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In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules or the Companies Ordinance.

### **BASIC CONDITIONS IN RELATION TO QUALIFICATIONS FOR LISTING**

Pursuant to Rule 8.05 of the Listing Rules, an issuer must satisfy one of the three tests in relation to: (i) profit; (ii) market capitalization, revenue and cash flow; or (iii) market capitalization and revenue requirements. Chapter 18 of the Listing Rules applies to mineral companies. Under Rule 18.04 of the Listing Rules, the requirements of Rule 8.05 of the Listing Rules may not apply if the Stock Exchange is satisfied that the directors and management of the issuer have sufficient and satisfactory experience of at least five years relevant to the exploration and/or extraction activity that the issuer is processing. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 8.05 of the Listing Rules in accordance with Rule 18.04 of the Listing Rules.

### **MANAGEMENT PRESENCE**

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have a sufficient management presence in Hong Kong for the purposes of satisfying the requirements under Rule 8.12 of the Listing Rules as none of our executive Directors is ordinarily resident in Hong Kong. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 8.12 of the Listing Rules on the basis that, as our headquarters are in Beijing, the PRC and our principal business operations are located in Peru, our management is best able to attend to its functions by being based in the PRC and Peru.

We will retain the services of a compliance advisor who will, among other things, act as an additional channel of communication with the Stock Exchange in addition to our authorized representatives, for a period commencing on the date of listing until the date on which the Company announces its financial results and distributes its annual report for the first full financial year following listing. The contact person of the compliance advisor will be fully available to answer enquiries from the Stock Exchange.

Dr. Peng Huaisheng (one of the Company's executive Directors), who is a resident in the PRC, and Mr. Lai Yat Kwong Fred (one of the Company's independent non-executive Directors), who is a resident in Hong Kong have been designated as the Company's authorized representatives (the "**Authorized Representatives**") and, hence, will be our principal channel of communication with the Stock Exchange. In addition, Ms. Mok Ming Wai, the joint company secretary of the Company and a resident in Hong Kong, has been designated as an alternate to Dr. Peng Huaisheng (the "**Alternate Authorized Representative**"). Ms. Mok Ming Wai will also serve as a channel of communication between the Stock Exchange and the Company. All of the aforementioned persons would be readily contactable by the Stock Exchange, as Dr. Peng Huaisheng can easily make himself available in Hong Kong whenever necessary to deal promptly with enquiries from the Stock Exchange, and Mr. Lai Yat Kwong Fred and Ms. Mok Ming Wai are residents in Hong Kong. In addition, each of the Authorized Representatives and the Alternate Authorized Representative has means to contact all members of the board of Directors promptly at all times as and when the Stock Exchange wishes to contact the Directors of the Company on any matters. Each of the Directors of the Company has confirmed that he

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possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period. Each Director will provide his respective contact details, including office phone numbers, mobile phone numbers, fax numbers and email addresses, to the Stock Exchange.

### **JOINT COMPANY SECRETARY**

Pursuant to Rule 8.17 and 3.28 of the Listing Rules, the secretary of our Company must be an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of a company secretary.

We have appointed Mr. Du Qiang as our company secretary. As Mr. Du does not possess the relevant qualification required under Rule 3.28 of the Listing Rules, we have appointed Ms. Mok Ming Wai, who is a Hong Kong resident and has the required qualification stipulated in Rule 3.28 of the Listing Rules to act as joint company secretary to assist Mr. Du to acquire the necessary experience for satisfying the requirements of Rule 3.28 of the Listing Rules. Moreover, we have procedures in place to provide Mr. Du with appropriate training in order to enable Mr. Du to acquire such necessary experience to discharge a secretary's duties with the assistance of Ms. Mok.

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 3.28 and Rule 8.17 of the Listing Rules in connection with Mr. Du's appointment as our joint company secretary, on the condition that Ms. Mok is appointed as a joint company secretary. In the initial three years from the Listing Date, the joint company secretary is to work closely with Mr. Du, who will be the contact person at the Company for the joint company secretary, and provide assistance to him in the discharge of his duty as company secretary. Upon expiration of the initial period, the Company should liaise with the Stock Exchange. The Stock Exchange will revisit the situation in the expectation that the Company should then be able to demonstrate to the Stock Exchange's satisfaction that Mr. Du, having had the benefit of appointed company secretary assistance for three years, will have acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules, so that a further waiver will not be necessary. The waiver will be revoked immediately if the appointed company secretary ceases to provide assistance and guidance to Mr. Du.

### **WAIVER IN RESPECT OF THE PUBLIC FLOAT REQUIREMENT**

Rule 8.08(1)(a) of the Listing Rules requires that at least 25% of the issuer's total issued share capital must at all times be held by the public. Our Company has applied to the Stock Exchange to request the Stock Exchange to exercise and the Stock Exchange has confirmed that it will exercise its discretion under Rule 8.08(1)(d) of the Listing Rules to accept a lower public float percentage of 15% (or a higher percentage after the exercise of the Over-allotment Option) for our Company. The above discretion is subject to the conditions that our Company complies with the disclosure requirements under Rule 8.08(1)(d) of the Listing Rules, that we and the Joint Sponsors are able to demonstrate satisfactory compliance with Rules 8.08(2) and 8.08(3) of the Listing Rules at the time of the Listing and that we will make appropriate measures and mechanisms to ensure continual maintenance of the minimum percentage of public float. Our Company will make appropriate disclosure of the lower prescribed percentage of public float and confirm sufficiency of the public float in its successive

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annual reports after the Listing. In addition, our Company will, with a view to ensuring compliance with our obligations under the Listing Rules in relation to the minimum number of Shares which must be in public hands, (i) monitor our register of members, relevant disclosures made under Part XV of the SFO and other relevant sources of information available to us and (ii) (if at any time we become aware that the number of Shares which are in public hands is less than such minimum number) take such steps as are legally available to us to restore the number of Shares in public hands to the minimum required by the Listing Rules.

## **ACCOUNTS IN THIS PROSPECTUS**

The Accountant's Report set out in Appendix I to this prospectus includes financial information for each of the three years ended December 31, 2009, 2010 and 2011 and for the nine months ended September 30, 2012.

Rule 4.04 of the Listing Rules requires that we include in this prospectus the consolidated results of our Group in respect of the three years ended December 31, 2012.

Paragraph 27 of Part I of the Third Schedule to the Companies Ordinance requires that we set out in this prospectus a statement as to the gross trading income or sales turnover during the three years preceding the issue of this prospectus, including an explanation of the method used for the computation of such income or turnover and a reasonable break-down between the more important trading activities. Paragraph 31 of Part II of the Third Schedule to the Companies Ordinance requires that we include in this prospectus a report by the auditors with respect to the profits and losses and assets and liabilities of our Group in respect of each of the three financial years immediately preceding the issue of this prospectus.

We have applied for, and the Stock Exchange has granted us a waiver from strict compliance with Rule 4.04(1) of the Listing Rules. Strict compliance with Rule 4.04 of the Listing Rules would be unduly burdensome on us as there would not be sufficient time for us and our reporting accountants to prepare full year audited accounts for the year ended December 31, 2012 prior to the issue of this prospectus. If audited full year accounts for the year ended December 31, 2012 are included in this prospectus, there will be a significant delay to the proposed listing timetable.

The Stock Exchange has granted us a waiver from strict compliance with Rule 4.04(1) of the Listing Rules on the condition that:

- (i) we list on the Stock Exchange by March 31, 2013;
- (ii) we will have obtained a certificate of exemption from the SFC under section 342A of the Companies Ordinance from similar requirements under paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance; and
- (iii) if the prospectus is to be issued on or before February 28, 2013, we will comply with the conditions including: (a) inclusion of a loss estimate for the year ended December 31, 2012 which complies with Rules 11.17 to 11.19 of the Listing Rules in this prospectus; and (b) inclusion in this prospectus a statement made by the Directors

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in this prospectus that there has been no material adverse change to the financial and trading positions since September 30, 2012; or

- (iv) if this prospectus is to be issued in March 2013, we agree to comply with the conditions including the inclusion in the prospectus the financial information for the year ended December 31, 2012 and a commentary on the results for the year, and that the financial information to be included in the prospectus would (a) follow the same content requirements as for a preliminary results announcements under Rule 13.49 of the Listing Rules; and (b) be agreed with the reporting accountants of the Company following the review to be performed under Practice Note 730 “Guidance for Auditors Regarding Preliminary Announcements of Annual Results” issued by the Hong Kong Institute of Certified Public Accountants.

The Directors and the Joint Sponsors have confirmed, after performing all due diligence work which the Directors and the Joint Sponsors consider appropriate, that there has been no material adverse change in our financial position and trading position or prospects since September 30, 2012 and there has been no event since September 30, 2012 which would materially affect the information as contained in the accountant’s report (as set out in Appendix I to this prospectus) and Financial Information. In the circumstances, the Directors and the Joint Sponsors believe that the accountant’s report (as set out in Appendix I to this prospectus) and Financial Information, together with other disclosures in this prospectus, provides sufficient information to enable investors to make an informed assessment of the business, assets and liabilities, financial position and profitability of the Company and the Group as a whole, and as such, the waiver and exemption would not prejudice the interests of the investing public.

We have applied for, and the SFC has granted us an exemption from strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance in relation to the inclusion of the Accountant’s Report for the full year ended December 31, 2012 in the prospectus. A certificate of exemption has been granted by the SFC under section 342A of the Companies Ordinance on the conditions that (i) the particulars of the exemption be set forth in this prospectus; and (ii) this prospectus be issued on or before January 18, 2013.