
CORNERSTONE PLACING

OUR CORNERSTONE INVESTORS

We and the Joint Global Coordinators have entered into cornerstone investment agreements with each of the investors below (“**Cornerstone Investors**”), pursuant to which the Cornerstone Investors have agreed to subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 1,000 Shares) as may be subscribed for an aggregate amount of US\$60,000,000 (“**Cornerstone Placing**”). Assuming an Offer Price of HK\$2.72 (being the mid-point of the estimated Offer Price range stated in this prospectus), the total number of Offer Shares that the Cornerstone Investors would subscribe for would be 172,125,000, representing approximately 9.4% of the Shares in issue and outstanding immediately following the completion of the Global Offering or approximately 37.5% of the Shares to be issued under the Global Offering (assuming the Over-allotment Option is not exercised).

Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by us on or before Thursday, September 29, 2011. The Cornerstone Investors and their respective associates will not subscribe for any Offer Shares under the Global Offering other than pursuant to the cornerstone investment agreements. The Offer Shares to be subscribed for by the Cornerstone Investors will rank *pari passu* in all respects with the other fully paid Shares in issue and will be counted as part of the public float of our Company. Immediately following the completion of the Global Offering, the Cornerstone Investors will not have any representation on the Board, nor will they become substantial shareholder of our Company. To the best knowledge of our Directors, the Cornerstone Investors and their respective ultimate beneficial owners are independent from each other.

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We and the Joint Global Coordinators have entered into cornerstone investment agreements with each of the following Cornerstone Investors in respect of the Cornerstone Placing. The information about our Cornerstone Investors has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Baosteel Resources International Co. Ltd.

Baosteel Resources International Company Limited (“**Baosteel**”) has agreed to subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 1,000 Shares) as may be subscribed for an aggregate amount of US\$10,000,000. Assuming an Offer Price of HK\$2.72 (being the mid-point of the estimated Offer Price range stated in this prospectus), the total number of Offer Shares that Baosteel would subscribe for would be 28,687,000, representing approximately 1.6% of the Shares in issue and outstanding immediately following the completion of the Global Offering or approximately 6.2% of the Shares to be issued under the Global Offering (assuming the Over-allotment Option is not exercised).

Baosteel is incorporated in Hong Kong and its core business is investment, trading and logistic services in relation to iron ore, coal, non-ferrous metals, raw materials and scrap. Baosteel is a subsidiary of Baosteel Group Corporation, one of the largest and most profitable steel enterprises in the world with an annual production capacity of 50 million tons.

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Save for being one of the Facility Lenders under the Facility Agreement and one of the Warrantheolders of the Warrant A and Warrant B, Baosteel and its ultimate beneficial owner are Independent Third Parties. The facility loan under the Facility Agreement will be prepaid upon Listing and the Warrant A and Warrant B were cancelled on June 24, 2011. Please refer to “History, Development and Reorganization — Facility Loans Provided to Our Company” in this prospectus for details of the Facility Agreement and the Warrant A and Warrant B.

SAIF Partners IV L.P.

SAIF Partners IV L.P. (“SAIF”) has agreed to subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 1,000 Shares) as may be subscribed for an aggregate amount of US\$30,000,000. Assuming an Offer Price of HK\$2.72 (being the mid-point of the estimated Offer Price range stated in this prospectus), the total number of Offer Shares that SAIF would subscribe for would be 86,063,000, representing approximately 4.7% of the Shares in issue and outstanding immediately following the completion of the Global Offering or approximately 18.8% of the Shares to be issued under the Global Offering (assuming the Over-allotment Option is not exercised).

SAIF is an exempted limited partnership registered in the Cayman Islands on September 11, 2009. SAIF is an investment fund managed by SAIF Partners and its affiliates. SAIF Partners is a leading private equity firm that provides growth capital to companies in Asia.

Gold Mountains (H.K.) International Mining Company Limited

Gold Mountains (H.K.) International Mining Company Limited (“Gold Mountains”) has agreed to subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 1,000 Shares) as may be subscribed for an aggregate amount of US\$20,000,000. Assuming an Offer Price of HK\$2.72 (being the mid-point of the estimated Offer Price range stated in this prospectus), the total number of Offer Shares that Gold Mountains would subscribe for would be 57,375,000, representing approximately 3.1% of the Shares in issue and outstanding immediately following the completion of the Global Offering or approximately 12.5% of the Shares to be issued under the Global Offering (assuming the Over-allotment Option is not exercised).

Gold Mountains is incorporated in Hong Kong and a wholly-owned subsidiary of Zijin Mining Group Co. Ltd. (“Zijin Group”), a company registered in China, with its head office in Shanghang County, Fujian province. Zijin Group’s gold production is ranked No. 1 in China and it also mines other metals including copper, lead, zinc, tungsten, tin, silver and iron. Zijin Group’s offshore operations are still at an early stage but it has a strong potential of growth in the years to come. Zijin Group is dual listed on the Stock Exchange (Stock Code: 2899) and the Shanghai Stock Exchange (Stock Code: 601899).

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CONDITIONS PRECEDENT

The obligation of the Cornerstone Investors to subscribe for the Offer Shares is subject to, among other things, the following conditions precedent:

- (a) the Hong Kong Underwriting Agreement and the International Underwriting Agreement being entered into and having become effective and unconditional and not having been terminated (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified or as subsequently waived or varied by agreement of the parties thereto in those agreements; and
- (b) the Listing Committee having granted the listing of, and permission to deal in, the Shares and such approval or permission not having been revoked.

RESTRICTIONS ON DISPOSALS BY THE CORNERSTONE INVESTORS

The Cornerstone Investors have agreed that, without the prior written consent of our Company and the Joint Global Coordinators, they will not, whether directly or indirectly, at any time during the period of six months following the Listing Date, dispose of any of the Shares purchased by the Cornerstone Investors pursuant to the cornerstone investment agreements, and any Shares or other securities of our Company which are derived therefrom pursuant to any rights issue, capitalization issue or other form of capital reorganization (“**Relevant Shares**”), nor shall they agree or contract to, or publicly announce any intention to enter into a transaction with a third party for disposal of the Relevant Shares.