



SINO-AGRI POTASH PROJECT IN LAOS

China National Agricultural Means of Production Group Corp.

SINO-AGRI Mineral Resources Co. Ltd.

November 2010, Vietnam

Presentation Outline



中农矿产资源勘探有限公司
SINO-AGRI Mineral Resources Co. Ltd.

- Project brief
- Corporate structure
- Project evolution
- Development planning
- Investment environment

Project Brief

- SINO-AGRI Lao Potash Project (hereinafter “Project”) refers to the exploration of potash ore bodies in Khammouan Province of Lao People’s Democratic Republic. The ore body is located at the northeast of Sakhon Nakon Basin. The Basin, bearing over 30 billion ton of potash resources, is an important workable potash reserves after Canada, Russia and Belarus, Germany, and Israel.
- We own the prospecting license of potash deposit for an area of 236.8 km², bearing 500 million ton of KCL reserves. In January 2009, the exploitation license for an area of 35 km² and 104.4 million tone of KCL reserves was granted by Lao government, which is the first Potash exploitation license granted to Chinese enterprise in neighboring countries.
- The facilities of 100,000-ton potash (Demonstration project to accumulate experience for the following large-scale production) was constructed, including underground extraction and surface milling. In March 2010, the first batch of products was produced, which met the Chinese national standard.

3

Project Brief



The first exploitation district is in Dong-tai, Khammouan Province. It is 380km away from Vientiane Municipality, the Capital of the Laos, and 280km away from Vinh harbor, Vietnam.

4

Project Brief

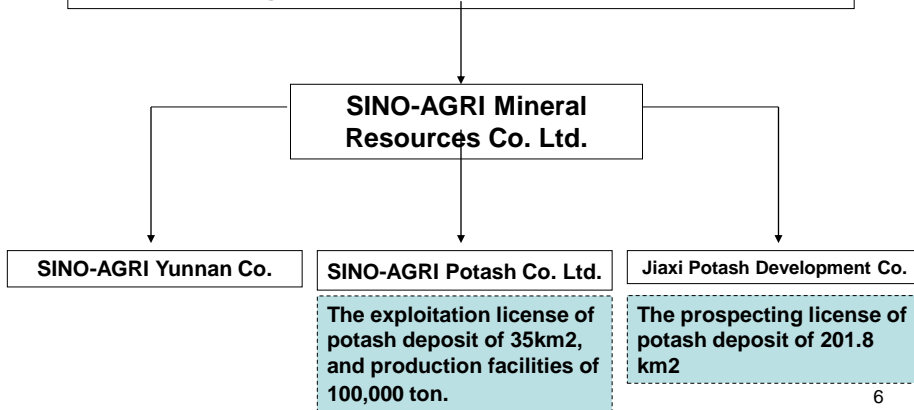


Impression Drawing for Demonstration Project in the First Stage 5

Corporate Structure

- SINO-AGRI Mineral Resources Co. Ltd., a share-controlled branch company of China National Agricultural Means of Production Group Corporation, is the investment subject for Lao Potash Project. It has three subsidiaries.

China National Agricultural Means of Production Group Corporation



Corporate Structure



- China National Agricultural Means of Production Group Corporation (CNAMPGC) has the controlling shares of SINO-AGRI Mineral Resources Co. Ltd.
- CNAMPGC, subordinated to All China Federation of Supply and Marketing Cooperatives, is a large-scale enterprise group specialized in fertilizer, pesticide, plastic film, agricultural machinery, seeds, and other agricultural means of production.
- CNAMPGC with a total asset of 15 billion RMB, sales revenue of more than 53 billion RMB, and sales volume of 22 million ton, ranks 111 among China's Top 500 Enterprises, and 41 among China's Top 500 Service Enterprises.

7

Project Evolution



- In August 2008, The Ministry of Energy and Mines, Lao PDR approved the Geological Report on the Resources of Dong-tai Potash Deposit Detailed Exploration.



8

Project Evolution

- At the end of 2008, Environment Impact Assessment Report and Social Impact Assessment Report for 100,000-ton Demonstration Project and 1-million-ton Project were approved by Khammouan Province and Ministry of Environment Protection, Lao PDR.



9

Project Evolution

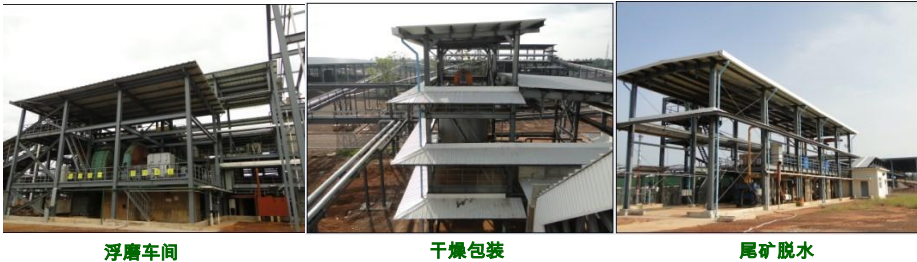
- On January 19, 2009, SINO-AGRI Potash Co. Ltd., and Ministry of Planning and Investment, Lao PDR signed the mining contract for 1-million-ton potash in Nongbok County and Thakhek County, Khammouan Province. In April, the signing ceremony was held in Lao, in which the senior officers from China State Development and Reform Commission and Minister of Planning and Investment, Lao PDR attended.



10

Project Evolution

- The industrial installation of 100,000-ton capacity for Demonstration project completed.



浮磨车间

干燥包装

尾矿脱水

11

Project Evolution

- In March 2010, the first batch of products up to Chinese national standard was produced.



12

Development Planning 中农矿产资源勘探有限公司 SINO-AGRI Mineral Resources Co. Ltd.

- The target of SINO-AGRI Lao Potash Project is to build up an internationalized potash industrial base with 3-million-ton capacity within 5-8 years. The project will be completed by three stages:
 - ★ The first stage: 100,000-ton Demonstration Project and additional 1-million-ton capacity in Dong-tai Segment;
 - ★ The second stage: 1-million-ton capacity in Nongbok Segment;
 - ★ The third stage: 1-million-ton capacity in Nachangpa Segment.

13

Investment Environment 中农矿产资源勘探有限公司 SINO-AGRI Mineral Resources Co. Ltd.

- The Laos is a country of agriculture with a area of 236,800 km² and a total population of 6 million. Most Laotians believe in Buddhism.



14



- From 1980s, Lao government has enacted laws and regulations to attract foreign investment. The prevailing Law On The Promotion of Foreign Investment was introduced in November 2004. The Laos is the signatory state of New York Convention.
- In recent years, Lao government learns the advanced experiences from other countries, adopts open policy, and makes progress in national economy. In 2009, Chinese President Hu Jintao and Lao President Choummaly Sayasone reached a consensus to build a full-scale strategic cooperation partnership between China and Laos.

15



- In September 2010, Mr. Li Chengyu, President of All China Federation of Supply and Marketing Cooperatives led a delegation of senior officers from State Development and Reform Commission, Ministry of Finance, Ministry of Railways, CNAMPGC, and specialists on Geology and Engineering to visit Dong-Tai Potash mining site.
- The delegation was well received by Lao Prime Minister Bouasone Bouphavanh and Standing Deputy Prime Minister Somsavat Lengsavad.



老挝总理波松梭见李成玉主任

16

- Mr. Li Chengyu and his delegation met Minister of Planning and Investment, Minister of Energy and Mines, and Governor of Khammouan Province respectively. The delegation had a fruitful discussion with the above government departments and came into consensus to promote the exploitation and processing of potash reserves.



17

- In September 2010, China National Agricultural Means of Production Group Corporation and Ministry of Planning and Investment Lao PDR signed the Memorandum on building Human Resources Training Center and Agricultural Industrial Park.



《中农集团与老挝计划投资部关于建立培训中心和农业园区合作备忘录》签字仪式

18



- The Human Resource Training Center will help to educate Lao employees, enhance management skill, and improve investment environment in Lao.

19

- In Thakhek,,Khammouan Province, The Signing Ceremony and the Cornerstone Laying Ceremony of "China National Agricultural Means of Production Group Corp. Reconstruct Thakhek School" was held. Governor of Khammouan Province, County Mayor of Thakhek, local farmers, and students attended the ritual.



出席中国农资集团援建他曲县东泰学校项目奠基仪式

20

With development of SINO-AGRI Lao Potash Production Base, China National Agricultural Means of Production Group Corp. has strengthened its strategy to “Go overseas”. We would like to join hands with all the friends and business partners to promote the potash fertilizer trade and industry in the international market.