

*The forecast of consolidated profit attributable to owners of the parent for the six-month period ending 30 June 2011 is set out in “Financial Information — Profit Forecast” of this Prospectus.*

**(A) BASES AND ASSUMPTIONS**

Our Directors have prepared the forecast of the consolidated profit attributable to owners of the parent for the six-month period ending 30 June 2011 based on the unaudited management accounts of the Group for the four months ended 30 April 2011 and the forecast of the consolidated results for the remaining two months ending 30 June 2011 (the “Forecast Period”).

The profit forecast has been prepared on the basis of accounting policies consistent, in all material respects, with those currently adopted by us as summarised in the Accountants’ Report, details of which are set forth in Appendix I to this Prospectus.

In preparing the profit forecast, our Directors made the following principal assumptions:

- there will be no material changes in existing political, legal, fiscal, market or economic conditions in China or any other country or territory where we carry on our business;
- there will be no changes in legislation, regulations or rules in China or any other country or territory where we carry on our business or with which we have arrangements or agreements, which may have a material adverse effect on our business;
- there will be no material changes in the basis or rates of taxation or duties, both direct and indirect, in China or any other country or territory where we carry on our business, except as otherwise disclosed in this Prospectus;
- there will be no material changes in inflation, interest rates or foreign currency exchange rates in China from those prevailing as at the date of the last audited statement of financial position;
- our Directors do not foresee any major disruption to the iron ore mining and processing facilities of the Group other than those already disclosed in this Prospectus, save for any events beyond control of our Directors, and forecast that the iron concentrate production and sales volume will not be less than 37.0 kilotonne (“kt”) for the six-month period ending 30 June 2011; and
- our Directors forecast that the average selling price of iron concentrate per tonne (net of value-added tax and other surtaxes) will not be less than RMB1,120 per tonne throughout the Forecast Period in May and June 2011. Assuming that the average iron concentrate price in May and June 2011 varies 10% and 20% above or below the base case iron concentrate price; the corresponding forecast consolidated net profit attributable to owners of the parent for the six-month period ending 30 June 2011 will increase or decrease by approximately RMB333,000 and RMB665,000, respectively.

**(B) LETTER FROM THE REPORTING ACCOUNTANTS**

The following is the text of a letter, prepared for inclusion in this prospectus, which we have received from the Company's reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in connection with the profit forecast.



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

21 June 2011

The Directors  
**Newton Resources Ltd**

**Citigroup Global Markets Asia Limited**  
**Macquarie Capital Securities Limited**  
**Rothschild (Hong Kong) Limited**

Dear Sirs,

We have reviewed the calculations and accounting policies adopted in arriving at the forecast of the consolidated profit attributable to owners of Newton Resources Ltd (the "Company", and formerly known as China Tian Yuan Mining Ltd.) and its subsidiaries (hereinafter collectively referred to as the "Group") for the six-month period ending 30 June 2011 (the "Profit Forecast"), as set out in the paragraph headed "Profit Forecast" under the section headed "Financial Information" in this prospectus of the Company dated 21 June 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 Accountants.

The Profit Forecast has been prepared by the Directors based on the audited consolidated results of the Group for the year ended 31 December 2010, the unaudited consolidated results of the Group for the four months ended 30 April 2011 and the forecast of the consolidated results of the Group for the remaining two months ending 30 June 2011.

In our opinion, so far as the calculations and accounting policies are concerned, the Profit Forecast has been properly compiled in accordance with the bases and assumptions made by the Directors of the Company as set out in Part (A) of Appendix III of 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 21 June 2011, the text of which is set out in Appendix I to this Prospectus.

Yours faithfully,

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

**(C) LETTER FROM THE JOINT SPONSORS**

The following is the text of a letter, prepared for inclusion in this prospectus, which we have received from Citigroup Global Asia Markets Limited, Macquarie Capital Securities Limited and Rothschild (Hong Kong) Limited (the “Joint Sponsors”), in connection with the profit forecast of the consolidated net profit of Newton Resources Ltd (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) attributable to the owners of the parent of the Company for the six-month period ending 30 June 2011.



The Directors  
Newton Resources Ltd

21 June 2011

Dear Sirs,

We refer to the forecast consolidated net profit attributable to the owners of the parent of Newton Resources Ltd (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for the six-month period ending 30 June 2011 (the “Profit Forecast”) as set out in the prospectus issued by the Company dated 21 June 2011 (the “Prospectus”). We understand that the Profit Forecast, for which the directors of the Company are solely responsible, has been prepared by them based on the unaudited management accounts of the Group for the four months ended 30 April 2011 and the forecast of the consolidated results for the remaining two months ending 30 June 2011. 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, to the extent applicable, upon which the Profit Forecast has been made. We have also considered, and relied upon, the letter dated 21 June 2011 addressed to yourselves and ourselves from Ernst & Young 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, we are of the opinion that the Profit 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*

*For and on behalf of*  
**Macquarie Capital Securities  
Limited**  
**Bardin Davis**  
*Managing Director*  
*Head of North Asia*  
*Metals and Mining*

*For and on behalf of*  
**Rothschild (Hong Kong)  
Limited**  
**Catherine Yien**  
*Director*  
*Head of Execution*  
*Greater China*

**Joseph Hsu**  
*Managing Director*  
*Head of Greater China*  
*Corporate Finance*  
*Execution*