
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be immediately taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Sino Prosper State Gold Resources Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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SINO PROSPER STATE GOLD RESOURCES HOLDINGS LIMITED
中盈國金資源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

**PROPOSED RENEWAL OF THE 10% GENERAL LIMIT ON THE GRANT OF
OPTIONS UNDER THE SHARE OPTION SCHEME**

A notice convening the extraordinary general meeting of the Company to be held at Room 5, G/F., Hong Kong SkyCity Marriot Hotel, 1 Sky City Road East, Hong Kong International Airport, Lantau, Hong Kong, at 3:45 p.m on Friday, 28 June 2013 is set out on pages 8 to 9 of this circular.

Whether or not you intend to attend the extraordinary general meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time of the extraordinary general meeting or any adjournment thereof to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

CONTENTS

| | |
|---|---|
| Definitions | 1 |
| Letter from the Board | |
| – Introduction | 3 |
| – Share Option Scheme – Renewal of 10% General Limit | 4 |
| – Actions to be taken | 6 |
| – Voting by poll at the Extraordinary General Meeting | 6 |
| – Recommendation | 6 |
| – Miscellaneous | 7 |
| Notice of the Extraordinary General Meeting | 8 |

DEFINITIONS

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

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| “10% General Limit” | the limit imposed under Clause 8.2(a) of the rules of the Share Option Scheme on the total number of Shares which may be issued upon the exercise of all options granted or to be granted under the Share Option Scheme of the Company, being 10% of the Company’s issued share capital as at the date of approval of the “refreshed” limit, which has been “refreshed” and may be further “refreshed” on and pursuant to the rules of the Share Option Scheme |
| “30% Overall Limit” | has the meaning ascribed to such term in the paragraph headed “Share option scheme – renewal of 10% General Limit” in the “Letter from the Board” section of this circular |
| “Articles” | the articles of association of the Company adopted pursuant to a written resolution passed by the then sole Shareholder on 25 April 2002, as amended from time to time |
| “associate(s)” | has the same meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors |
| “Company” | Sino Prosper State Gold Resources Holdings Limited 中盈國金資源控股有限公司, a company incorporated under the laws of the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange |
| “Director(s)” | director(s) of the Company |
| “Extraordinary General Meeting” or “EGM” | the extraordinary general meeting of the Company to be convened and held at Room 5, G/F., Hong Kong SkyCity Marriot Hotel, 1 Sky City Road East, Hong Kong International Airport, Lantau, Hong Kong at 3:45 p.m. on Friday, 28 June 2013, the notice of which is set out on pages 8 to 9 of this circular, and any adjournment thereof |
| “Group” | the Company and its subsidiaries from time to time |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Latest Practicable Date” | 5 June 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

DEFINITIONS

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|----------------------------|--|
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company |
| “Share Option Scheme” | the share option scheme of the Company adopted pursuant to Shareholders’ resolution passed on 20 April 2012 |
| “Shareholder(s)” | holder(s) of the Shares |
| “Single Participant Limit” | has the meaning ascribed to such term in the paragraph headed “Share option scheme – renewal of 10% General Limit” in the “Letter from the Board” section of this circular |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent. |

LETTER FROM THE BOARD



SINO PROSPER STATE GOLD RESOURCES HOLDINGS LIMITED

中盈國金資源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

Executive Directors:

Leung Ngai Man (*Chairman*)
Sung Kin Man (*Chief Executive Officer*)
Ng Kwok Chu, Winfield
Yeung Kit

Independent non-executive Directors:

Niu Zhihui
Cai Wei Lun
Zhang Qingkui

Registered office:

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

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

Units 1702-04,
17/F, Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong

10 June 2013

*To the Shareholders and, for information only,
the holders of outstanding options and warrants of the Company*

Dear Sir/Madam,

**PROPOSED RENEWAL OF THE 10% GENERAL LIMIT ON THE GRANT OF
OPTIONS UNDER THE SHARE OPTION SCHEME**

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolution to be proposed at the Extraordinary General Meeting and to give you notice of the Extraordinary General Meeting in relation to the proposed refreshment of the 10% General Limit of the Share Option Scheme.

LETTER FROM THE BOARD

SHARE OPTION SCHEME – RENEWAL OF 10% GENERAL LIMIT

Under the rules of the Share Option Scheme:

- (1) the maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the shares of the Company in issue from time to time (“**30% Overall Limit**”);
- (2) the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company is subject to the 10% General Limit; and
- (3) unless approved by Shareholders in general meeting, the total number of Shares issued and to be issued upon the exercise of options granted to each participant of the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the issued share capital of the Company (“**Single Participant Limit**”).

As at the Latest Practicable Date, apart from the Share Option Scheme, the Company has not adopted any other share option scheme.

The Company may seek approval from Shareholders in general meeting for refreshing the 10% General Limit, so that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall be re-set at 10% of the Shares in issue as at the date of the approval of the limit as “refreshed”.

In this connection, options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised) will not be counted for the purpose of calculating the 10% General Limit as “refreshed”.

Pursuant to the Share Option Scheme, the existing 10% General Limit is 77,578,749 Shares, being 10% of the Shares in issue as at the date of approving the Share Option Scheme on 20 April 2012. As at the Latest Practicable Date, options carrying rights to subscribe for up to a total of 77,300,000 Shares were granted under the Share Option Scheme. All these options were granted to Directors or employees or consultants of the Group.

All the above grantees of options fall within the category of eligible participants under the Share Option Scheme. The Directors confirm that the grants of options to the above grantees were in accordance with the rules of the Share Option Scheme (including the Single Participant Limit) and the relevant requirements of the Listing Rules. Except for the grantees who were the Directors or chief executive or senior management of the Company, none of the other grantees are connected persons (as defined under the Listing Rules) of the Company.

Since the adoption of the Share Option Scheme, none of the grantees have been granted options that exceed the Single Participant Limit.

LETTER FROM THE BOARD

As at the Latest Practicable Date,

- (i) options carrying the rights to subscribe for up to a total of 77,300,000 Shares were granted under the Share Option Scheme;
- (ii) out of the options granted under (i), none were exercised, resulting in the issue of a total of nil Shares;
- (iii) out of the options granted under (i), none were lapsed;
- (iv) options carrying rights to subscribe for a total of 7,700,000 Shares were cancelled before the Latest Practicable Date, and
- (v) the total number of Shares which may fall to be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme is 69,600,000 (representing approximately 8.97% of the Shares in issue as at the Latest Practicable Date).

Unless the 10% General Limit is “refreshed”, only up to 278,749 Shares may be issued pursuant to the grant of further options under the Share Option Scheme.

If the 10% General Limit is “refreshed”, on the basis of 775,787,497 Shares in issue as at the Latest Practicable Date and assuming that, prior to the EGM, (i) no Shares are issued (whether upon exercise of options granted under the Share Option Scheme or otherwise) or repurchased by the Company; and (ii) none of the available options which may be granted are further granted, the 10% General Limit will be reset at 77,578,749 Shares and the Company will be allowed to grant further options under the Share Option Scheme and other share option schemes carrying the rights to subscribe for up to the said 77,578,749 Shares.

On the basis of 775,787,497 Shares in issue as at the Latest Practicable Date, the 30% Overall Limit represents a total of 232,736,249 Shares. Accordingly, the aggregate of (i) the said limit of 77,578,749 Shares arising from the “refreshing” of the 10% General Limit; (ii) up to 69,600,000 Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme as at the Latest Practicable Date; and (iii) up to 28,020,000 Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Company’s old share option scheme (which was terminated on 20 April 2012) as at the Latest Practicable Date, does not exceed the 30% Overall Limit as at the Latest Practicable Date.

The purposes of the Share Option Scheme are to provide incentives or rewards to employees, customers and suppliers of the Group and other eligible participants of the Share Option Scheme for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. Unless the 10% General Limit is “refreshed” in accordance with the rules of the Share Option Scheme, the Directors consider that the Share Option Scheme cannot continue to serve its intended purpose for the benefits of the Group and the Shareholders.

LETTER FROM THE BOARD

The Directors consider that it will be to the benefit of the Company and the Shareholders as a whole that eligible participants of the Share Option Scheme are granted rights to obtain equity holdings in the Company through the grant of options under the Share Option Scheme. This will motivate the eligible participants to contribute to the success of the Group. For these reasons, the Directors will propose the passing of an ordinary resolution at the EGM for “refreshing” the 10% General Limit.

The refreshment of the 10% General Limit is conditional upon (a) the Shareholders passing an ordinary resolution to approve the “refreshment” of the 10% General Limit on the grant of options under the Share Option Scheme; and (b) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options granted under the “refreshed” 10% General Limit.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of any options that may be granted under the “refreshed” 10% General Limit.

ACTIONS TO BE TAKEN

Set out on page 8 to 9 of this circular is a notice convening the EGM at which resolution will be proposed to approve, among other matters, the renewal of the 10% General Limit.

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

VOTING BY POLL AT THE EXTRAORDINARY GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, the proposed resolution put to Shareholders at the EGM will be taken by poll. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

Resolution to be proposed at the EGM includes ordinary resolution relating to the renewal of the 10% General Limit. The Board considers that the proposed resolution is in the best interest of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolution at the EGM.

LETTER FROM THE BOARD

MISCELLANEOUS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. 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.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
For and on behalf of the Board of
Sino Prosper State Gold Resources Holdings Limited
Leung Ngai Man
Chairman

NOTICE OF THE EXTRAORDINARY GENERAL MEETING



SINO PROSPER STATE GOLD RESOURCES HOLDINGS LIMITED

中盈國金資源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (“**Meeting**”) of Sino Prosper State Gold Resources Holdings Limited (“**Company**”) will be held at Room 5, G/F., Hong Kong SkyCity Marriot Hotel, 1 Sky City Road East, Hong Kong International Airport, Lantau, Hong Kong at 3:45 p.m. on Friday, 28 June 2013 to consider and, if thought fit, pass (with or without modification) the following resolution as ordinary resolution:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme (“**Share Option Scheme**”) of the Company adopted pursuant to a resolution the Shareholder of the Company passed on 20 April 2012, representing 10% of the issued share capital of the Company as at the day on which this resolution is passed, pursuant to Clause 8.2(a) of the Share Option Scheme:

- (a) approval be and is hereby granted for refreshing the 10% mandate under the Share Option Scheme (“**Refreshed Scheme Mandate**”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the day on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

- (b) the directors of the Company or a duly authorised committee thereof be and they are hereby authorised: (i) at their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue or otherwise deal with shares of the Company pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”

By order of the Board
Sino Prosper State Gold Resources Holdings Limited
Leung Ngai Man
Chairman

Hong Kong, 10 June 2013

Registered office:

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

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

Units 1702-04,
17/F, Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the Meeting convened by this notice shall be entitled to appoint one proxy or, if he is the holder of two or more shares (“Shares”) of the Company, more than one proxy to attend and, subject to the provisions of the articles of association (“Articles”) of the Company, vote in his stead. A proxy need not be a shareholder.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the branch registrar and transfer agent of the Company in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 48 hours before the time of the Meeting or any adjourned meeting.
3. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the Meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint registered holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto or if more than one of such joint holders are present at the Meeting, 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 stand in the register of members of the Company in respect of the joint holding.