

**NOTICE OF REDUCTION
OF CAPITAL**

LEGAL NOTICE

**IN THE MATTER OF THE
COMPANIES ACT 1981
(THE “ACT”)**

-AND-

**LIUYANG FIREWORKS
LIMITED
(THE “COMPANY”)**

NOTICE IS HEREBY GIVEN that, pursuant to Section 46 of the Act, the authorised capital of the Company will be reduced from CAD\$6,000,000.00 to CAD\$12,000.00 (a reduction of CAD\$5,988,000.00) and pursuant to Sections 40 and 46 of the Act, the share premium account of the Company will be reduced from CAD\$76,000.00 to CAD\$0.00 (a reduction of CAD\$76,000.00), each with effect from 25 August 2016.

**ASW Law Limited
Attorneys for the Company**