposed at the Annual General Meeting to approve the granting of a general and unconditional mandate to the Directors to repurchase its Shares on the GEM of not exceeding 10% of the total number of issued Shares of the Company as at the date of the passing of the proposed resolution contained in item 4(A) of the notice of the Annual General Meeting as set out on pages 21 to 25 of this circular (i.e. a total of 50,000,000 Shares, assuming that the issued share capital of the Company remains unchanged after the Latest Practicable Date and up to the date of the Annual General Meeting) (the “**Share Repurchase Mandate**”). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

In accordance with Rules 13.07 and 13.08 of the GEM Listing Rules, an explanatory statement containing information reasonably necessary for the Shareholders to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

As set out in the Prospectus, the then Shareholder granted a general mandate to the Directors on 12 December 2015 to allot and issue Shares. Such mandate will expire at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, a resolution of the Shareholders will be proposed at the Annual General Meeting to approve the granting of a general and unconditional mandate to the Directors to allot, issue or deal with additional Shares not exceeding 20% of the total number of issued Shares of the Company as at the date of the passing of the proposed resolution contained in item 4(B) of the notice of the Annual General Meeting as set out on pages 21 to 25 of this circular (i.e. a total of 100,000,000 Shares, assuming that the issued share capital of the Company remains unchanged after the Latest Practicable Date and up to the date of the Annual General Meeting) (the “**Issuance Mandate**”). Conditional upon the passing of the resolutions of the Shareholders to grant the Share Repurchase Mandate and the Issuance Mandate, a resolution to extend the Issuance Mandate by adding number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate as set out in item 4(C) of the notice of the Annual General Meeting will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

Date: Friday, 27 May 2016

Time: 2:00 p.m.

Venue: Park Lane Room VI, 27th Floor, The Park Lane Hong Kong, A Pullman Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong

The notice of the Annual General Meeting is set out on pages 21 to 25 of this circular. At the Annual General Meeting, resolutions of the Shareholders will be proposed to approve, among others the re-election of the retiring Directors, the granting of the Share Repurchase Mandate and the Issuance Mandate and the extension of the Issuance Mandate by adding thereto of any Shares repurchased under the Share Repurchase Mandate. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the designated website of the GEM (<http://www.hkgem.com>) and the website of the Company (<http://www.fsnmmaterials.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting should you so wish.

6. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting, the Register of Members of the Company will be closed from Wednesday, 25 May 2016 to Friday, 27 May 2016, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 24 May 2016.

7. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Repurchase Mandate and the Issuance Mandate and the extension of the Issuance Mandate by the addition thereto of any Shares repurchased under the Share Repurchase Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the above mentioned proposed resolutions at the Annual General Meeting.

LETTER FROM THE BOARD

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information relating to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

9. GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,

For and on behalf of the Board

Feishang Non-metal Materials Technology Limited

XU Chengyin

Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. XU Chengyin, aged 53, Chairman, Executive Director and Chief Executive Officer

Position and Experience

Mr. XU Chengyin (“**Mr. Xu**”) has been the chairman, executive Director and chief executive officer of the Company since July 2015. He is also a member of the remuneration committee of the Company (“**Remuneration Committee**”). Mr. Xu is primarily responsible for formulating corporate strategies and supervising the business and marketing operations of the Group. He joined the Group in November 2011 and has been the chairman, director, legal representative and general manager of Wuhu Feishang Non-metallic Material Co., Ltd. (“**Feishang Material**”), an indirectly wholly owned subsidiary of the Company, since then, responsible for overseeing the overall operation of Feishang Material with a focus on managing its sales and marketing operations. Mr. Xu has over 34 years of experience in the non-ferrous metal industry including various senior positions in copper processing and refining private companies, production and marketing of copper-based alloy materials listed company in China, and iron and zinc listed mining company in New York state. He obtained graduate certificates in heavy metal smelting from 長沙冶金工業學校 (Changsha Metallurgical Industry School*) in July 1981, industrial enterprise management from 經濟管理刊授聯合大學蕪湖市分校 (Wuhu Branch of the Economic Management Correspondence United Institute*) in December 1988 and economic management from 中共中央黨校函授學院 (Correspondence Institute of the Party School of the Central Committee of the Communist Party of China*) in December 1999. Mr. Xu was awarded the qualifications of smelting engineer by 蕪湖市職稱改革領導小組 (Wuhu City Title Reform Leading Committee*) in September 1993, senior economist by 蕪湖市人事局 (Wuhu City Personnel Bureau*) in January 2009 and senior professional manager by Research Center for Professional Managers (職業經理研究中心) in March 2010. He did not hold any directorship in other listed public companies in the past three years.

Length of service

Mr. Xu was appointed as an executive Director on 15 July 2015. Mr. Xu entered into a service agreement with the Company for a term of three years to 28 December 2018. Mr. Xu is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Xu does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Xu does not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Xu is entitled to an annual Director's fee of HK\$1.00 and an annual salary of CNY79,000 together with a discretionary bonus, which is determined by the Board with reference to his duties and responsibilities and subject to review from time to time.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Xu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules and there are no other matters concerning Mr. Xu that need to be brought to the attention of the Shareholders.

(2) Mr. ZHANG Pingwu, aged 41, Executive Director

Position and Experience

Mr. ZHANG Pingwu (“**Mr. Zhang**”) is an executive Director and chief technology officer of the Company. He is primarily responsible for overseeing production and technology related matters of the Group. Mr. Zhang is also the deputy general manager (production and technology) of Feishang Material, responsible for production, quality control, new product development and the overall management of the Company’s production department, quality control centre and research and development laboratory. He joined the Group in June 2002 after the Company acquired certain assets of 繁昌縣鋅鐵礦 (Fanchang County Iron-zinc Ore Mine*) and was the deputy production plant manager of the processing plant of Feishang Material from June 2002 to March 2009, responsible for production management and quality control work. Mr. Zhang became the plant manager in March 2009 and was responsible for overseeing the overall operation of the Company’s processing plant. Between August 2011 and December 2014, he was the assistant to general manager of Feishang Material and assisted the general manager in new product development and production safety management of the Company’s bentonite processing plant. He was promoted to deputy general manager (production and technology) of Feishang Material in December 2014. Mr. Zhang has over 13 years of mining experience. He obtained a bachelor’s degree in engineering in chemical engineering and crafts from 淮南工業學院 (Huainan Industrial Institute*) (later became Anhui University of Science and Technology (安徽理工大學)) in July 2000 and the engineer qualification in chemical engineering and crafts from 蕪湖市人事局 (Wuhu City Personnel Bureau*) in December 2006. Prior to joining the Group, Mr. Zhang was deputy production plant manager from October 2001 to June 2002 at the activated bentonite processing plant of 繁昌縣鋅鐵礦 (Fanchang County Iron-zinc Ore Mine*), an entity engaged in the mining of non-ferrous metal, where he was mainly responsible for production management of activated bentonite products. He did not hold any directorship in other listed public companies in the past three years.

Length of service

Mr. Zhang was appointed as an executive Director on 15 July 2015. Mr. Zhang entered into a service agreement with the Company for a term of three years to 28 December 2018. Mr. Zhang is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Zhang does not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Zhang is entitled to an annual Director's fee of HK\$1.00 and an annual salary of CNY79,000 together with a discretionary bonus, which is determined by the Board with reference to his duties and responsibilities and subject to review from time to time.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Zhang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules and there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders.

(3) Mr. CHEN Gongbao, aged 38, Executive Director***Position and Experience***

Mr. CHEN Gongbao (“**Mr. Chen**”) is an executive Director, financial controller and compliance officer of the Company. He is also a member of the nomination committee of the Company (“**Nomination Committee**”). Mr. Chen is primarily responsible for overseeing the financial management of the Group. He joined the Group in July 2015. Mr. Chen has over 15 years of experience in accounting and financial management from two listed companies in China and a business, finance and tax consulting firm, and over seven years of experience in the mining industry from listed companies in Hong Kong and New York state. He graduated from 安徽商業高等專科學校 (Anhui Business College*) (now known as Anhui University of Technology (安徽工業大學)) with a certificate in accounting in July 1998 and from the Dalian University of Technology (大連理工大學) with a master’s degree in business administration in December 2012. Mr. Chen obtained the qualification of Chinese Certified Public Accountant (中國註冊會計師) in December 2002. He did not hold any directorship in other listed public companies in the past three years.

Length of service

Mr. Chen was appointed as an executive Director on 15 July 2015. Mr. Chen entered into a service agreement with the Company for a term of three years to 28 December 2018. Mr. Chen is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Chen does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Chen does not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Chen is entitled to an annual Director's fee of HK\$1.00 and an annual salary of CNY203,000 together with a discretionary bonus, which is determined by the Board with reference to his duties and responsibilities and subject to review from time to time.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Chen involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules and there are no other matters concerning Mr. Chen that need to be brought to the attention of the Shareholders.

(4) **Mr. CHAN Chiu Hung Alex, aged 49, Independent Non-executive Director**

Position and Experience

Mr. CHAN Chiu Hung Alex ("**Mr. Chan**") is an independent non-executive Director. He is also the chairman of the audit committee of the Company ("**Audit Committee**") and a member of the Nomination Committee and Remuneration Committee. Mr. Chan graduated from the Hong Kong Baptist University with a bachelor of business administration (honours) degree in finance in November 1990. He completed an advanced diploma in specialist taxation with the Hong Kong Institute of Certified Public Accountants in December 2012 and was admitted as an associate with the Institute of Chartered Accountants in England and Wales. Mr. Chan is currently a fellow of the Institute of Chartered Secretaries and Administrators, a fellow of the Hong Kong Institute of Chartered Secretaries, a fellow of the Association of Chartered Certified Accountants and an associate of the Hong Kong Institute of Certified Public Accountants. Mr. Chan has over 17 years of experience accounting, financial management and regulatory compliance of various industries listed in Hong Kong and Singapore. He was an independent non-executive director of Co-Prosperity Holdings Limited (Stock Code: 707), a company listed in Hong Kong, for the period from March 2015 to October 2015. Mr. Chan is also an independent non-executive director of e-Kong Group Limited (Stock Code: 524) and Kate China Holdings Limited (Stock Code: 8125), both of which are companies listed in Hong Kong. Save as disclosed above, he has not held any directorship in other listed public companies in the past three years.

Length of service

Mr. Chan was appointed as an independent non-executive Director on 12 December 2015. Mr. Chan entered into a service agreement with the Company for a term of three years to 28 December 2018. Mr. Chan is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Chan does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Chan does not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Chan is entitled to an annual Director's fee of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities and subject to review from time to time.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Chan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules and there are no other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders.

(5) Mr. ZHENG Shuilin, aged 59, Independent Non-executive Director***Position and Experience***

Mr. ZHENG Shuilin (“**Mr. Zheng**”) is an independent non-executive Director. He is also the chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee. Mr. Zheng has over 14 years of experience in the field of material engineering. He graduated from 武漢建築材料工業學院 (Wuhan Institute of Building Materials*) (now part of Wuhan University of Technology (武漢理工大學) (“**Wuhan UT**”)) with a bachelor’s degree in non-metal mining (mineral processing engineering) in June 1982 and was awarded with a master’s degree in engineering from 武漢工業大學 (Wuhan Industrial College*) (now part of Wuhan UT) in November 1985 and a doctoral degree in mineral processing engineering from the University of Science and Technology Beijing (北京科技大學) in July 1999. He has published a number of books relating to science and technology and has written over 300 research papers and has obtained over 30 invention patents. In addition, Mr. Zheng was appointed as the vice-chairman of the Fifth Council of the China Non-metallic Minerals Industry Association (中國非金屬礦工業協會) in December 2008, a committee member of the Academic Committee of the Key Laboratory of the Ministry of land and Resources of Clay Minerals (國土資源部粘土礦物重點實驗室學術委員會委員) in March 2013 and the vice-chairman of the Sixth Council of Chinese Society of Particuology (中國顆粒學會) in May 2014. He did not hold any directorship in other listed public companies in the past three years.

Length of service

Mr. Zheng was appointed as an independent non-executive Director on 12 December 2015. Mr. Zheng entered into a service agreement with the Company for a term of three years to 28 December 2018. Mr. Zheng is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Zheng does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Zheng does not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Zheng is entitled to an annual Director's fee of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities and subject to review from time to time.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Zheng involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules and there are no other matters concerning Mr. Zheng that need to be brought to the attention of the Shareholders.

(6) Mr. DUAN Xuechen, aged 66, Independent Non-executive Director***Position and Experience***

Mr. DUAN Xuechen (“**Mr. Duan**”) is an independent non-executive Director. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. He graduated from the course of metallurgy analysis chemistry of 中南礦冶學院 (Central South School of Mining & Metallurgy*) (now part of Central South University (中南大學)) in November 1975 and obtained a master's degree in chemical engineering in March 1982 from the same school. Mr. Duan further obtained a doctoral degree in engineering in non-ferrous metallurgy from 中南工業大學 (Central South Industrial University*) (now part of Central South University) in December 1990. He has published a number of research papers and is the inventor of a number of invention patents. Mr. Duan was a visiting scholar and research fellow at the KTH Royal Institute of Technology in Stockholm, Sweden, from January to July 2004 where he was engaged in the research of nano structures. He became a member of The Chinese Society For Metals (中國金屬學會) in October 1992 and an editorial board member of the journal “中國粉體技術 (China Powder Science and Technology*)”. Mr Duan was also involved in the education and research of material chemistry and related fields in various universities in China for 34 years. He did not hold any directorship in other listed public companies in the past three years.

Length of service

Mr. Duan was appointed as an independent non-executive Director on 12 December 2015. Mr. Duan entered into a service agreement with the Company for a term of three years to 28 December 2018. Mr. Duan is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Duan does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules), or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Duan does not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Duan is entitled to an annual Director's fee of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities and subject to review from time to time.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Duan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules and there are no other matters concerning Mr. Duan that need to be brought to the attention of the Shareholders.

* for identification purpose only

The following is an explanatory statement required by the GEM Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 500,000,000 Shares.

Subject to the passing of the resolution set out in item 4(A) of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and assuming that the issued share capital of the Company remains unchanged after the Latest Practicable Date and up to the date of the Annual General Meeting, i.e. being 500,000,000 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 50,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share of the Company and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASE

There might be a material adverse impact on the working capital or gearing positions of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2015) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share 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.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares were traded on the GEM during the period from 29 December 2015 (the date of listing of the Shares on the GEM) up to and including the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
December, 2015	1.26	0.465
January, 2016	0.63	0.35
February, 2016	0.54	0.36
March, 2016 (up to and including the Latest Practicable Date)	0.47	0.38

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the GEM Listing Rules) have any present intention to sell any Share to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders and exercised.

The Company has not been notified by any core connected persons (as defined in the GEM Listing Rules) of the Company that they have a present intention to sell any Share to the Company, or that they have undertaken not to sell any Share held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders and exercised.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. LI Feilie, the controlling shareholder of the Company (as defined in the GEM Listing Rules), was deemed to be interested in 375,000,000 Shares representing 75% of the total issued share capital of the Company. Such 375,000,000 Shares are held by Feishang Group Limited. Feishang Group Limited is a wholly-owned subsidiary of Laitan Investments Limited, which is in turn wholly owned by Mr. LI Feilie. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the shareholding of Mr. LI Feilie would be increased to approximately 83.33% of the issued share capital of the Company.

The Directors are not aware of any Shareholder or a group of Shareholders acting in concert, who will become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of the repurchase of Shares.

The Directors will use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to such extent that the number of Shares held by the public will fall below the relevant minimum percentage as determined by the Stock Exchange.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

From the date of listing of the Company on 29 December 2015 and up to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the GEM or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



Feishang Non-metal Materials Technology Limited 飛尚非金屬材料科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8331)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the shareholders (the “**Shareholders**”) of Feishang Non-metal Materials Technology Limited (the “**Company**”) will be held at Park Lane Room VI, 27th Floor, The Park Lane Hong Kong, A Pullman Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong on Friday, 27 May 2016 at 2:00 p.m. (the “**Annual General Meeting**”) for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2015.
2. To re-elect the retiring directors of the Company (the “**Directors**”), including (a) Mr. XU Chengyin as an executive Director; (b) Mr. ZHANG Pingwu as an executive Director; (c) Mr. CHEN Gongbao as an executive Director; (d) Mr. CHAN Chiu Hung Alex as an independent non-executive Director; (e) Mr. ZHENG Shuilin as an independent non-executive Director; (f) Mr. DUAN Xuechen as an independent non-executive Director; and (g) to authorize the board of Directors (the “**Board**”) to fix the respective Directors’ remuneration.
3. To re-appoint SHINEWING (HK) CPA Limited as the Company’s independent auditors and to authorize the Board to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Shareholders:

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

(A) “**THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares on the Growth Enterprise Market (the “**GEM**”) of 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 recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”) or of any other stock exchange on which the securities of the Company may be listed as amended from time to time;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution; and
- (c) for the purposes 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 laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by a resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(B) “THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of any options under all share option schemes of the Company adopted from time to time;
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; and
 - (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes 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 laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by a resolution of the Shareholders in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange outside Hong Kong).”

- (C) “**THAT** conditional upon the passing of the resolutions set out in items 4(A) and 4(B) of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 4(B) of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the amount representing the aggregate number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 4(A) of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
Feishang Non-metal Materials Technology Limited
XU Chengyin
Chairman

Hong Kong, 31 March 2016

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the GEM Listing Rules. The results of the poll will be published on the designated website of the GEM and the website of the Company in accordance with the GEM Listing Rules.
2. Any Shareholder entitled to attend and vote at the above meeting is entitled to appoint one proxy or more to attend and vote instead of him. A proxy need not be a Shareholder. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked if you vote in person at the Annual General Meeting.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Wednesday, 25 May 2016 to Friday, 27 May 2016, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 24 May 2016.