
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stock broker, or other licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Eco-Farming Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stock broker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities mentioned herein.



(Continued into Bermuda with limited liability)

(Stock Code: 8166)

**(I) SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE;
(II) PROPOSED REFRESHMENT OF GENERAL MANDATE;
(III) REFRESHMENT OF GENERAL SCHEME LIMIT;
AND
(IV) NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a special general meeting of the Company (the “SGM”) to be held at 25/F, Siu On Centre, 188 Lockhart Road, Wanchai, Hong Kong on Wednesday, 28 October 2015 at 11:00 a.m. is set out on pages 25 to 29 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the offices of the Company’s branch share registrar in Hong Kong, Union Registrars Limited at A18/F, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its posting and on the Company’s website at <http://www.aplushk.com/clients/8166chinaeco-farming/index.html>.

8 October 2015

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	5
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	17
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	18
NOTICE OF SGM.	25

DEFINITIONS

In this circular, unless the context otherwise requires, capitalised terms used shall have the following meanings:

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Sale and Purchase Agreement
“Acquisition Completion”	completion of the Acquisition and transactions contemplated under the Sale and Purchase Agreement in accordance with its terms
“AGM”	the annual general meeting of the Company held on 2 June 2015
“Announcement”	the announcement of the Company dated 19 August 2015 in relation to, amongst others, the Subscription and the Acquisition
“Board”	the board of Directors
“Business Day (HK)”	any day (not being a Saturday, a Sunday and a public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Business Day (PRC)”	any day on which banks in the PRC are open for normal banking business
“Company”	China Eco-Farming Limited, a company continued into Bermuda with limited liability, the shares of which are listed on GEM
“Current General Mandate”	the general mandate approved by the Shareholders on the date of the AGM authorizing the Directors to allot and issue Shares up to 20% of the issued share capital of the Company as at the AGM
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange

DEFINITIONS

“General Scheme Limit”	the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group and which must not in aggregate exceed 10% of the Shares in issue as at the date of passing of relevant ordinary resolutions
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Independent Board Committee”	an independent committee of the Board established by the Board to advise the Independent Shareholders in respect of the New General Mandate
“Independent Financial Adviser”	Octal Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the refreshment of the New General Mandate
“Independent Shareholders”	any Shareholders other than controlling Shareholders of the Company and their associates or, if there are no controlling Shareholders, any Shareholders other than Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates who shall hold Shares as at the date of the SGM
“Last Trading Day”	18 August 2015, being the last trading day immediately before the entering into of the Subscription Agreement
“Latest Practicable Date”	5 October 2015, being the latest practicable date prior to the printing of this circular for ascertaining information for inclusion in this circular

DEFINITIONS

“New General Mandate”	the general mandate proposed to be sought at the SGM to authorize the Directors to allot, issue and deal with additional Shares not exceeding 20% of the issued share capital of the Company as at the date of the SGM
“Options”	the options granted under the Share Option Scheme to subscribe for Shares in accordance with the terms thereof
“PRC”	People’s Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Purchaser”	Kingtop Asia Investment Limited, a company incorporated in Hong Kong with limited liability, and is an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 19 August 2015 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Sale Shares”	10% of the equity interest in the Target Company as at the date of the Sale and Purchase Agreement
“SFO”	the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held to consider and, if appropriate, to approve the resolutions as set out in the notice of SGM
“Share(s)”	ordinary share(s) of HK\$0.02 each in the issued share capital of the Company as at the Latest Practicable Date
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme of the Company which was adopted by the Company on 6 May 2011

DEFINITIONS

“Specific Mandate”	refers to the specific mandate to be granted to the Directors to allot, issue and deal with the Subscription Shares at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Mr. Sun Hui (孫輝先生)
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 19 August 2015 entered between the Company and the Subscriber
“Subscription Completion”	completion of the Subscription and transaction contemplated under the Subscription Agreement in accordance with its terms
“Subscription Completion Date”	the date on which Subscription Completion takes place, which shall be any Business Day (HK) falling within three (3) Business Days (HK) after satisfaction and/or fulfilment of all the conditions precedent pursuant to the Subscription Agreement
“Subscription Long Stop Date”	11 December 2015
“Subscription Price”	HK\$0.15 per Share
“Subscription Shares”	250,000,000 Shares
“Target Company”	Anhui Damingyuan Tourism Development Company Limited* (安徽大明園旅遊發展股份有限公司), a company incorporated in the PRC with limited liabilities and is wholly owned by the Subscriber
“Vendor”	Anhui Xingguang Investment Group Limited* (安徽興光投資集團有限公司), a company incorporated in the PRC with limited liabilities and is wholly owned by the Subscriber
“%”	per cent.

* For identification purposes only

LETTER FROM THE BOARD



(Continued into Bermuda with limited liability)

(Stock Code: 8166)

Executive Directors:

Mr. So David Tat Man

Mr. Lai Yick Fung

Independent non-executive Directors:

Mr. Ng Cheuk Fan, Keith

Mr. Yick Ting Fai, Jeffrey

Mr. Zhang Min

Registered office:

Clarendon House,

2 Church Street,

Hamilton HM 11,

Bermuda

*Head office and principal place
of business in Hong Kong:*

25/F, Siu On Centre,

188 Lockhart Road, Wanchai,

Hong Kong

8 October 2015

To the Shareholders

Dear Sir or Madam,

**(I) SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE;
(II) PROPOSED REFRESHMENT OF GENERAL MANDATE;
(III) REFRESHMENT OF GENERAL SCHEME LIMIT;
AND
(IV) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with, *inter alia*, (i) further details of the subscription of Subscription Shares under Specific Mandate; (ii) the proposed granting of the New General Mandate to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue at the date of the SGM; (iii) the recommendation from the Independent Board Committee and the recommendation from Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the New General Mandate; (iv) the refreshment of General Scheme Limit; and (v) the notice convening the SGM.

LETTER FROM THE BOARD

I. THE SUBSCRIPTION

Reference is made to the announcement of the Company dated 19 August 2015 in relation to, (i) the subscription of Shares under Specific Mandate; and (ii) the discloseable transaction in relation to the acquisition of 10% equity interest of the Target Company.

The Board is pleased to announce that on 19 August 2015 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, who is the ultimate beneficial owner of the Vendor. Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue, on the Subscription Completion Date, in aggregate 250,000,000 Subscription Shares at a consideration of HK\$37,500,000 at the Subscription Price of HK\$0.15 per Subscription Share. The Subscription Shares shall be allotted and issued under the Specific Mandate.

The Subscription Agreement

Date 19 August 2015 (after trading hours)

Parties (i) the Company
(ii) the Subscriber

The Subscriber is the ultimate beneficial owner of the Vendor. As at the Latest Practicable Date, the Vendor and the Subscriber hold 90% and 10% of the equity interest in the Target Company, respectively, and hence the Target Company is deemed to be wholly owned by the Subscriber. Also, the Subscriber is a director of the Target Company as at the Latest Practicable Date.

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue, on the Subscription Completion Date, in aggregate 250,000,000 Subscription Shares at the Subscription Price of HK\$0.15 per Subscription Share. The Subscription Shares shall be allotted and issued under the Specific Mandate.

Reference is made to the Announcement in relation to the Subscription and the Acquisition. The Subscriber is the ultimate beneficial owner of the Vendor. Save for the aforesaid, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber is independent to the Company and its connected persons (as defined in the GEM Listing Rules).

LETTER FROM THE BOARD

The Subscription Shares represent:

- (a) approximately 5.59% of the total issued Shares as at the Latest Practicable Date; and
- (b) approximately 5.29% of the total issued Shares as enlarged by the allotment and issue of the Subscription Shares (assuming that there will not be any change in the issued share capital of the Company between the Latest Practicable Date and the Subscription Completion Date save for the issue of such Subscription Shares).

The Subscription Price

The Subscription Price of HK\$0.15 per Subscription Share represents:

- (a) a discount of approximately 0.66% to the closing price of HK\$0.151 per Share as quoted on the Stock Exchange on 19 August 2015, being the date of the Subscription Agreement;
- (b) a discount of approximately 11.87% to the average closing price of approximately HK\$0.1702 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the date of the Subscription Agreement;
- (c) a premium of approximately 275% to the unaudited net asset value of HK\$0.04 per Share as at 30 June 2015; and
- (d) a premium of approximately 7.14% to the close price of HK\$0.14 per Share as quote on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiations between the Subscriber and the Company with reference to the recent trading performance of the Shares and the Acquisition. The Directors consider that the Subscription Price is fair and reasonable under the current market conditions and the Subscription is in the interest of the Company and the Shareholders as a whole.

Ranking of the Subscription Shares

The Subscription Shares, when allotted, issued and credited as fully paid up, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

LETTER FROM THE BOARD

Conditions Precedent of the Subscription

Subscription Completion is conditional upon the following being fulfilled:

- (a) the Company having obtained the Specific Mandate;
- (b) the GEM Listing Committee of the Stock Exchange having granted approval to the listing of and dealing in the Subscription Shares; and
- (c) the parties to the Subscription Agreement having obtained all necessary exemptions, consents and/or approvals from the relevant regulatory authorities (including the Stock Exchange) in relation to the Subscription Agreement and the transactions contemplated thereunder.

If the conditions precedents as set out above are not fulfilled on or before the Subscription Long Stop Date (or such other date as may be agreed by the parties to the Subscription Agreement), the Subscription Agreement shall cease to be of any effect.

Specific Mandate

The Subscription Shares will be allotted and issued under the Specific Mandate and are subject to approval by the Shareholders at the SGM.

Application for listing

An application will be made by the Company to the listing committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Lock-up undertaking

Pursuant to the Subscription Agreement, the Subscriber agreed that he shall not sell, dispose of or otherwise deal with or create any encumbrances in respect of 50% of the Subscription Shares, representing 125,000,000 Subscription Shares, within a period of one year from the Subscription Completion Date (unless with the written approval of the Company).

Subscription Completion

Subscription Completion under the Subscription Agreement shall take place on the Subscription Completion Date.

Upon passing the relevant resolution to approve the Subscription Agreement and the transactions contemplated thereunder, the Company will use its best endeavour to complete the Subscription as soon as practicable and targets to complete the Subscription within one month.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS

Save as disclosed in the table below, the Company has not undertaken any equity fund raising exercise over the period of twelve months prior to the Latest Practicable Date:

Date of announcement(s)	Event	Net Proceeds	Intended use of proceeds as stated in the announcement(s)	Actual use of proceeds
15 June 2015 and 2 July 2015	Placing of new shares under general mandate	Approximately HK\$124.4 million	As to (i) approximately HK\$55.9 million for general working capital of the Group; and (ii) approximately HK\$68.5 million for future business development of the Group	As to (i) approximately HK\$18.6 million for general working capital of the Group; (ii) approximately HK\$43.4 million for future business development of the Group; and approximately HK\$62.4 million has been deposited into the bank account of the Company. The Company intends to utilise it for general working capital and future business development of the Group.

Save for the Subscription, as advised by the Directors that there is no concrete plan for the Company to engage in any equity fund raising exercise as at the Latest Practicable Date.

EFFECTS ON THE SHAREHOLDINGS STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon completion of the Subscription (assuming that there will not be any change in the issued share capital of the Company from the date of Latest Practicable Date to the Subscription Completion Date) are as follow:

	(i) As at the Latest Practicable Date		(ii) Immediately upon completion of the Subscription	
	No. of Shares	approx. %	No. of Shares	approx. %
Vendor	–	–	250,000,000	5.29%
Other public Shareholders	4,475,665,060	100.00%	4,475,665,060	94.71%
Total	4,475,665,060	100.00%	4,725,665,060	100.00%

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in the business of one-stop value chain services, property investment and trading of agricultural products.

The Subscription would allow the Company to attract the Subscriber as a strategic investor into the Group in anticipation of further business opportunities, including but not limited to, developing 4A-level resort in Bengbu City Anhui Province via the Acquisition, and the smooth cooperation with the Subscriber in the business development of the Target Company.

The Company has been continuously exploring investment opportunities in the PRC, and the Acquisition is in line with the business strategies of the Group to intensify its business development, in particular property investment and related opportunities. As the principal business of the Target Company involves, including but not limited to tourism resources development and management, property management and hotel management, the Acquisition will enable the Company to expand its investment portfolio in the PRC market and allowing the Company to tap into the heritage tourism industry in PRC.

Although the Company only acquires 10% equity interests in the Target Company under the Acquisition, the Subscription together with the Acquisition would provide the Company and the Subscriber a foundation and platform in favor of their ongoing business partnerships and exploration of cooperation opportunities.

The gross proceeds and net proceeds (after deducting all relevant costs and expenses) of the Subscription is HK\$37,500,000 and approximately HK\$37,000,000, respectively, representing a net price of HK\$0.148 per Subscription Share. The Company intends to utilise the net proceeds as the consideration of the Acquisition. As at the Latest Practicable Date, the Acquisition is under the stage of due diligence on the Target Company and none of the conditions precedent to the Acquisition has been fulfilled or waived. The Subscription and the Acquisition are not inter-conditional. In the event that the Acquisition Completion does not take place, the net proceeds from the Subscription will be used as general working capital of the Group. The Company intends to finance the Acquisition via its internal resources as when and appropriate if the Subscription is voted down by its Shareholders.

LETTER FROM THE BOARD

II. PROPOSED REFRESHMENT OF GENERAL MANDATE

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Current General Mandate to issue not more than 629,333,012 Shares, being 20% of the aggregate nominal amount of the issued share capital of the Company of 3,146,665,060 Shares as at the date of passing of such resolution. During the period from the grant of the Current General Mandate to the Latest Practicable Date, 629,000,000 Shares out of the Current General Mandate have been utilised by the Company for the Placing (as defined below). After the allotment and issue of the Placing Shares through the Placing, the remaining number of Shares that can be issued under the Current General Mandate has been reduced to 333,012 Shares. Since the AGM and except for the proposed grant of the New General Mandate herein, the Company has not refreshed its general mandate granted at the AGM.

Since the AGM, only approximately 0.05% of the Current General Mandate has not yet been utilized as at the Latest Practicable Date. The Company will convene the SGM at which ordinary resolution will be proposed to the Independent Shareholders that the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the share capital of the Company in issue as at the date of passing the ordinary resolution.

The Company has not refreshed the Current General Mandate since the AGM. The New General Mandate proposed will last until whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum of association and by-laws of the Company or any other applicable laws to be held; and (iii) the passing of an ordinary resolution by the Shareholders of the Company in general meeting revoking or varying the authority given to the Directors under the New General Mandate.

As at the Latest Practicable Date, the Company had an aggregate of 4,475,665,060 Shares in issue. On the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Company will be allowed under the proposed New General Mandate to allot and issue up to 895,133,012 Shares, which representing 20% of the share capital of the Company in issue as at the Latest Practicable Date.

REASONS FOR THE PROPOSED NEW GENERAL MANDATE

The Group is principally engaged in the business of one-stop value chain services, property investment and trading of agricultural products. The one-stop value chain services serve the information technology, tele-communication and advanced manufacturing industries with products and services provisions including logistics, systems support and supply of technological advanced products and knowledge based services.

LETTER FROM THE BOARD

The Directors consider that it is important for the Company to be able to raise fund quickly in order to seize the investment opportunities that may arise. To this end, the Directors consider that the granting of the New General Mandate would allow the Company more flexibility in raising fund and expand and develop the business of the Company and thus is in the interests of the Company and the Shareholders as a whole.

Save for the Sale and Purchase Agreement and the Subscription Agreement and the transactions contemplated thereunder, the Company has not entered, or contemplated to enter, into any other arrangements, agreements or understanding with the Subscriber as at the Latest Practicable Date.

FUND RAISING ACTIVITIES SINCE THE AGM

Reference is made to the announcements of the Company dated 15 June 2015 and 2 July 2015 in relation to a placing of new Shares (the “**Placing**”).

Since the AGM, an aggregate of 629,000,000 Shares were issued at the placing price of HK\$0.20 per Share, representing (i) approximately 14.71% of the issued share capital of the Company as enlarged by the completion of the Placing as at 2 July 2015 and (ii) approximately 14.05% of the issued share capital of the Company at the Latest Practicable Date.

The gross and net proceeds (“**Proceed**”) from the Placing were approximately HK\$125.8 million and approximately HK\$124.4 million, respectively. The net proceed was intended to be used as to (i) approximately HK\$55.9 million for general working capital of the Group; and (ii) approximately HK\$68.5 million for future business development of the Group. As at the Latest Practicable Date, (i) approximately HK\$18.6 million has been utilised for general working capital; and (ii) approximately HK\$43.4 million has been used for future business development of the Group; and (iii) approximately HK\$62.4 million remains as unutilised, which has been deposited into the bank account of the Company. The Company intends to utilise it for general working capital and future business development of the Group.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee, comprising of all independent non-executive Directors, namely, Mr. Ng Cheuk Fan Keith, Mr. Yick Ting Fai, Jeffrey and Mr. Zhang Min, being the independent non-executive Directors, has been formed to advise the Independent Shareholders in connection with the granting of the New General Mandate and Octal Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. The Independent Board Committee considers the terms of the New General Mandate to be fair and reasonable and the granting of the New General Mandate is in the interests of the Company and the Shareholders so far as the Independent Shareholders as a whole are concerned.

LETTER FROM THE BOARD

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 17 of this circular; and (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 18 to 24 of this circular.

GEM LISTING RULES IMPLICATION

The Subscription Shares will be issued under the Specific Mandate to be obtained from the Shareholders and therefore the Subscription will be subject to the Shareholders approval. The SGM will be convened and held for the purposes of considering and, if thought fit, approving the Subscription Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate to allot and issue the Subscription Shares. To the best knowledge of the Directors, no Shareholder is required to abstain from voting at the SGM in respect of the resolution(s) relating to the Subscription and the Specific Mandate.

An application will be made by the Company to the listing committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Pursuant to the GEM Listing Rules, the grant of New General Mandate and the refreshment of General Scheme Limit require the approval of the Independent Shareholders at the SGM at which any of the controlling Shareholders and their associates, or where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution approving the grant of New General Mandate and the refreshment of General Scheme Limit.

As at the Latest Practicable Date, the only interest of Mr. So David Tat Man and Mr. Lai Yick Fung, the executive Directors of the Company, are 42,750,000 and 10,000,000 share options of the Company granted to them previously. Since there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolutions to approve the grant of New of General Mandate and the refreshment of General Scheme Limit at the SGM.

III. REFRESHMENT OF GENERAL SCHEME LIMIT

The Board also proposes to seek the approval of the Shareholders to refresh the General Scheme Limit. Under the existing General Scheme Limit of the Share Option Scheme, the Directors were authorized to grant options to subscribe for up to 121,229,984 Shares. As at the Latest Practicable Date, there are a total of 64,750,000 Options were granted but remain unexercised, and none of the Options has been exercised, lapsed nor cancelled, therefore, the remaining number of Options that can be granted under the existing General Scheme Limit is 56,479,984.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the total number of Shares in issue is increased to 4,475,665,060. Unless the General Scheme Limit is refreshed, the maximum number of Shares to be issued under the Share Option Scheme represents only approximately 1.26% of the issued share capital of the Company.

The purpose of the Share Option Scheme is to provide incentive or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, the Company and to facilitate the Company to recruit and retain high-calibre employees and attract human resources that are valuable to the Company.

If the refreshment of the General Scheme Limit is approved at the SGM, based on the 4,475,665,060 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be allotted and issued up to the date of the SGM, the Company will be authorised to grant Options under the Share Option Scheme for subscription of up to a total of 447,566,506 Shares, representing approximately 10% of the issued share capital of the Company as at the date of the SGM. Any remaining available Options that are not granted under the existing General Scheme Limit, will not be granted in the future upon the approval of the proposed refreshment of the General Scheme Limit at the SGM. The total number of Shares which may be issued upon exercise of the refreshed existing General Scheme Limit of 447,566,506 Shares together with all outstanding Options as at the Latest Practicable Date carrying the right to subscribe for 64,750,000 Shares is 512,316,506 Shares, representing approximately 11.45% of the total number of Shares in issue as at the Latest Practicable Date. No Options may be granted if this will result in the number of Shares which may be issued upon exercise of all Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company exceeds the 30% limit. As at the Latest Practicable Date, the Company has not adopted any share option schemes other than the Share Option Scheme.

The refreshment of the General Scheme Limit is conditional upon:

- (a) the Shareholders passing an ordinary resolution to approve the refreshment of the General Scheme Limit at the SGM; and
- (b) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options that may be granted under the Share Option Scheme under the refreshed General Scheme Limit not exceeding 10% of the number of Shares in issue as at the date of approval by the Shareholders.

LETTER FROM THE BOARD

Application will be made to the Stock Exchange for the listing of, and permission to deal in, any Shares, representing 10% of the total number of Shares in issue as at the date of the SGM, but in any event the Company shall comply with the Rule 23.03(3) that the limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes must not exceed 30% of the Shares of the Company (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the Company (or the subsidiary) if this will result in the limit being exceeded.

SGM

The SGM will be held at 25/F, Siu On Centre, 188 Lockhart Road, Wanchai, Hong Kong on 28 October 2015 at 11:00 a.m. for the purpose of considering and, if thought fit, approving the ordinary resolutions in respect of (i) the Subscription Agreement and the transactions contemplated thereunder, the allotment and issue of the Subscription Shares under the Specific Mandate; (ii) the granting of the New General Mandate; and (iii) the refreshment of General Scheme Limit. The notice convening the SGM is set out on pages 25 to 29 of this circular. A form of proxy for use at the SGM is also enclosed to this circular. Whether or not you are able to attend the SGM and/or vote at the SGM in person, you are requested to complete and return the enclosed form of proxy to the Company's Hong Kong branch share registrar, Union Registrars Limited at A18/F, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Director or Shareholder has a material interest in the proposed grant of the Specific Mandate to issue the Subscription Shares and accordingly no Shareholder is required to abstain from voting on the resolution(s) to be proposed at the SGM.

RECOMMENDATION

The Directors are of the view that the terms of the Subscription Agreement are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the SGM.

LETTER FROM THE BOARD

The Directors are also of the opinion that the terms of the granting of the New General Mandate and the refreshment of the General Scheme Limit are fair and reasonable and in the interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders and the Independent Shareholders (as the case may be) to vote in favour of the relevant resolution to be proposed at the SGM.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers the terms of the New General Mandate are fair and reasonable and in the interests of the Company and the Shareholders so far as the Independent Shareholders as a whole are concerned. Accordingly, the Independent Board Committee recommends that the Independent Shareholders should vote in favour of the relevant resolution to be proposed at the SGM to approve the granting of the New General Mandate. The full text of the letter from the Independent Board Committee is set out on page 17 of this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully
For and on behalf of the Board of
China Eco-Farming Limited
So David Tat Man
Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



中國農業生態有限公司
China Eco-Farming Limited

(Continued into Bermuda with limited liability)

(Stock Code: 8166)

8 October 2015

To the Independent Shareholders

Dear Sir or Madam,

REFRESHMENT OF THE GENERAL MANDATE

We refer to the circular of the Company to the Shareholders dated 8 October 2015 (the “**Circular**”) of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed to advise the Independent Shareholders in respect of the refreshment of the New General Mandate is in the best interest of the Company and its Shareholders, and fair and reasonable so far as the Independent Shareholders are concerned. Octal Capital Limited has been appointed as the independent financial adviser to advise you and us in this respect.

Having considered the advice of Octal Capital Limited in relation to the refreshment of the New General Mandate as set out on pages 18 to 24 of the Circular, we are of the opinion that the refreshment of the New General Mandate is in the interest of the Company and the Shareholders as a whole and is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the refreshment of the New General Mandate.

Yours faithfully,

For and on behalf of the Independent Board Committee

Mr. Ng Cheuk Fan, Keith
Independent
non-executive Director

Mr. Yick Ting Fai, Jeffrey
Independent
non-executive Director

Mr. Zhang Min
Independent
non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



801-805, 8/F, Nan Fung Tower
88 Connaught Road Central
Hong Kong

8 October 2015

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

PROPOSED REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our engagement to advise the Independent Board Committee and the Independent Shareholders in respect of the refreshment of the Current General Mandate (the “**General Mandate Refreshment**”), particulars of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular to the Shareholders dated 8 October 2015 (the “**Circular**”) and in which this letter is reproduced. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as given to them under the definitions section of the Circular.

Pursuant to Rule 17.42 of the GEM Listing Rules, the General Mandate Refreshment is subject to the approval of the Independent Shareholders at the SGM by way of poll. In this regard, the Independent Board Committee has been established to advise the Independent Shareholders on the General Mandate Refreshment, and Octal Capital Limited has been appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders to advise on the same.

We, Octal Capital Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the General Mandate Refreshment in this regard. We are not connected with the directors, chief executive and substantial shareholders of the Company or any of their respective subsidiaries or their respective associates and do not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group as at the Latest Practicable Date and therefore is considered suitable to give independent advice to the Independent Shareholders. During the last two years, we were engaged as the independent financial adviser to the Company in respect of a major and connected transaction (details of which are set out in the circular of the Company dated 27 July 2015). Under the said engagement, we were required to express our opinion on and give recommendation to the independent committee of the Board comprising all the independent non-executive Directors and independent Shareholders in respect of the relevant transaction. Apart from

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Group or the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries or their respective associates.

In formulating our opinion, we have relied on the accuracy of the information and representations contained in the Circular and have assumed that all information and representations made or referred to in the Circular were true at the time they were made and continue to be true as at the date of the Circular. We have also relied on our discussion with management of the Company regarding the Group and the General Mandate Refreshment, including the information and representations contained in the Circular. We have also assumed that all statements of belief, opinion and intention made by the Directors and the Company in the Circular were reasonably made after due enquiry. We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained or opinions expressed in the Circular nor to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Group and their respective associates nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS CONSIDERED

In arriving at our opinion regarding the General Mandate Refreshment, we have considered the following principal factors and reasons:

1. Background of and reasons for the General Mandate Refreshment

The Company is incorporated in Bermuda as an exempted company with limited liability. The Group is principally engaged in the business of one-stop value chain services, property investment and trading of agricultural products. The one-stop value chain services serve the information technology, tele-communication and advanced manufacturing industries with products and services provisions including logistics, systems support and supply of technological advanced products and knowledge based services.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As mentioned in the Letter from the Board, at the AGM held on 2 June 2015, the Shareholders approved, among others, an ordinary resolution for granting to the Directors the Current General Mandate to allot and issue not exceeding 629,333,012 Shares, being 20% of the entire issued share capital of the Company of 3,146,665,060 Shares as at the date of passing the relevant resolution. As at the Latest Practicable Date, the Current General Mandate had been substantially utilized as to 629,000,000 Shares in association with the placing of Shares of the Company which was announced on 16 June 2015, representing approximately 99.95% of Current General Mandate. The Company has not made any refreshment of the Current General Mandate since the AGM.

Given the Current General Mandate has been substantially utilized, should any business development and investment opportunities arise that would require the issuance of new Shares and a specific mandate has to be sought, we understand from the Directors that it is uncertain whether the requisite approval from Shareholders or Independent Shareholders, as the case may be, could be obtained in a timely manner. Accordingly, to enhance the flexibility for the Company to manage its business and to raise additional equity capital for any future business development and investment opportunities, the Directors propose to seek the approval of the Independent Shareholders at the SGM for the General Mandate Refreshment. Based on the 4,475,665,060 Shares in issue as at the Latest Practicable Date and upon approval of the General Mandate Refreshment at the SGM, the Directors will be able to allot and issue up to 895,133,012 new Shares, representing approximately 20.00% and 16.67% of the existing issued share capital of the Company as at the Latest Practicable Date and the issued share capital of the Company as enlarged by the Shares to be issued in full under the General Mandate Refreshment respectively.

In the light of the above, we are of the opinion that the General Mandate Refreshment could provide the Company the flexibility and ability to capture any capital raising or investment or business opportunity as and when it arises. Such ability is crucial in a competitive and rapidly changing capital market and investment environment.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. Fund raising activities of the Company

According to the information provided by the Directors, we summarise the fund raising activities of the Company during the past 12 months immediately preceding the Latest Practicable Date in the following table:

Date of announcement	Description	Net Amount raised (approximate)	Number of Shares issued	% of the total issued share capital of the Company as at the then date of announcement (approximate)	Proposed use of proceeds	Actual use of proceeds
15 June 2015	Placing of new shares under general mandate (the "Placing")	HK\$124.4 million	629,000,000 shares	19.08%	As to (i) approximately HK\$55.9 million for general working capital of the Group; and (ii) approximately HK\$68.5 million for future business development of the Group	As to (i) approximately HK\$18.6 million for general working capital of the Group; (ii) approximately HK\$43.4 million for future business development of the Group; and approximately HK\$62.4 million as unutilised

According to the interim report of the Company for the six months ended 30 June 2015, we note that the Group had cash and bank deposits of HK\$11.4 million and recorded total liabilities of HK\$30.8 million as at 30 June 2015 respectively. Also, as at 30 June 2015, the Company had capital commitment in the amount of approximately HK\$51.1 million.

We understand from the Directors that the Company has been exploring various investment opportunities from time to time with a view to create value for Shareholders. Moreover, the Company is eager to expand its trading activities which would result in increase in cash outflow. Taking into account the above, we consider it is reasonable for the Group to maintain a strong capital base to avail itself to capture any investment opportunities as they may arise from time to time. We are of the view that the General Mandate Refreshment could provide the Company with flexible financing option to raise additional capital for any future investment or as working capital of the Group and therefore is fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Substantial utilisation of the Current General Mandate

Since the last annual general meeting of the Company held on 2 June 2015 up to the Latest Practicable Date, 629,000,000 Shares had been issued under the Current General Mandate. Accordingly, a major portion (representing approximately 99.95%) of the Current General Mandate of 629,333,012 Shares was utilized. As a result, only 333,012 Shares could further be issued under the Current General Mandate, which represents approximately 0.05% of the total issued share capital of the Company as at the Latest Practicable Date.

Given that the Current General Mandate was granted in the last annual general meeting of the Company held on 2 June 2015, we were advised by the Directors that the next annual general meeting will not be held until around June 2016, which is about eight months away from the Latest Practicable Date. If the Current General Mandate (which had already been substantially utilized) is not to be refreshed in the SGM, the Company will not have sufficient general mandate, if so required to be utilized, until the general mandate is approved in the next annual general meeting.

4. Other financing alternatives

We understand that it is the Directors' belief that the General Mandate Refreshment will provide the Company with an alternative of equity funding to improve its financial position. It is anticipated that the General Mandate Refreshment could enhance the financing flexibility of the Company to raise equity fund, if and when required, by way of issuance of new Shares.

The Directors, after considering various methods of fund raising exercises, are of the view that equity financing is in the interests of the Company and the Shareholders as a whole because it (i) does not create any interest paying obligations on the Group as in bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer as the lead time and cost for refreshment of Current General Mandate is relatively minimal as compared to the lead time and cost for rights issue or open offer, which generally involves negotiations with underwriters and underwriting commission and relatively high documentation preparation costs and professional fees; and (iii) provides the Company with the financial flexibility necessary for the Group's future business development and the capability to capture any capital raising or prospective investment opportunity as and when it arises. We concur with the Directors that, in the event that the Company is unable to refresh the Current General Mandate but to seek specific mandate from the Shareholders when specific terms for the fund raising are identified, the timely process may delay or even hinder the fund raising opportunities for the Group in recent volatile market conditions and rapidly changing investment environment.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The General Mandate Refreshment would provide the Group with a higher degree of financing flexibility as allowed under the Listing Rules to issue new Shares to raise capital and improve the equity base of the Company. On the above basis, we consider there are acceptable grounds for the Directors to propose the General Mandate Refreshment thereof at the SGM.

5. Potential dilution to shareholding interests of the Independent Shareholders

Set out below is a summary of the shareholding structure of the Company as at the Latest Practicable Date and, for illustrative purposes only, upon the full utilization of the New General Mandate, prepared on the basis that there would be no changes in the issued share capital of the Company after the Latest Practicable Date other than as stated.

	As at the Latest Practicable Date		Upon full utilization of the New General Mandate	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Maximum number of new Shares can be issued under the New General Mandate, if granted	–	–	895,133,012	16.67
Public Shareholders (<i>Note</i>)	<u>4,475,665,060</u>	<u>100.00</u>	<u>4,475,665,060</u>	<u>83.33</u>
Total	<u><u>4,475,665,060</u></u>	<u><u>100.00</u></u>	<u><u>5,370,798,072</u></u>	<u><u>100.00</u></u>

Note: As (i) the Company does not have any controlling shareholders or substantial shareholders and (ii) all Directors do not own any Shares, all Shareholders are public Shareholders.

Assuming that (i) the refreshment of the Current General Mandate is approved at the SGM; and (ii) no Shares are repurchased and no new Shares are issued from the Latest Practicable Date up to the date of the SGM (both dates inclusive), 895,133,012 Shares, which represents 20% of the existing issued share capital as at the Latest Practicable Date and approximately 16.67% of the issued share capital of the Company as enlarged by the issue of such Shares, are to be issued upon full utilization of the New General Mandate. The aggregate shareholding of the existing public Shareholders will be diluted from approximately 100% to approximately 83.33% upon full utilization of the New General Mandate.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Taking into consideration that the General Mandate Refreshment will increase the amount of capital which may be raised thereunder and will provide more options to the Group for improving its financial position and the fact that the shareholding of all the Shareholders will be diluted to the same extent upon any utilisation of the New General Mandate, we consider that the potential dilution to the shareholding of the Shareholders is acceptable.

Shareholders should note that the Current General Mandate will be revoked upon approval at the SGM of the New General Mandate which will be and continue to be in force until the earliest of (i) the conclusion of the Company's next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and (iii) the revocation or variation of the authority given under the relevant resolution to be proposed at the SGM by an ordinary resolution of the Shareholders in general meeting. Such duration is in compliance with the Listing Rules.

RECOMMENDATION

Having considered the above principal factors, we are of the opinion that the General Mandate Refreshment is fair and reasonable so far as the Independent Shareholders are concerned and the General Mandate Refreshment is in the interest of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution approving the General Mandate Refreshment at the SGM.

Yours faithfully,

For and on behalf of

Octal Capital Limited

Alan Fung

Louis Chan

Managing Director

Director

Note: Mr. Alan Fung has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2003. Mr. Fung has more than 20 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of connected transactions of listed companies in Hong Kong. Mr. Louis Chan has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2008. Mr. Chan has more than 10 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of connected transactions of listed companies in Hong Kong.

NOTICE OF SGM



(Continued into Bermuda with limited liability)

(Stock Code: 8166)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of shareholders of China Eco-Farming Limited (the “**Company**”) will be held at 25/F, Siu On Centre, 188 Lockhart Road, Wanchai, Hong Kong on Wednesday, 28 October 2015 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT**
 - (a) the terms and conditions of the subscription agreement (the “**Subscription Agreement**”) dated 19 August 2015 signed by the Company and Mr. Sun Hui (the “**Subscriber**”), a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue in aggregate 250,000,000 shares of the Company (the “**Subscription Shares**”) at the subscription price of HK\$0.15 (the “**Subscription**”) per Subscription Share be and are hereby approved, confirmed and ratified;
 - (b) conditional upon, among others, The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Subscription Shares, the allotment and issuance of which shall be pursuant and subject to the terms of the Subscription Agreement;
 - (c) the directors of the Company (the “**Director(s)**”) be and is/are hereby granted a specific mandate to exercise the powers of the Company to allot and issue the Subscription Shares; and

NOTICE OF SGM

- (d) any one Director be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments, agreements and deeds and do all such acts, matters and things as he/she may in his or her absolute discretion consider necessary or desirable for the purpose of and in connection with the implementation of the Subscription and the transactions contemplated thereunder, including the allotment and issue of the Subscription Shares, and to agree to any variations of the terms of the Subscription Agreement that are ancillary to the above and of administrative nature as he or she may in his or her absolute discretion consider necessary or desirable.”

2. “**THAT**

- (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.02 each in the share capital of the Company and to make or grant offers, agreements and options (including but not limited to bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including but not limited to bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; or (iii) the exercise of any option under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/ or any of its subsidiaries or any other eligible participant(s) of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of

NOTICE OF SGM

shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company pursuant to the bye-laws of the Company, from time to time shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the Directors to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

NOTICE OF SGM

3. “**THAT** subject to and conditional upon the granting by the Listing Committee of the Stock Exchange of, the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of options which may be granted under the refreshed scheme mandate limit (the “**General Scheme Limit**”) under the share option scheme adopted by the Company on 6 May 2011 in the manner as set out in paragraph (a) of this resolution below,
- (a) the refreshment of the General Scheme Limit of up to 10 per cent. of the Shares in issue as at the date of passing of this resolution be and is hereby approved, and
- (b) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

By order of the Board of
China Eco-Farming Limited
So David Tat Man
Executive Director

Hong Kong, 8 October 2015

Registered office:
Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

*Head office and principal place of
business in Hong Kong:*
25/F, Siu On Centre,
188 Lockhart Road, Wanchai,
Hong Kong

NOTICE OF SGM

Notes:

1. A member entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the SGM is enclosed. Whether or not you intend to attend the SGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the SGM or any adjournment thereof, should he so wish.
3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar, Union Registrars Limited at A18/F, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
4. In the case of joint holders of Shares, any one of such holders may vote at the SGM, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one such joint holders are present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the SGM, the SGM will be postponed. The Company will post an announcement on the Company's website <http://www.aplushk.com/clients/8166chinaeco-farming/index.html> and the "Latest Company Announcements" page of the GEM website to notify Shareholders of the date, time and place of the rescheduled SGM.
6. As at the date of this notice, the executive Directors are Mr. So David Tat Man and Mr. Lai Yick Fung and the independent non-executive Directors are Mr. Ng Cheuk Fan, Keith, Mr. Yick Ting Fai, Jeffrey and Mr. Zhang Min.