Huaxin Cement Co., Ltd.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 6655)

Rules of Procedures for the Remuneration and Assessment Committee to the Board of Directors

Chapter One: General Provisions

Article 1 Pursuant to the *Company Law of the People's Republic of China, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Code of Corporate Governance for Listed Companies, Independent Director System of Listed Companies, Articles of Association of Huaxin Cement Co., Ltd.(Articles of Association), Rules of Procedures of the Board of Directors of Huaxin Cement Co., Ltd.* and other relevant provisions, Huaxin Cement Co., Ltd. (the "**Company**") has established the Remuneration and Assessment Committee (the "**Committee**") and formulated these Rules of Procedures, so as to establish and refine the assessment and remuneration management system of the Directors and Senior Management and to improve the governance structure of the Company.

Article 2 The Committee is a special organization under the Board and is responsible mainly for formulating the assessment criteria and carry

Article 6 The Secretary to the Board or the delegate appointed by the Committee shall act

Article 12 Chairman of the Committee shall attend Annual General Meeting (if the Chairman is not able to attend, the Chairman of the Board shall invite another member of the Committee to attend the meeting; if the member invited is not able to attend, the delegate appointed by the member shall attend the meeting), and answer questions on the work and responsibilities of the Committee.

Chapter Three: Terms

(9) Review and approve the arrangement of compensation of some directors who are dismissed or removed due to misconduct to ensure the congruence between the compensation and terms of contract; in case of inconsistency between the compensation

(1) Assessing the effectiveness of the remuneration policies and their compliance with pertinent laws and regulations; and

(2) Reviewing material changes to the Remuneration Policy, including remuneration structure, retention and termination policies for all staff.

Chapter Four: Rules of Procedure

Article 17 The Committee holds regular and provisional meetings. All members shall be notified seven days prior to the convening of a meeting.

Article 18 The Committee shall hold at least two regular meetings each year. For the Committee to fulfill its responsibilities, the Chairman of the Committee may organize provisional meetings when necessary.

Article 19 A meeting of the Committee shall be convened only with the presence of no less than two thirds of its members. In general, the members shall attend a meeting in person or authorize another member to attend on his/her behalf. In circumstances deemed appropriate by the Chairman, a meeting can be held over phone or by other circular means.

Each member shall accept no more than one authorization from other members. If a member who is an Independent and Non-executive Director is

Article 25 Any meetings of the Committee shall have minutes of the meetings signed by all members present at such meetings. The secretary to the Committee shall be responsible for the preparation, circulation and signing and archiving of such minutes.

Article 26 Committee shall answer for the Board. Any opinions made and resolutions passed at a meeting of the Committee shall be reported in written form to the Board of the Company.

Should the Board of Directors not adopt or only partially adopt the recommendations of the Committee, the Board of Directors shall record the opinions of the Committee and the specific reasons for non-adoption in its resolution, and disclose such information.

Article 27 The convening procedure, voting procedure and proposals passed in the meeting shall abide by pertinent laws, regulations, listing rules of the listing venue, Articles of Association and these Rules of Procedure.

Article 28 All participants at a meeting shall be obliged to keep confidential all matters discussed in such a meeting and shall not disclose any relevant information without due authorization.

Chapter Five: Supplementary Provisions

Article 29 These Rules of Procedures shall be put in force on the date of deliberation and adoption by the Board of Directors of the Company. From the effective date of these Rules of Procedures, current effective Rules of Procedures become invalid automatically.

Article 30 Any matters that are not covered in these Rules of Procedures, or any conflicts with any provisions of the laws, regulations, listing rules of listing venue and Articles of Association issued or revised later, shall be implemented according to pertinent laws, regulations, listing rules of listing venue, current or revised Articles of Association of the Company and these Rules of Procedure shall be amended immediately and approved by the Board.

Article 31 The right to interpret these Rules of Procedures shall vest in the Board of the Company.

English translation of this document is for reference only, if there are discrepancies between the Chinese version, the Chinese versionshall prevail.