

## The Agreement of the Broad for Applying for CDM of Sichuan Yanyuan Yongning River Hydropower Station

On 6<sup>th</sup> June, 2005, there is a broad meeting by Yanyuan Yongning River hydro-electric Development Co., Ltd. for the application of CDM. The agreement is as following:

1. The Yongning River Hydropower Station is the diversion type run of water hydropower station, which is applicable for CDM regulations.

The Yongning River Hydropower Station has begun to construct on February, 2004. During the construction process, because of the reasons as bad geographical situation, the material price has been increased etc, it is necessary to increase the investment. The project has stopped construction in August 2004. While we have acquired the relative information about CDM, which means through the sale of emission reduction, the revenue could be increased and the financial index could be improved. We have also acquired that the Huitengxile Wind Park as registered as CDM project in UNFCCC. If this project could be registered as CDM project, the commercial index of this project could be improved. It is estimated that the annual revenue could reach 10 million Yuan. Therefore, the broad decided to apply for CDM project, and prepared to restart the hydropower station again.

2. The general manager, Liu Renju will be in charge of the application worm, and begin to contact the relative company and begin the work as soon as possible.

3. It is required the departments of the company and relative staff assist with this job.

Signature of all the shareholders