

The forecast consolidated loss after taxation and minority interests but before extraordinary items of our Company for the year ending December 31, 2011 is set out in the paragraph headed “Loss Forecast For The Year Ending December 31, 2011” in the section headed “Financial Information” in this Prospectus.

(1) Bases

The Directors have prepared the consolidated loss forecast attributable to the owner of our Company for the year ending December 31, 2011 based on the audited consolidated results of our Group for the six months ended June 30, 2011, the unaudited management accounts for the four months ended October 31, 2011 and forecast consolidated results of our Group for the remaining two months ending December 31, 2011.

The forecast has been prepared on a bases consistent in all material respects with the accounting policies currently adopted by our Group as summarized in the Accountants’ Report, the text of which is set out in Appendix I to this prospectus.

Consolidated loss forecast attributable to owners of the Company ⁽¹⁾	RMB246.6 million (HK\$302.2 million) ⁽³⁾
Unaudited pro forma forecast loss per Share for the year ending December 31, 2011 ⁽²⁾	RMB0.123 (HK\$0.150)

Notes:

- (1) The bases and assumptions on which the consolidated loss forecast attributable to owners of the Company for the year ending December 31, 2011 has been prepared are summarized in Appendix III to this Prospectus.
- (2) The calculation of unaudited pro forma forecast loss per Share is based on the consolidated loss forecast attributable to owners of the Company for the year ending December 31, 2011 of RMB246.6 million and on the assumption that the Company has been listed since January 1, 2011 and a total number of 2,000,000,000 Shares were in issue during the year ending December 31, 2011.
- (3) The consolidated loss forecast attributable to owners of the Company includes a one-off equity-settled share-based expense of RMB233.0 million and the expenses in relation to the Global Offering.

We have analyzed the sensitivity of the loss forecast of the Group for the year ending December 31, 2011 with reference to the potential movements in the key bases in the loss forecast, such as the selling price of lead-silver concentrates and zinc-silver concentrates, the sales volume of lead-silver concentrates and zinc-silver concentrates and the unit cost of sales of lead-silver concentrates and zinc-silver concentrates for the year ending December 31, 2011.

The sensitivity of the loss forecast for the movements in average selling price of lead-silver concentrates and zinc-silver concentrates, sales volume of lead-silver concentrates and zinc-silver concentrates and average unit cost of sales of lead-silver concentrates and zinc-silver concentrates is analyzed as follows:

	For the year ending December 31, 2011
	RMB'000
	Increase/(decrease) in profit attributable to the owners of the Company
(A) Movement in average selling price of lead-silver concentrates and zinc-silver concentrates	
Increase 5%	2,338
Increase 10%	4,676
Increase 15%	7,014
Increase 20%	9,352
Increase 25%	11,691
Increase 30%	14,029
Decrease 5%	(2,338)
Decrease 10%	(4,676)
Decrease 15%	(7,014)
Decrease 20%	(9,352)
Decrease 25%	(11,691)
Decrease 30%	(14,029)
(B) Movement in sales volume of lead-silver concentrates and zinc-silver concentrates	
Increase 5%	2,085
Increase 10%	4,170
Decrease 5%	(2,085)
Decrease 10%	(4,170)
(C) Movement in average unit cost of sales of lead-silver concentrates and zinc-silver concentrates	
Increase 5%	(418)
Increase 10%	(836)
Decrease 5%	418
Decrease 10%	836

(2) Letters

Set out below are texts of letters received by the Directors from (i) Ernst & Young, the auditors and reporting accountants of the Company, and (ii) the Sole Sponsor prepared for the purpose of incorporation in this Prospectus in connection with the loss forecast of the Company for the year ending December 31, 2011.

(a) Letter from Ernst & Young



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

December 2, 2011

The Directors
China Polymetallic Mining Limited
Citigroup Global Markets Asia Limited

Dear Sirs,

We have reviewed the calculations of and the accounting policies adopted in arriving at the forecast of the consolidated loss attributable to equity holders of China Polymetallic Mining Limited (the “Company”, together with its subsidiaries, hereinafter collectively referred to as the “Group”) for the year ending December 31, 2011 (the “Loss Forecast”) as set out in the paragraph headed “Loss Forecast” under the section headed “Financial Information” in the prospectus of the Company dated December 2, 2011 (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 Loss Forecast has been prepared by the Directors based on the audited consolidated results of the Group for the six months ended June 30, 2011, the unaudited management accounts for the four months ended October 31, 2011 and a forecast of the consolidated results of the Group for the remaining two months ending December 31, 2011.

In our opinion, so far as the accounting policies and calculations are concerned, the Loss Forecast has been properly compiled in accordance with the bases and assumptions made by the Directors as set out in Part 1 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 December 2, 2011, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(b) Letter from the Sole Sponsor

The following is the text of a letter, prepared for inclusion in this prospectus, which we have received from Citigroup Global Markets Asia Limited, the Sole Sponsor, in connection with the estimate of the consolidated loss of China Polymetallic Mining Limited (the “Company”) and its subsidiaries attributable to equity holders of the Company for the year ending December 31, 2011.



Citigroup Global Markets Asia Limited
50th Floor, Citibank Tower, Citibank Plaza
3 Garden Road, Central,
Hong Kong

December 2, 2011

The Directors
China Polymetallic Mining Limited

Dear Sirs

We refer to the estimated consolidated loss attributable to owners of China Polymetallic Mining Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for the year ending December 31, 2011 (the “Loss Forecast”) as set out in the prospectus issued by the Company dated December 2, 2011 (the “Prospectus”).

We understand that the Loss Forecast, for which the directors of the Company are solely responsible, has been prepared by them based on the audited consolidated results of the Group for the six months ended June 30, 2011, the unaudited management accounts for the four months ended October 31, 2011 and a forecast of the consolidated results of the Group for the remaining two months ending December 31, 2011. We have discussed with you the bases as set out in paragraph (1) of Appendix III to the Prospectus, to the extent applicable, upon which the Loss Forecast has been made. We have also considered, and relied upon, the letter dated December 2, 2011 addressed to yourselves and ourselves from Ernst & Young (the “Reporting Accountants”) regarding the accounting policies and calculations upon which the Loss Forecast has been made.

On the basis of the information comprising the Loss Forecast and on the basis of the accounting policies and calculations adopted by you and reviewed by the Reporting Accountants, we are of the opinion that the Loss Forecast, for which you as the directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully

For and on behalf of
Citigroup Global Markets Asia Limited

Richard Zhang
Managing Director
Head of Greater China Metals and Mining