

The following is the text of a letter, summary of values and valuation certificate prepared for the purpose of incorporation in this prospectus received from Savills Valuation and Professional Services Limited, an independent property valuer, in connection with their opinion of values of the properties of the Group as at 30 June 2011.



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The Directors
China Hanking Holdings Limited
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Shenhe District
Shenyang 110015, Liaoning Province
The PRC

20 September 2011

Dear Sirs,

We refer to your instructions for us to value the properties situated in the People's Republic of China ("PRC") in which China Hanking Holdings Limited ("Company") and its subsidiaries (hereinafter referred to as the "Group") have interests, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of values of the property interests as at 30 June 2011 for inclusion in the prospectus issued by the Company dated 20 September 2011.

Our valuation of each of the property interests is our opinion of its market value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or

concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

In valuing the properties in the PRC, we have assumed that, unless otherwise stated, transferable land use rights in respect of the properties for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have also assumed that, unless otherwise stated, the owners of the properties have proper legal titles and have free and uninterrupted rights to use, occupy or assign the properties for the whole of the term as granted.

In valuing the properties in Group I which are held for owner-occupation by the Group in the PRC, due to the specific purpose for which the buildings of properties have been constructed, there are no readily available market comparables of the same kind of the properties and thus the buildings of these properties cannot be valued on the basis of direct comparison. They have been valued on the basis of the depreciated replacement cost (“DRC”). We would define “DRC” for these purposes to be our opinion of the land value in its existing use and an estimate of the new replacement costs of the buildings, including fees and finance charges, from which deductions are then made to allow for physical, functional and environmental obsolescence. While in valuing the land, we have adopted the Direct Comparison Approach by making reference to the comparable market transactions as available in the relevant market assuming sales with vacant possession. The DRC is subject to adequate potential profitability of the business.

In valuing the properties in Group II which are rented by the Group in the PRC, we have assigned no commercial value to the properties, due to the prohibition against assignment or sub-letting or otherwise due to lack of substantial profit rent.

We have been provided with copies of documents in relation to the titles to the properties. However, we have not searched the original documents to ascertain the existence of any amendments which may not appear on the copies handed to us. In the course of our valuation, we have relied to a very considerable extent on the information given by the Group and its PRC legal adviser, Jingtian & Gongcheng Law Firm (北京市競天公誠律師事務所), on PRC laws, regarding the titles to the properties. We have also accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, particulars of occupancy, site and floor areas and all relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on the information provided to us and are therefore only approximations. No on-site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuation. We were also advised by the Group that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view.

We have inspected the exterior and, where possible the interior of the properties. During the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on any property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

In preparing our valuation report, we have complied with the requirements set out in Chapter 5 and Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors.

Unless otherwise stated, all money amounts are stated in Renminbi.

We enclose herewith our summary of values and valuation certificate.

Yours faithfully,
For and on behalf of
Savills Valuation and Professional Services Limited
Anthony C K Lau
MHKIS MRICS RPS(GP)
Director

Note: Anthony C K Lau is a qualified valuer and has over 18 years' experience in the valuation of properties in Hong Kong and the PRC.

SUMMARY OF VALUES

Group I — Properties held for owner-occupation by the Group in the PRC

No.	Property	Capital value in existing state as at 30 June 2011	Interest attributable to the Group	Capital value in existing state attributable to the Group as at 30 June 2011
1.	Land and various buildings located at Aoniu Village, Houan Town, Fushun County, Fushun City, Liaoning Province, PRC	RMB100,354,000	100%	RMB100,354,000
2.	Land and an office building located at East Section of Shenfu Highway, Fushun City, Liaoning Province, PRC	RMB7,801,000	100%	RMB7,801,000
3.	Land and various buildings located at Jingjia Village, Shiwen Town, Fushun County, Fushun City, Liaoning Province, PRC	RMB23,440,000	100%	RMB23,440,000
4.	Land and various buildings located at Maogong Village, Shiwen Town, Fushun County, Fushun City, Liaoning Province, PRC	No commercial value	100%	No commercial value

No.	Property	Capital value in existing state as at 30 June 2011	Interest attributable to the Group	Capital value in existing state attributable to the Group as at 30 June 2011
5.	Land and various buildings located at Taigou Village, Nianpan Township, Fushun County, Fushun City, Liaoning Province, PRC	No commercial value	100%	No commercial value
6.	Land located at Luobokan Village, Nianpan Township, Fushun County, Fushun City, Liaoning Province, PRC	No commercial value	100%	No commercial value
7.	Land located at Mengjiabao Village, Beitai Town, Benxi City, Liaoning Province, PRC	No commercial value	100%	No commercial value
Sub-total:				<u>RMB131,595,000</u>

Group II — Properties rented by the Group in the PRC

8.	Portion of Hanwang Building, No. 227 Qingnian Avenue, Shenhe District, Shenyang City, Liaoning Province, PRC			No commercial value
9.	Level 22, Hanwang Building, No. 227 Qingnian Avenue, Shehe District, Shenyang City, Liaoning Province, PRC			No commercial value

No.	Property	Capital value in existing state as at 30 June 2011	Interest attributable to the Group	Capital value in existing state attributable to the Group as at 30 June 2011
10.	A building situated at Beitai Village 3rd Group, Pingshan District, Benxi City, Liaoning Province, PRC			No commercial value
11.	Portion of an industrial complex, No. 19 Guangye Road, Teixi District, Shenyang, Liaoning Province, PRC			No commercial value
<i>Sub-total:</i>				<u><u>Nil</u></u>
<i>Grand total</i>				<u><u>RMB131,595,000</u></u>

VALUATION CERTIFICATE

Group I — Properties held for owner-occupation by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
1.	Land and various buildings located at Aoni Village, Houan Town, Fushun County, Fushun City, Liaoning Province, PRC	<p>The property comprises eight parcels of land with a total site area of approximately 690,494.70 sq.m. (7,432,485 sq.ft.) on which various buildings, ancillary facilities and structures completed in between 1999 and 2010 are erected.</p> <p>The buildings of the property mainly include workshops, office, canteen, warehouses, car parks, transformer room, with a total gross floor area of approximately 13,631.53 sq.m. (146,730 sq.ft.).</p> <p>The ancillary facilities and structures of the property mainly comprise fence wall, tailing dams, water ponds and road, etc.</p> <p>The land use rights of the property have been granted for various terms expiring in 2060 for mining and industrial uses.</p>	The property is occupied by the Group for mining and industrial uses.	<p>RMB100,354,000</p> <p>(100% of interest attributable to the Group: RMB100,354,000)</p>

Notes:

- Pursuant to 8 State-owned Land Use Rights Certificates, the land use rights of the property have been granted to Fushun Hanking Aoni Mining Limited (撫順罕王傲牛礦業股份有限公司) (“**Aoni Mining**”), a wholly owned subsidiary of the Company. The salient details of the State-owned Land Use Rights Certificates are summarized below:

Certificate no.	Site area (sq.m.)	Use	Land use term
Fu Xian Guo Yong (2010) Di Nos. 401A55	328,756.90	Mining	Expiring on 5 May 2060
Fu Xian Guo Yong (2010) Di Nos. 401A56	68,667.00	Mining	Expiring on 9 May 2060
Fu Xian Guo Yong (2010) Di Nos. 401A57	104,693.00	Mining	Expiring on 9 May 2060
Fu Xian Guo Yong (2010) Di Nos. 401A58	7,333.00	Mining	Expiring on 5 May 2060
Fu Xian Guo Yong (2010) Di Nos. 401A55-1	32,709.80	Industrial	Expiring on 5 May 2060
Fu Xian Guo Yong (2010) Di Nos. 401A10-74	28,091.00	Industrial	Expiring on 16 December 2060
Fu Xian Guo Yong (2010) Di Nos. 401A10-76	117,997.00	Industrial	Expiring on 15 December 2060
Fu Xian Guo Yong (2010) Di Nos. 401A10-75	2,247.00	Industrial	Expiring on 15 December 2060

2. Pursuant to 48 Building Ownership Certificates, the building ownership of various buildings with a total gross floor area of 11,325.13 sq.m. is vested in Aoniu Mining.
3. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter-alias*, the following information:
 - (i) Aoniu Mining has legally obtained the land use rights of the property and is entitled to occupy, use, transfer, lease, mortgage or dispose of the land use rights of the property;
 - (ii) for the buildings of the property with Building Ownership Certificates, Aoniu Mining has legally obtained the building ownership and is entitled to occupy, use, transfer, lease, mortgage or dispose of such buildings;
 - (iii) for the remaining buildings with gross floor area of 2,306.40 sq.m. with no Building Ownership Certificate, Aoniu Mining is applying for the relevant Building Ownership Certificates and there is no legal impediment for Aoniu Mining to obtain the relevant Building Ownership Certificates; and
 - (iv) five parcels of land of the property with a total site area of 542,159.70 sq.m. are subject to a guarantee in favour of Fushun Xingangtei Company Limited.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
2.	Land and an office building located at East Section of Shenfu Highway, Fushun City, Liaoning Province, PRC	<p>The property comprises a parcel of land with a site area of approximately 3,363.00 sq.m. (36,199 sq.ft.) on which an office building, ancillary facilities and structures completed in 2000 and 2010 are erected.</p> <p>The property has an office building with a gross floor area of approximately 2,295.66 sq.m. (24,710 sq.ft.).</p> <p>The ancillary facilities and structures of the property mainly comprise guard rooms, garage and boundary wall, etc.</p> <p>The land use rights of the property have been granted for a term expiring on 31 July 2028 for commercial services use.</p>	<p>The property is occupied by the Group for office use.</p>	<p>RMB7,801,000</p> <p>(100% of interest attributable to the Group: RMB7,801,000)</p>

Notes:

1. Pursuant to the State-owned Land Use Rights Certificate Fu Shun Guo Yong (2004) Zi Di No. 0309 issued on 17 August 2004, the land use rights of a parcel of land is granted to Hanking Group Co., Limited for a term expiring on 31 July 2028 for commercial services use.
2. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter-alias*, the following information:
 - (i) Hanking Group Co., Limited has acquired the land use rights of the property. As advised by the Company, Aoniu Mining is applying for change of the name of legal owner of the land to Aoniu Mining;
 - (ii) upon the change of name of legal owner of the land is completed and obtained the relevant State-owned Land Use Rights Certificate, Aoniu Mining will acquire the land use rights of the property and will be entitled to occupy, use, lease, transfer, mortgage or dispose of the land use rights of the property;
 - (iii) Aoniu Mining is in the process for changing the owner name of the relevant Building Ownership Certificate and there is no legal impediment for Aoniu Mining to obtain the relevant Building Ownership Certificate; and
 - (iv) the property is not subject to any mortgages.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
3.	Land and various buildings located at Jingjia Village, Shiwen Town, Fushun County, Fushun City, Liaoning Province, PRC	<p>The property comprises two parcels of land with a total site area of approximately 118,399 sq.m. (1,274,447 sq.ft.) on which various buildings, ancillary facilities and structures completed in between 1995 and 2010 are erected.</p> <p>The buildings of the property mainly include workshops, office, dormitory, car parks, gunpowder rooms, store rooms and pump rooms with a total gross floor area of approximately 10,928.78 sq.m. (117,637 sq.ft.).</p> <p>The ancillary facilities and structures of the property mainly comprise tailing dams, retaining wall and well, etc.</p> <p>The land use rights of the property have been granted for terms expiring on 28 December 2044 and 15 December 2060 for industrial use.</p>	<p>The property is occupied by the Group for industrial uses.</p>	<p>RMB23,440,000</p> <p>(100% of interest attributable to the Group: RMB23,440,000)</p>

Notes:

- Pursuant to State-owned Land Use Rights Certificate Fu Xian Guo Yong (2010) No. 401A10-04, the land use rights of portion of the property with site area of 84,855 sq.m. have been granted to Fushun Hanking Maogong Mining Co. Ltd. (撫順罕王毛公鐵礦有限公司) (“**Maogong Mining**”), a wholly owned subsidiary of the Company, for a term expiring on 15 December 2060 for industrial use.
- Pursuant to two State-owned Land Use Rights Certificates Fu Shun Xian Guo Yong (Ji) Zi Nos. 40058A-1 and 40058A-2, the land use rights of a parcel of land with site area of 164,342 sq.m. have been granted to Hanking Group Co., Limited for a term expiring on 28 December 2044 for industrial use.

According to the information provided by the Company, portion of the land of the property with a site area of approximately 33,544 sq.m. forms part of the land as stated in the said State-owned Land Use Rights Certificates.

- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal adviser, which contains, *inter-alia*, the following information:
 - Hanking Group Co., Limited is the legal owner of the land use rights of portion of the land of the property with a site area of 33,544 sq.m. As advised by the Company, Maogong Mining is applying for change of the name of legal owner of the land to Maogong Mining;
 - there is no legal impediment for Maogong Mining to obtain the relevant State-owned Land Use Rights Certificate, Maogong Mining will acquire the land use rights of that portion of the property and will not be punished from using that portion of the land of the property before that;

- (iii) Maogong Mining has acquired the land use rights of portion of the property with a site area of 84,855 sq.m. and is entitled to occupy, use, lease, mortgage or dispose of the land use rights and the land use rights is free from mortgage; and
- (iv) after Maogong Mining has acquired all the State-owned Land Use Rights Certificates of the property and completed the relevant planning and construction works commencement permits and approvals procedures, there is no legal impediment for Maogong Mining to obtain the relevant Building Ownership Certificate. Currently, Maogong Mining can use the buildings and will not be punished.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
4.	Land and various buildings located at Maogong Village, Shiwen Town, Fushun County, Fushun City, Liaoning Province, PRC	<p>The property comprises three parcels of land with a total site area of approximately 197,939.33 sq.m. (2,130,619 sq.ft.) on which various buildings, ancillary facilities and structures completed in between 1999 and 2009 are erected.</p> <p>The buildings of the property mainly include workshops, office, dormitory, car parks, gunpowder room and pump room with a total gross floor area of approximately 7,896.48 sq.m. (84,998 sq.ft.).</p> <p>The ancillary facilities and structures of the property mainly comprise tailing dams and petroleum station.</p>	The property is occupied by the Group for industrial uses.	No commercial value

Notes:

1. We have not ascribed a commercial value to the property as the land premium has not been settled. The depreciated replacement costs of the buildings and structures of the property as at the valuation date were RMB5,067,000.
2. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter-alia*, the following information:
 - (i) Maogong Mining is applying for the State-owned Land Use Rights Certificate of the property. Upon settlement of the land premium and relevant taxes, there is no legal impediment for Maogong Mining to acquire the State-owned Land Use Rights Certificate; and
 - (ii) after Maogong Mining has acquired all the State-owned Land Use Rights Certificates of the property and completed the relevant planning and construction works commencement permits and approvals procedures, there is no legal impediment for Maogong Mining to obtain the relevant Building Ownership Certificates. Currently, Maogong Mining can use the buildings and will not be punished.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
5.	Land and various buildings located at Taigou Village, Nianpan Township, Fushun County, Fushun City, Liaoning Province, PRC	<p>The property comprises a parcel of land with a site area of approximately 149,345.46 sq.m. (1,607,555 sq.ft.) on which various buildings, ancillary facilities and structures completed between 2003 and 2010 are erected.</p> <p>The buildings of the property mainly include workshops, office, warehouses and dormitory, with a total gross floor area of approximately 2,454 sq.m. (26,415 sq.ft.).</p> <p>The ancillary facilities and structures of the property mainly comprise water ponds, water pump rooms and mine tailing pool.</p>	The property is occupied by the Group for mining use.	No commercial value

Notes:

- Pursuant to a Proof issued by Fushun State-owned Land Resources Bureau on 10 August 2011, the mining project of Fushun Xingzhou Mining Limited (“**Xingzhou Mining**”), a wholly owned subsidiary of the Company, is approved in principle by relevant authority and the project will use a parcel of land with a total site area of approximately 158,667.46 sq.m. Upon Xingzhou Mining acquired the Opinion Letter of Choosing of Location, there is no legal impediment for Xingzhou Mining to apply and obtain the pre-approval of use of land and Pre-approval Opinion of Land for Construction Project from Fushun State-owned Land Resources Bureau. As the land mentioned is located within the region as stated in the Mining Permit No. C2100002009102110041640, Xingzhou Mining is applying for the approval of use of land. Xingzhou Mining can use the land before obtaining the State-owned Land Use Rights Certificate and will not be punished.

According to the information provided by the Company, the land of the property forms part of the land as stated in the said Proof.

- We have not ascribed a commercial value to the property as the relevant land premium has not been settled. The depreciated replacement costs of the buildings and structures of the property as at the valuation date were RMB7,576,000.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal adviser, which contains, *inter-alia*, the following information:
 - according to the proof as mentioned in note 1 above, upon settlement of the relevant land premium and taxes, there is no legal impediment for Xingzhou Mining to obtain the State-owned Land Use Rights Certificate. Xingzhou Mining can use the land before obtaining the State-owned Land Use Rights Certificate and will not be punished; and
 - after Xingzhou Mining has obtained the relevant State-owned Land Use Rights Certificate and the relevant planning and construction works commencement permits and approvals, there is no legal impediment for Xingzhou Mining to obtain the relevant Building Ownership Certificates. Currently, Xingzhou Mining can use the buildings and will not be punished.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
6.	Land located at Luobokan Village, Nianpan Township, Fushun County, Fushun City, Liaoning Province, PRC	The property comprises three parcels of land with a total site area of approximately 39,094.00 sq.m. (420,808 sq.ft.).	The property is occupied by the Group for mining use.	No commercial value

Notes:

- Pursuant to a Proof issued by Fushun State-owned Land Resources Bureau on 10 August 2011, the mining project of Fushun Xingzhou Mining Limited (“**Xingzhou Mining**”), a wholly owned subsidiary of the Company, is approved in principle by relevant authority and the project will use a parcel of land with a total site area of approximately 158,667.46 sq.m. Upon Xingzhou Mining acquired the Opinion Letter of Choosing of Location, there is no legal impediment for Xingzhou Mining to apply and obtain the pre-approval of use of land and Pre-approval Opinion of Land for Construction Project from Fushun State-owned Land Resources Bureau. As the land mentioned is located within the region as stated in the Mining Permit No. C2100002009102110041640, Xingzhou Mining is applying for the approval of use of land. Xingzhou Mining can use the land before obtaining the State-owned Land Use Rights Certificate and will not be punished.

According to the information provided by the Company, the land of the property with site area of approximately 9,322 sq.m. forms part of the land as stated in the said Proof.

- Pursuant to the Approval for Temporary Use of Land by Fushun Xingzhou Mining Limited for Mining Use issued by Fushun State-owned Land Resources Bureau on 17 November 2010, Xingzhou Mining is approved to use parcel of land with a site area of 29,772 sq.m. for mining use for a term commencing on 17 November 2010 and expiring on 16 November 2012.
- We have not ascribed a commercial value to the property as the relevant land premium has not been settled or the land is for temporary use only.
- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal adviser, which contains, *inter-alia*, the following information:
 - according to the proof as mentioned in note 1 above, upon settlement of the relevant land premium and taxes, there is no legal impediment for Xingzhou Mining to obtain the State-owned Land Use Rights Certificate for portion of the land of the property. Xingzhou Mining can use the land before obtaining the State-owned Land Use Rights Certificate and will not be punished; and
 - for the portion of the land as mentioned in note 2 above, Xingzhou Mining can conduct mining on the land within the approved term. Upon expiry of the term, if Xingzhou Mining wants to continue the use of the land, it has to apply for extension of the term for temporary use. If Xingzhou Mining does not want to use the land any more, Xingzhou Mining has to recover the land to a useable state according to the relevant regulations.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 June 2011
7.	Land located at Mengjiabao Village, Beitai Town, Benxi City, Liaoning Province, PRC	The property comprises three parcels of land with a total site area of approximately 81,823.76 sq.m. (880,751 sq.ft.).	The property is occupied by the Group for mining use.	No commercial value

Notes:

- Pursuant to the Approval for Temporary Use of Land by Benxi Hanking Mining Co. Ltd. (“**Benxi Mining**”), a wholly owned subsidiary of the Company, issued by Benxi Stated-owned Land Resources Bureau Second Branch on 9 April 2009, Benxi Mining is approved to use parcel of land with site area of 224,977 sq.m. for mining use for a term commencing from 9 April 2009 and expiring on 9 April 2011.

According to the information provided by the Company, the land of the property forms part of the land as stated in the said approval. We have not ascribed a commercial value to the property as Benxi Mining does not acquire a transferable land use rights of the property.

- We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal adviser, which contains, *inter-alias*, the following information:

Benxi Mining can conduct mining works on the land within the approved term. Upon expiry of the term, if Benxi Mining wants to continue the use of the land, it has to apply for extension of the term of temporary use. According to a document issued by Benxi State Land Resources Bureau on 14 April 2011, Benxi Mining can use the land although the tenure of temporary use was expired. After the new policy regarding land for mining is implemented by the government, Benxi State Land Resources Bureau will proceed the application for use of land from Benxi Hanking. If Benxi Mining does not want to use the land any more, Benxi Mining has to recover the land to a useable state according to the relevant regulations.

VALUATION CERTIFICATE

Group II — Properties rented by the Group in the PRC

No.	Property	Description and tenancy particulars	Particulars of occupancy	Capital value in existing state as at 30 June 2011
8.	Portion of Hanwang Building, No. 227 Qingnian Avenue, Shenhe District, Shenyang, Liaoning Province, PRC	<p>The property comprises portion of the car park, Levels 3, 19, 20 and 23 and 3 advertisement spaces on the roof of a 23-storey office building completed in 2005.</p> <p>The property has a total gross floor area of approximately 2,518.35 sq.m. (27,108 sq.ft.).</p> <p>The property is leased to the Group for a term commencing from 1 January 2011 and expiring on 31 December 2011 at a monthly rental of about RMB3,198,150, exclusive of management fee.</p>	The property is occupied by the Group for office, car park and advertisement board use.	No commercial value

Notes:

1. Pursuant to the tenancy agreement of the property, the property is leased from Shenyang Shengtai Property Management Co., Ltd., a connected party of the Group, to Fushun Hanking Aoni Mining Limited (“**Aoni Mining**”), a wholly owned subsidiary of the Company.
2. As advised by the Company, Aoni Mining has entered into a tenancy agreement of the property with Shenyang Shengtai Property Management Co., Ltd. at a monthly rental of about RMB3,198,150, exclusive of management fee for a term of 3 years commencing from the date of listing of the Company on The Stock Exchange of Hong Kong Limited.
3. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal adviser, which contains, *inter-alia*, the following information:
 - (i) the tenancy agreement has not been registered; and
 - (ii) the tenancy agreement is legal and valid and Aoni Mining is entitled to occupy the property although the tenancy is not registered.

VALUATION CERTIFICATE

No.	Property	Description and tenancy particulars	Particulars of occupancy	Capital value in existing state as at 30 June 2011
9.	Level 22 of Hanwang Building, No. 227 Qingnian Avenue, Shenhe District, Shenyang City, Liaoning Province, PRC	<p>The property comprises Level 22 of a 23-storey office building completed in 2005.</p> <p>The property has a gross floor area of approximately 675.45 sq.m. (7,271 sq.ft.).</p> <p>The property is leased to the Group for a term commencing from 1 April 2011 and expiring on 31 December 2011 at a total rental of RMB506,587, exclusive of management fee.</p>	The property is occupied by the Group for office use.	No commercial value

Notes:

1. Pursuant to the tenancy agreement of the property, the property is leased from Shenyang Shengtai Property Management Co., Ltd., ("Shenyang Shengtai") a connected party of the Group, to Shenyang Toyo Steel Utility Co., Ltd. ("STSU"), a wholly owned subsidiary of the Company.
2. Pursuant to a sub-lease agreement entered into between Shenyang Shengtai, STSU and Shenyang Yuanzheng Industry Co., Limited ("Shenyang Yuanzheng"), a wholly owned subsidiary of the Company, Shenyang Shengtai agreed STSU to sub-lease 100 sq.m. of the property to Shenyang Yuanzheng for a period from 1 April 2011 to 31 December 2011 at no consideration.
3. As advised by the Company, STSU has entered into a tenancy agreement of the property with Shenyang Shengtai Property Management Co., Ltd. at a monthly rental of about RMB506,587, exclusive of management fee for a term of 3 years commencing from the date of listing of the Company on The Stock Exchange of Hong Kong Limited.
4. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter-alia*, the following information:
 - (i) the tenancy agreement has not been registered;
 - (ii) the tenancy agreement is legal and valid and STSU is entitled to occupy the property although the tenancy is not registered; and
 - (iii) the sub-lease agreement is legal and valid.

VALUATION CERTIFICATE

No.	Property	Description and tenancy particulars	Particulars of occupancy	Capital value in existing state as at 30 June 2011
10.	A building situated at Beitai Village 3rd Group, Pingshan District, Benxi City, Liaoning Province, PRC	<p>The property comprises two single and 3-storey buildings with a site area of about 1,000 sq.m. (10,764 sq.ft.) completed in 2006.</p> <p>The property has a total gross floor area of approximately 576.84 sq.m. (6,209 sq.ft.).</p> <p>The property is leased to the Group for a term commencing from 1 July 2009 and expiring on 1 July 2016 at an annual rental of about RMB75,000.</p>	The property is occupied by the Group for office use.	No commercial value

Notes:

1. Pursuant to the tenancy agreement of the property, the property is leased from 金國強, an independent third party of the Group, to Benxi Hanking Mining Co. Ltd. (“**Benxi Mining**”), a wholly owned subsidiary of the Company.
2. We have been provided with a legal opinion on the title to the property issued by the Group’s PRC legal adviser, which contains, *inter-alia*, the following information:
 - (i) the tenancy agreement has not been registered; and
 - (ii) the tenancy agreement is legal and valid and Benxi Mining is entitled to occupy the property although the tenancy is not registered.

VALUATION CERTIFICATE

No.	Property	Description and tenancy particulars	Particulars of occupancy	Capital value in existing state as at 30 June 2011
11.	Portion of an industrial complex, No.19 Guangye Road, Teixi District, Shenyang City, Liaoning Province, PRC	<p>The property comprises portion of an industrial complex completed in 2000's.</p> <p>The property has a gross floor area of approximately 120.00 sq.m. (1,292 sq.ft.) with a land area of about 5,000 sq.m. (53,820 sq.ft.).</p> <p>The property is provided to the Group for a term commencing from 1 January 2011 and expiring on 31 December 2011 at no consideration.</p>	The property is occupied by the Group for office use.	No commercial value

Notes:

1. Pursuant to a tenancy agreement, the property is provided by 瀋陽東陽制鋼有限公司, an independent third party of the Group, to Shenyang Toyo Steel Utility Co., Ltd. ("STSU"), a wholly owned subsidiary of the Company, for occupation.
2. We have been provided with a legal opinion on the title to the property issued by the Group's PRC legal adviser, which contains, *inter-alia*, the following information:
 - (i) the tenancy agreement has not been registered; and
 - (ii) the tenancy agreement is legal and valid and STSU is entitled to occupy the property although the tenancy is not registered.