

CAUSE NO. ⁴⁷³ OF 2003 ✓

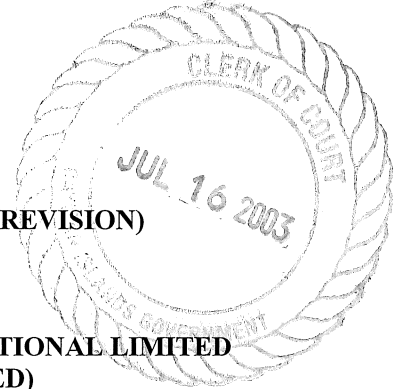
IN THE GRAND COURT OF THE
CAYMAN ISLANDS



IN THE MATTER OF THE COMPANIES LAW (2003 REVISION)

and

IN THE MATTER OF SEAPOWER RESOURCES INTERNATIONAL LIMITED
(PROVISIONAL LIQUIDATORS APPOINTED)



PETITION

To the Grand Court of the Cayman Islands

The Humble Petition of SEAPOWER RESOURCES INTERNATIONAL LIMITED (Provisional Liquidators Appointed) acting by its Joint Provisional Liquidators, Cosimo Borrelli and Fan Wai Kuen (the "**Applicants**"), showeth as follows:

1. The object of this Petition is to seek the sanction of the Court for a Scheme of Arrangement pursuant to section 86 of the Companies Law (2003 Revision) (the "**Law**") between Seapower Resources International Limited (Provisional Liquidators Appointed) (the "**Company**") and its Scheme Creditors (as defined), a print whereof is annexed to this Petition by way of schedule (the "**Scheme**"). Save where otherwise defined, capitalised terms in this Petition shall have the same meaning as in the Scheme and its Explanatory Statement.
2. The Company was incorporated in the Cayman Islands on 4th April, 1989 as an exempted company limited by shares under the Law. The Company was listed on the Hong Kong Stock Exchange with the stock code #0269.
3. The Company's registered office is at The Office of Caledonian Bank & Trust Limited, Caledonian House, George Town, Grand Cayman, Cayman Islands.


4. The Company has authorised share capital of 20,000,000,000 shares at a par value of HK\$0.05 and issued share capital of HK\$77,352,141.45 being 1,547,042,829 shares at a par value of HK\$0.05. The objects for which the Company was established as set out in its memorandum of association are unrestricted.
5. Pursuant to a Petition presented by Central Finance Limited seeking, inter alia, the Company's winding up, the Applicants were appointed Joint Provisional Liquidators of the Company on 27th September, 2003. Previous to that, the Applicants were appointed provisional liquidators of the Company in Hong Kong by the High Court of Hong Kong on 31st December, 2001.
6. The proposed Scheme has, inter alia the following features:
 - a. HK\$38,000,000 (approximately US\$4.87 million) being the Cash Consideration paid by the Investor pursuant to the Subscription Agreement and any cash held on behalf of or in the name of the Company will become the Scheme Funds to be distributed to the holders of Admitted Claims in accordance with the Scheme.
 - b. Scheme Creditors with an Admitted Claim who have submitted a Notice of Claim on or before the Cut-Off Date will receive a rateable entitlement to the benefits of the Creditor Share Allocation or the Proceeds of Sale under the terms of the Scheme, being New Shares in the Company credited as fully paid up representing 2.00% of the issued share capital of the Company immediately after Closing.
 - c. After the Scheme becomes effective, the Company will pay 50% of the net proceeds on any recoveries or realisations made from the Receivables within 12 months of the Closing Date to the Scheme Administrators and such proceeds will become Scheme Funds to be distributed to holders of Admitted Claims in accordance with the terms of the Scheme.

Subject to the approval of the requisite statutory majority requires pursuant to section 86 of the Companies Law:

YOUR PETITIONER THEREFORE HUMBLY PRAYS AS FOLLOWS:

- (1) That the Scheme set out in the Schedule hereto be sanctioned by the Court so as to be binding on the Company and its Scheme Creditors;
- (2) Such other orders as may be made in the premise as this Honourable Court shall deem fit.

DATED this 16th day of July, 2003



A handwritten signature in cursive script, appearing to read "Walkers", is written over a horizontal line. The signature is positioned above the printed name "WALKERS".

WALKERS

Attorneys-at-Law for the Petitioner

Note: It is intended to serve this Petition on the Respondent and the Registrar of Companies.

ENDORSEMENT

This petition, having been presented to the Grand Court of the Cayman Islands on the 16th day of July, 2003 will be heard at the Grand Court of the Cayman Islands on:

DATE: 9th September 2003

TIME: 10 am

(or as soon as possible thereafter as the petition can be heard).

THIS PETITION was filed by Walkers, Attorneys-at-Law for the Petitioners, whose address for service is that of its said Attorneys-at-Law, Walker House, PO Box 265GT, Mary Street, George Town, Grand Cayman, Cayman Islands.