

**Terms of Reference for the Audit Committee of the Board of Directors
of China Longyuan Power Group Corporation Limited**

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Article 1 The Terms of Reference is formulated in accordance with the Company Law of the People's Republic of China, Code on Corporate Governance Practice of the Hong Kong Listing Rules, Articles of Association of China Longyuan Power Group Corporation Limited (hereinafter referred to as the

and they

the meeting to consider the interim financial report of that year. The main topics shall include:

Discuss the Company's interim financial report and profit pre-distribution scheme;

Listen to the views of the independent accounting firm on the interim financial

- (3) significant adjustments made according to the audit activities;
- (4) sustainable operation assumptions and any reservations;
- (5) compliance with relevant accounting standards that m

suspected violation of laws, rules and regulations, review the results of internal investigations and management's response;

(5) review and monitor the scope, efficiency and results of the internal audit function, ensure the coordination between internal and external auditors, as well as guarantee that the internal audit functions have sufficient resources and appropriate positions within the Group;

(6) discuss any proposals arising in the audit with external auditors

of the responsible partners are in compliance with relevant laws and regulations and relevant listing rules of

independent investigation of matters and take appropriate follow-up actions.

Article 15 The Audit Committee shall maintain periodic contact with the Board of Directors, senior management and independent accountants.

The Committee shall meet with the Company's independent accountants at least twice annually.