

THIS DEED OF SETTLEMENT is made on 7th day of April 2009
BETWEEN

- (1) **PROSPERITY CEMENT (ASIA) LIMITED – MACAO COMMERCIAL OFFSHORE**(昌兴水泥有限公司-澳门离岸商业服务), a company incorporated in Macao whose registered address is at Rm. A4, 2/F., AV. Praia Grande, No 369, Keng Ou Commercial Building, Macau ("PCAL");
- (2) **SHANGHAI CONCH BUILDING MATERIALS INTERNATIONAL TRADE CO., LTD** (上海海螺建材国际贸易有限公司), a company incorporated in the People's Republic of China whose registered address is at 11/F., Yu'an Mansion, 738 Dongfang Road, Pudong, Shanghai China ("Conch Building");
- (3) **SHANGHAI CONCH LOGISTICS CO., LTD** (上海海螺物流有限公司), a company incorporated in the People's Republic of China whose registered address is at 11/F., Yu'an Mansion, 738 Dongfang Road, Pudong, Shanghai China ("Conch Logistics"); and
- (4) **CHINA NATIONAL CHARTERING CO., LTD** (formerly China National Chartering Corp.) (中國租船公司), a company incorporated in the People's Republic of China whose registered address is at Room 818, Sinotrans Plaza A, A43 Xizhimen Beidajie, Beijing 100044 China ("Sinchart");

(collectively referred to as the "the Contracting Parties")

WHEREAS:-



- A. In or about November 2007 PCAL started to negotiate with Cementval S.L., a company incorporated in Spain ("Cementval") about the sale and purchase of Cement Clinker, and in about December 2007 an initial agreement was reached whereby PCAL agreed to sell and Cementval agreed to buy 4 (Four) shipments each 80,000 MT ordinary Portland Cement Clinker 10% more or less in Seller's option and which should be produced by any Conch Cement Plant in China and which are to be delivered in 4 (Four) shipments spread evenly in 2008 and be carried by vessels from China to and delivered at Valencia, Spain ("the Goods").
- B. In light of the matters set out in A, PCAL negotiated with Conch Building for the sale and supply to PCAL by Conch Building the Goods. Conch Building was to also find vessels to carry the Goods to Valencia.
- C. In light of the matters set out in B, Conch Building resorted to Conch Logistics for chartering in vessels and/or to find vessels for carriage of the Goods to Valencia.
- D. In light of the matters set out in C, Conch Logistics entered into a charterparty with Sinochart on 17th December 2007 ("the Sinochart Charterparty") under which vessels would be provided by Sinochart to Conch Logistics for carriage of the Goods to Valencia, and so that Conch Logistics could charter out such vessels to Conch Building for carriage of the Goods.
- E. Conch Logistics subsequently entered into a charterparty with Conch Building which charterparty is back to back of the Sinochart Charterparty ("the Conch Logistics Charterparty") for the carriage of the Goods.

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- F. Pursuant to an agreement dated 5 January 2008 as supplemented by an agreement dated 30 January 2008 and further supplemented by an agreement dated 24 April 2008 entered into between Conch Building and PCAL (the "Supply Agreement"), Conch Building agreed to sell, supply and carry the Goods and PCAL agreed to purchase the Goods.
- G. Pursuant to an agreement dated 19 January 2008 entered into between PCAL and Cementval (the "Sale Agreement"), PCAL agreed to sell, supply and carry the Goods, and Cementval agreed to purchase and take the Goods.
- H. Three shipments of the Goods had taken place in 2008 under the Supply Agreement and correspondingly under the Sale Agreement. Despite repeated demands by PCAL, in breach of the Sale Agreement Cementval have been refusing to take the 4th shipment of the Goods in 2008 and continue to refuse to take the 4th shipment to date.
- I. Sinochart asked Conch Logistics to pay damages for losses they suffered in respect of the non performance of the carriage of the 4th Shipment chartered to Conch Logistics. Conch Logistics passed Sinochart's demand to Conch Building, and Conch Building passed and resorted to PCAL Sinochart's demand for payment of damages.
- J. Sinochart alleged that by reasons of the breach of the Sinochart Charterparty by Conch Logistics, they have suffered losses and damages in the sum of US2,405,384.10 ("Sinochart's Losses") and they asked Conch Logistics to pay the same sum otherwise they would take all legal actions available to them against Conch Logistics. Conch Logistics asked Conch Building and Conch

Building asked PCAL to pay the Sinochart's losses otherwise they would seek a full indemnity against PCAL by legal actions. Considering the long-term good relationship between the parties and subject to safe receipt of the sum by Sinochart within 3 banking days from the date of this Deed, following rounds of negotiations Sinochart had agreed to reduce the amount of their claim for the Sinochart's Losses to US\$2,160,000.00.

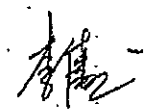
K. For the purposes of avoiding any potential litigations and mitigating losses, the Contracting Parties had agreed to settle all their disputes and differences under the charterparties and Supply Agreement including Sinochart's Losses amicably on the terms hereinafter appearing.

AND NOW THIS DEED WITNESSETH as follows:-

1. On a without admission of liability basis PCAL shall pay Sinochart the sum of US\$2,160,000.00 (United States Dollars Two Million One Hundred and Sixty Thousand) (the "Settlement Sum") within 3 banking days from the date of this Deed. The Settlement Sum shall be paid by way of telegraphic transfer into the following bank account:

BANK OF COMMUNICATIONS, BEIJING BRANCH
CHIPS UID NO.: 332906
SWIFT CODE: COMMCNSHBJG
JPMORGAN CHASE BANK
270 PARK AVE. NEW YORK, NY10017 U.S.A
ACCOUNT NO.: 110060774145340013623
ULTIMATE BENEFICIARY: CHINA NATIONAL CHARTERING CO., LTD.

2. Subject to safe receipt of the Settlement Sum by Sinochart within 3 banking days from the date of this Deed, PCAL's payment of the sum shall be in full and final settlement of all claims which Conch Logistics, Conch Building, and/or Sinochart



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have or may have against PCAL, and/or all duties, obligations or liabilities which the Contracting Parties owe or may owe to each other in respect of the Sinochart's Losses, Conch Logistics' losses (if any) and/or Conch Building's losses (if any) arising out of or in connection with the Sinochart Charterparty, Conch Logistics Charterparty, and/or the Supply Agreement.

3. Sinochart shall issue to PCAL a Receipt in the terms of the attached draft within 3 days following the safe and timely receipt of the Settlement Sum.
4. Upon receipt and in consideration of the payment of the Settlement Sum, each of Conch Logistics, Conch Building, PCAL and Sinochart shall waive all their respective rights against each other and release each other in respect of all and any claims, duties, liabilities and obligations arising out of or in connection with the Sinochart's Losses, Conch Building's losses (if any), Conch Logistic's losses (if any), the Sinochart Charterparty, the Conch Logistics Charterparty and/or the Supply Agreement, and all and any such claims, duties, liabilities and obligations between the Contracting Parties shall be absolutely and mutually discharged and released.
5. Should the Settlement Sum not be received by Sinochart within 3 banking days from the date of this Deed, this Deed of Settlement shall be deemed as null and void. And any rights and/or claims Sinochart may have against Conch Logistics are still reserved and not prejudiced.

If Sinochart can safely and duly receive the Settlement Sum within 3 banking days from the date of this Deed, the Parties shall not commence nor cause to be commenced or continue (if already commenced) any action or further action or proceedings of any nature in any jurisdiction in respect of the matters hereby settled under the charterparties and Supply Agreement.

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6. It is a condition of PCAL's payment of the settlement sum that each of Conch Logistics, Conch Building and Sinochart agrees and undertakes to upon the first demand of PCAL and/or their lawyers and/or authorized representative provide all possible assistance to PCAL in respect of their claim against Cementval under the Sale Agreement and to do all such acts or things as may be required by PCAL and/or their lawyers and/or authorized representative in connection with the aforesaid claim against Cementval and whatever legal actions that would be commenced and perused against Cementval.

7. The Agreement is confidential and strictly private but PCAL is entitled to disclose this Deed and its contents when it deem fits and/or for the purposes of claiming against Cementval.

8. This Settlement Agreement is governed by and construed in accordance with the English Law. The parties submit to exclusive jurisdiction of the Courts of England and Wales in respect of dispute, differences, or claims arising out of or in connection with this Settlement Deed.

IN WITNESS whereof this Deed has been duly executed on the date first above written.

EXECUTED as a DEED by)
PROSPERITY CEMENT (ASIA) LIMITED)
- MACAO COMMERCIAL OFFSHORE)
and signed by)
in the presence of :)



6. It is a condition of PCAL's payment of the settlement sum that each of Conch Logistics, Conch Building and Sinochart agrees and undertakes to upon the first demand of PCAL and/or their lawyers and/or authorized representative provide all possible assistance to PCAL in respect of their claim against Cementval under the Sale Agreement and to do all such acts or things as may be required by PCAL and/or their lawyers and/or authorized representative in connection with the aforesaid claim against Cementval and whatever legal actions that would be commenced and perused against Cementval.

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IN WITNESS whereof this Deed has been duly executed on the date first above written.

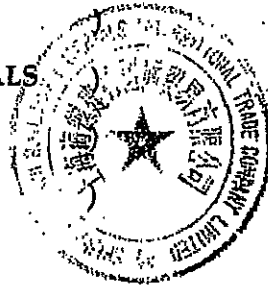
EXECUTED as a DEED by)
 PROSPERITY CEMENT (ASIA) LIMITED)
 - MACAO COMMERCIAL OFFSHORE)
 and signed by WONG BEN KODN as its director)
 in the presence of: WAN KWOK MAN)



[Handwritten signature]
[Handwritten signature]

SEALED with the COMMON SEAL of
SHANGHAI CONCH BUILDING MATERIALS
INTERNATIONAL TRADE CO., LTD

in the presence of: 刘洋



刘洋

EXECUTED as a DEED by

SHANGHAI CONCH LOGISTICS CO., LTD

signed by

汪学森

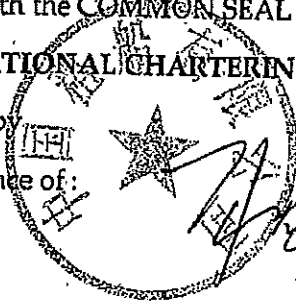
in the presence of: 李瑾然

汪学森
李瑾然
2009/04/07

SEALED with the COMMON SEAL of
CHINA NATIONAL CHARTERING CO., LTD

and signed by

in the presence of:



法人代表 赵琛

赵琛

赵琛
2009/04/07