

The information set forth in this appendix does not form part of the Accountants' Reports from KPMG, Certified Public Accountants, Hong Kong, as set forth in Appendix I to this Prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Prospectus and the financial information section of the Accountants' Reports set forth in Appendix I to this Prospectus.

A. UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS/(LIABILITIES)

The following unaudited pro forma statement of adjusted consolidated net tangible assets/(liabilities) is prepared in accordance with Rule 4.29 of the Listing Rules and is set forth below to illustrate the effect of the Global Offering on our consolidated net tangible assets/(liabilities) attributable to equity shareholders of the Company as of June 30, 2013 as if the Global Offering had taken place on that date. The unaudited pro forma statement of adjusted consolidated net tangible assets/(liabilities) of our Group has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as of June 30, 2013 or at any future date.

	Consolidated net tangible assets/(liabilities) attributable to equity shareholders of the Company as at June 30, 2013 ⁽¹⁾		Unaudited pro forma adjusted consolidated net tangible assets/(liabilities) attributable to equity shareholders of the Company		
		Estimated net proceeds from the Global Offering ⁽²⁾		Unaudited pro forma adjusted consolidated net tangible assets/(liabilities) per Share ⁽³⁾	Unaudited pro forma adjusted consolidated net tangible assets/(liabilities) per Share ⁽⁴⁾
	(RMB in thousands)			(RMB)	(HK\$)
Based on the Offer Price of HK\$3.10 per Share	(44,336)	858,579	814,243	0.54	0.68
Based on the Offer Price of HK\$3.40 per Share	(44,336)	944,500	900,164	0.60	0.76

(1) The consolidated net tangible assets/(liabilities) attributable to equity shareholders of the Company as of June 30, 2013 is extracted from the financial information included in the Accountants' Report in Appendix I to this Prospectus, which is based on consolidated net assets attributable to equity shareholders of the Company as of June 30, 2013 of RMB370.7 million with an adjustment for intangible assets attributable to equity shareholders of the Company as of June 30, 2013 of RMB415.0 million.

(2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK\$3.10 or HK\$3.40 per Share, being the low or high end of the stated offer price range, after deduction of the underwriting fees and other related expenses payable by our Group and takes no account of any Share which may be issued upon the exercise of the Over-allotment Option. The estimated net proceeds from the Global Offering are converted to RMB at the PBOC rate of RMB0.79151 to HK\$1.00.

(3) The unaudited pro forma adjusted consolidated net tangible assets/(liabilities) per Share is arrived at on the basis that 1,500,000,000 Shares (including the Shares in issue as of June 30, 2013, and Shares that may be issued under the Global Offering) are in issue without taking into account of any Shares which may be issued upon the exercise of the Over-allotment Option.

- (4) The unaudited pro forma adjusted consolidated net tangible assets/(liabilities) per Share in RMB is converted to Hong Kong dollars at the PBOC rate of RMB0.79151 to HK\$1.00.
- (5) The Group's property interests as at September 30, 2013, have been valued by Savills Valuation and Professional Services Limited, an independent property valuer, and the relevant property valuation report is set out in "Appendix III-Valuation Report". The above unaudited pro forma statement of adjusted consolidated net tangible assets/(liabilities) does not take into account the surplus arising from the revaluation of certain of the Group's property interests with commercial value amounting to approximately RMB3.2 million. The revaluation surplus has not been recorded in the Financial Information as set out in Appendix I to this Prospectus and will not be recorded in the consolidated financial statements of the Group for the year ending December 31, 2013 as the Group's property, plant and equipment and lease prepayments are stated at cost less accumulated depreciation or amortisation and impairment losses if any. If the valuation surplus was recorded in the Group's financial statements, additional annual depreciation and amortisation of approximately RMB0.1 million would be charged against the profit for the year ending December 31, 2013.
- (6) No adjustment has been made to reflect any trading result or other transaction of the Group entered into subsequent to June 30, 2013.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the purpose of incorporation in this Prospectus, received from KPMG, Certified Public Accountants, Hong Kong, in connection with the unaudited pro forma financial information.

To the Directors of Hengshi Mining Investments Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Hengshi Mining Investments Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of unaudited pro forma statement of adjusted consolidated net tangible assets/(liabilities) as at June 30, 2013 and related notes as set out in Part A of Appendix II to the Prospectus dated November 18, 2013 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the "Global Offering") on the Group's financial position as at June 30, 2013 as if the Global Offering had taken place at June 30, 2013. As part of this process, information about the Group's financial position as at June 30, 2013 has been extracted by the Directors from the Group's historical financial statements included in the Accountants' Report as set out in Appendix I to the Prospectus.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7, "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG7"), issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (HKSAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG7, issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at June 30, 2013 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Opinion

In our opinion:

- a) the pro forma financial information has been properly compiled on the basis stated;
- b) such basis is consistent with the accounting policies of the Group; and
- c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

November 18, 2013