

The estimate of the consolidated loss after taxation and minority interests but before extraordinary items of our Company for the year ended 31 December 2010 is set out in the paragraph headed “Loss Estimate For The Year Ended 31 December 2010” in the section headed “Financial Information” in this Prospectus.

(1) BASES

The Directors have prepared the estimate of consolidated loss attributable to owners of our Company for the year ended 31 December 2010 based on the audited consolidated results of our Group for the eleven months ended 30 November 2010 and an estimate of the consolidated results of our Group for the remaining one month ended 31 December 2010.

The estimate 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.

(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 estimate of the Company for the year ended 31 December 2010.

(a) *Letter from Ernst & Young*

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

7 March 2011

The Directors

China Kingstone Mining Holdings Limited

Citigroup Global Markets Asia Limited

Dear Sirs,

We have reviewed the calculations and accounting policies adopted in arriving at the estimate of the consolidated loss attributable to owners of China Kingstone Mining Holdings Limited (the “Company”, together with its subsidiaries, hereinafter collectively referred to as the “Group”) for the year ended 31 December 2010 (the “Loss Estimate”), as set out in the paragraph headed “Loss Estimate” under the section headed “Financial Information” in the prospectus of the Company dated 7 March 2011 (the “Prospectus”), for which the directors of the Company (the “Directors”) are solely responsible.

The Loss Estimate has been prepared by the Directors based on the audited consolidated results of the Group for the eleven months ended 30 November 2010 and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2010.

In our opinion, so far as the calculation and accounting policies are concerned, the Loss Estimate has been properly compiled in accordance with the bases made by the Directors as set out in Part (A) of Appendix III of this 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 7 March 2011, the text of which is set out in Appendix I of this 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 Kingstone Mining Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) attributable to equity holders of the Company for the year ending 31 December 2010.



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

7 March 2011

The Directors
China Kingstone Mining Holdings Limited

Dear Sirs,

We refer to the estimated consolidated loss attributable to owners of China Kingstone Mining Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for the year ended 31 December 2010 (the “Loss Estimate”) as set out in the prospectus issued by the Company dated 7 March 2011 (the “Prospectus”). We understand that the Loss Estimate, 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 eleven months ended 30 November 2010 and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2010. We have discussed with you the bases as set out in part A of Appendix III to the Prospectus, to the extent applicable, upon which the Loss Estimate has been made. We have also considered, and relied upon, the letter dated 7 March 2011 addressed to yourselves and ourselves from Ernst & Young (the “Reporting Accountants”) regarding the accounting policies and calculations upon which the Loss Estimate has been made.

On the basis of the information comprising the Loss Estimate 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 Estimate, 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