

The forecast of the consolidated profit attributable to owners of the parent for the year ending December 31, 2010 is set out in the section headed “Financial Information — Profit Forecast For The Year Ending December 31, 2010”.

A. BASES

The Directors have prepared the forecast of the consolidated profit attributable to owners of the parent for the year ending December 31, 2010 on the basis of the audited consolidated results of us for the six months ended June 30, 2010, the unaudited consolidated results of us for the two months ended August 31, 2010 and a forecast of the consolidated results of us for the remaining four months ending December 31, 2010. The forecast has been prepared on a basis consistent in all material respects with the accounting policies currently adopted by us as summarized in Appendix I to the prospectus.

B. ASSUMPTIONS

We have adopted the following assumptions in the preparation of our forecast:

- (1) there will be no material changes in the existing rules, laws, regulations, or government policies (economic, political or legal), including changes in legislation or rules, regulatory, fiscal, economic or market conditions in the PRC, Hong Kong, Gabon, the British Virgin Islands, or any of the countries in which members of our Group currently operate or are established;
- (2) there will be no material changes in inflation rate, interest rate or foreign currency exchange rate in the countries, regions or industries applicable to the business activities of our Group from those presently prevailing;
- (3) there will be no material changes in the bases or rates of taxation or duties in the PRC, Hong Kong, Gabon, the British Virgin Islands, or any of the countries in which members of our Group operate or are established, except as otherwise disclosed in the prospectus;
- (4) there will be no wars, military incidents, pandemic diseases or natural disasters that would have a material impact on our Group’s business and operating;
- (5) our Group’s operations and financial performance will not be materially and adversely impacted by any of the risk factors set out in the section headed “Risk Factors” in the prospectus;
- (6) our Group’s production and operation will not be significantly affected by interruptions as a result of shortage of coal supply, electricity supply, labor disputes, technical barrier and any other reasons that are beyond the control of our Directors; and
- (7) there will be no changes in technology, industry, safety standards, and environmental protection regulations in connection with the mining industry that would have a significant negative impact on our Group’s operation in the PRC, Hong Kong, Gabon, the British Virgin Islands, any of the countries in which members of our Group currently operate or are established.

C. LETTERS

The following are texts of letters received from the reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, and the Joint Sponsors in connection with the profit forecast and for the purpose of incorporation in this prospectus.

(i) Letter from reporting accountants

18th Floor
Two International Finance Centre
8 Finance Street, Central
Hong Kong

8 November 2010

The Directors
CITIC Dameng Holdings Limited
Merrill Lynch Far East Limited
UBS AG, Hong Kong Branch

Dear Sirs,

We have reviewed the calculations of and the accounting policies adopted in arriving at the forecast of the consolidated profit attributable to owners of CITIC Dameng Holdings Limited (the “Company”, together with its subsidiaries, hereinafter collectively referred to as the “Group”) for the year ending 31 December 2010 (the “Profit Forecast”) as set out in the subsection headed “Profit Forecast For The Year Ending December 31, 2010” under the section headed “Financial Information” in the prospectus of the Company dated 8 November 2010 (the “Prospectus”) for which the directors of the Company (the “Directors”) are solely responsible.

We conducted our work with reference to Auditing Guideline 3.341 “Accountants’ Report on Profit Forecasts” issued by the Hong Kong Institute of Certified Public Accountants.

The Profit Forecast has been prepared by the Directors based on the audited consolidated results of the Group for the six months ended 30 June 2010, the unaudited consolidated results of the Group for the two months ended 31 August 2010 and a forecast of the consolidated results of the Group for the remaining four months ending 31 December 2010.

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Forecast has been properly compiled in accordance with the bases and assumptions made by the Directors as set out in Parts A and B of Appendix III to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants’ report dated 8 November 2010, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,

Ernst & Young
Certified Public Accountants
Hong Kong

(ii) Letter from the Joint Sponsors



Merrill Lynch Far East Limited
15/F Citibank Tower
3 Garden Road
Central, Hong Kong



UBS AG, Hong Kong Branch
2 International Finance Centre
52/F, 8 Finance Street
Central, Hong Kong

November 8, 2010

The Directors
CITIC Dameng Holdings Limited

Dear Sirs

We refer to the forecast of the consolidated net profit attributable to shareholders of CITIC Dameng Holdings Limited (the “*Company*”) for the year ending December 31, 2010 (the “*Profit Forecast*”) as set out in the prospectus issued by the Company dated November 8, 2010 (the “*Prospectus*”).

We have discussed with you the bases and assumptions made by the directors of the Company as set out in Part A of Appendix III to the Prospectus upon which the Profit Forecast has been made. We have also considered the letter dated November 8, 2010 addressed to yourselves and ourselves from Ernst & Young, Certified Public Accountants, Hong Kong, regarding the accounting policies and calculations upon which the Profit Forecast has been made.

On the basis of the information comprising the Profit Forecast and on the basis of the accounting policies and calculations adopted by you and reviewed by Ernst & Young, Certified Public Accountants, Hong Kong, we are of the opinion that the Profit Forecast, for which you as directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully

For and on behalf of
Merrill Lynch Far East Limited
Julian Lee
Director

For and on behalf of
UBS AG, Hong Kong Branch
Tim Cen
Managing Director

Qiang Fu
Associate Director