

Letter of Intent

1. This LOI outlines the terms of a potential agreement between **Shell International Trading and Shipping Company Limited for and on behalf of Shell Trading International Limited** and **Heilongjiang Huafu Wind Power Fujin Co., Ltd.** (collectively, the "**Parties**") whereby the Parties have agreed to pursue a sale and purchase of Certified Emission Reductions ("CERs") based on the terms set out below.
2. This LOI will remain in force for a period of 180 days from the date of execution by both Parties ("Negotiation Period"). The LOI may be extended for an additional period upon the mutual agreement of both Parties ("Extension Period") and the LOI shall terminate at the conclusion of the Negotiation Period or the conclusion of the Extension Period or as otherwise agreed in writing between the Parties (the "Term").
3. For the Term of this LOI, the Parties will negotiate in good faith the terms of an agreement for the sale and purchase of CERs fully consistent with the draft contractual terms set out below.
4. Any CER transaction will be contingent upon signature of a mutually acceptable and legally binding agreement.
5. Any CER transaction between the parties will be contingent on acceptable credit checks and due diligence.
6. For the duration of this LOI the Seller shall not sell, market or discuss the CERs described below to any other potential buyer. The terms of this LOI and any information disclosed (including project information) in relation to the negotiation or execution of this LOI and the agreement contemplated by it shall be held strictly confidential by both Parties unless otherwise mutually agreed. This confidentiality clause is binding, also in the event of no agreement being agreed between the Parties.
7. For the avoidance of doubt and subject to clauses 2 and clause 6 of this LOI, no liability will arise for either Party if the good faith negotiations referred to in clause 3 above do not result in the Parties entering into an ERPA or other agreement for the sale and purchase of CERs envisaged below.
8. This LOI will be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region. The Buyer and the Seller will agree a mutually acceptable dispute resolution mechanism as part of contract negotiations.

Seller and contact person	Heilongjiang Huafu Wind Power Fujin Co., Ltd. Mr. Li Yili 99, West Center Street, Fujin City, Heilongjiang Province
Buyer and contact person	Shell International Trading and Shipping Company Limited for and on behalf of Shell Trading International Limited (pursuant to a Management Agreement dated 6 th November 1998). Ms Roon Osman 80 Strand, London WC2R 0ZA, UK
CER definition	Certified Emission Reductions (CERs) are units of account on a Government or Intergovernmental registry, representing 1 tonne of carbon dioxide equivalent, issued by the CDM Executive Board in accordance with Decision 17 (17/CP.7) of the Conference of the Parties to the United Nations

	Framework Convention on Climate Change (UNFCCC) assuming the responsibility of the Meeting of the Parties to the Kyoto Protocol.																					
Defined Project	<p>"Defined Projects" means:</p> <p><u>Heilongjiang Fujin Phase II 18MW Wind Power Project</u></p>																					
Delivery Dates and Payment Price	<p>Volume, Price, Delivery Dates (estimates based on the PDD):</p> <table><tr><th>Delivery</th><th>Heilongjiang Fujin Phase II 18MW Wind Power Project CERs</th><th>Price</th></tr><tr><td>01/12/08</td><td>44,827</td><td>€ 9</td></tr><tr><td>01/12/09</td><td>44,827</td><td>€ 9</td></tr><tr><td>01/12/10</td><td>44,827</td><td>€ 9</td></tr><tr><td>01/12/11</td><td>44,827</td><td>€ 9</td></tr><tr><td>01/12/12</td><td>44,827</td><td>€ 9</td></tr><tr><td>Total</td><td>224,135</td><td>€ 9</td></tr></table> <p>1. The Buyer shall purchase all CERs that are generated by each of the Defined Projects up until 31st December 2012 on the terms outlined in this LOI. For the avoidance of doubt the CER volumes indicated in the table above are estimates of anticipated volumes of CERs to be generated. The Parties recognise that these indicative volumes and delivery dates may be further refined prior to ERPA signature.</p> <p>2. The Parties acknowledge that notwithstanding the target delivery volumes to be included in the ERPA, the delivery obligations of the Seller under the ERPA will relate only to those greenhouse gas reductions actually generated by the Defined Projects as reported in each periodic Verification Report.</p> <p>3. The Buyer shall have the right of first refusal to purchase any CERs that are generated after 31st December 2012 on the same terms as agreed between the Parties in this LOI. This right shall be further defined in the ERPA.</p>	Delivery	Heilongjiang Fujin Phase II 18MW Wind Power Project CERs	Price	01/12/08	44,827	€ 9	01/12/09	44,827	€ 9	01/12/10	44,827	€ 9	01/12/11	44,827	€ 9	01/12/12	44,827	€ 9	Total	224,135	€ 9
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Obligations of the Seller	<p>1. The Seller shall submit a relevant application to the NDRC and try its best to ensure that the Buyer or an authorized third party (as notified in writing by the Buyer to the Seller) are included as a Project Participant of the Defined Projects by inclusion of the Buyer and its Affiliates as a Project Participant in the Project Design Documents ("PDDs") of the Defined Projects.</p> <p>2. The Seller shall use all reasonable endeavors to implement and operate the Defined Projects as intended and as outlined in the PDDs for the duration of the Agreement.</p>																					

	3. The Seller shall use all reasonable endeavors to secure the Validation, Registration and Verification of the Defined Projects.
Obligations of the Buyer	<p>1. Prior to the Registration of the Defined Projects, the Buyer and its Affiliates will each request the necessary Annex 1 approvals and/or authorisations from an Annex 1 Designated National Authority (DNA).</p> <p>2. The Seller shall invoice the Buyer within 10 (ten) Business Days after each delivery. The Buyer will pay the Seller within 10 (ten) Business Days of receiving either confirmation that the relevant CERs have been Delivered to its nominated Registry Account or the invoice, whichever is the later.</p>
Delivery Terms	<p>1. Prior to the existence of the International Transaction Log (ITL) delivery will occur by forwarding of CERs to the Buyer's account on the CDM Registry. Once the ITL is operational, delivery will occur by forwarding of CERs to a Buyer's account on an EU National Registry ("Delivery").</p> <p>2. If the Defined Projects fail to be Registered by the CDM-EB by 31st December 2010, then the agreement shall terminate and the Seller shall not be obligated to deliver the specified amount of CERs to the Buyer, and the Buyer shall not be obligated to pay the purchase price. No liability shall arise for either Party from the non-delivery of such CERs in this case.</p>
Representations and Warranties	The agreement will include representations and warranties from both Parties customary for transactions of this type.
Payment	The Seller shall invoice the Buyer 10 business days after Delivery. Buyer shall pay seller within 10 business days of receiving this invoice.
Costs	The Buyer will cover the Seller's cost in securing PDD development, the define project's Validation fee and prepay the define project's Registration fee. These costs should be reasonably incurred and be approved by the Buyer before they are occurred.
Assignment	The Buyer and the Seller shall mutually agree on the possibility to assign their rights arising from the purchase of CERs in the definitive contract.

Dated 26 Feb 2007
Signed [Signature]

Duly authorized on behalf of the Seller

Dated 2007.3.7
Signed [Signature]

Duly authorized on behalf of the Buyer