

FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES**1. Incorporation**

Our Company was incorporated in the Cayman Islands under the Cayman Companies Law as an exempted company with limited liability on May 18, 2010. The registered office of our Company as at the date of this prospectus is situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. We have established a principal place of business in Hong Kong at Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong and have been registered as a non-Hong Kong company under Part XI of the Companies Ordinance on August 18, 2010. Ms. Ng Sin Yee, Clare has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, it operates subject to the Cayman Companies Law and its constitutional documents, which comprise the Memorandum and the Articles of Association. A summary of certain relevant provisions of its constitution and relevant aspects of Cayman Companies Law is set out in Appendix VI to this prospectus.

2. Changes in share capital of our Company

At the date of incorporation of our Company, the authorized share capital of our Company was US\$50,000 divided into 5,000,000 Shares.

The following changes in the share capital of our Company have taken place since the date of incorporation of our Company up to the date of this prospectus:

- (a) On May 18, 2010, one Share was allotted and issued at nil paid to Codan Trust Company (Cayman) Limited.
- (b) On May 18, 2010, Codan Trust Company (Cayman) Limited transferred its one nil paid Share to MCS Mining Group Limited.
- (c) On August 23, 2010, the authorized share capital of our Company was increased from US\$50,000 to US\$60,000,000, divided into 6,000,000,000 Shares.
- (d) On September 14, 2010, the one Share held by MCS Mining Group Limited was credited as fully paid pursuant to the Reorganization.

Assuming that the Global Offering becomes unconditional and the Offer Shares are issued but taking no account of any Shares which may be issued upon the exercise of the Over-allotment Option and options which may be granted under the Share Option Scheme, the issued share capital of our Company will be US\$35,971,225 divided into 3,597,122,500 Shares fully paid or credited as fully paid, with 2,402,877,500 Shares remaining unissued.

On the basis that the Over-allotment Option is exercised in full, 107,914,000 Shares will have been allotted and issued fully paid or credited as fully paid and 2,294,963,500 Shares will remain unissued.

Save as disclosed herein and as mentioned in the following paragraphs respectively headed “Shareholders’ Resolutions” and “Corporate reorganization,” there has been no alteration in the share capital of our Company since the date of its incorporation.

3. Shareholders’ Resolutions

Pursuant to the Shareholders’ Resolutions:

- (a) we approved and adopted the Memorandum and the Articles of Association;
- (b) conditional on the same conditions as stated in the section headed “Structure of the Global Offering – Conditions of the Hong Kong Public Offering” in this prospectus:
 - (i) the Global Offering and the Over-allotment Option were approved and our Directors were authorized to approve the allotment and issue of the Offer Shares pursuant to the Global Offering and of such number of Shares as may be required to be allotted and issued upon the exercise of the Over-allotment Option;
 - (ii) the rules of the Share Option Scheme were approved and adopted and our Board was authorized at its discretion to implement the same, grant options to subscribe for Shares thereunder up to the limit referred to in the Share Option Scheme, and to allot, issue and deal with Shares pursuant to the exercise of any options granted thereunder and do all such acts and things as our Board may consider necessary, desirable or expedient to give effect to the Share Option Scheme;
 - (iii) a general unconditional mandate was given to our Directors authorizing them to exercise all the powers of our Company to allot, issue and deal with Shares or securities convertible into Shares and to make an offer or agreement or grant an option which would or might require such Shares to be allotted and issued, whether during the continuance of such mandate or thereafter (otherwise than pursuant to a rights issue, any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of whole or part of a dividend on Shares in accordance with the Articles of Association or pursuant to the exercise of any subscription or conversion rights attaching to any warrants or securities which are convertible into Shares or in issue prior to the date of the passing of the relevant resolution or pursuant to the exercise of any options to be granted under the Share Option Scheme or pursuant to the Global Offering or pursuant to a specific authority granted by our Shareholders in general meeting, on behalf of our Company), provided that the aggregate nominal value of our Shares allotted or agreed conditionally or unconditionally to be allotted shall not exceed 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering (but excluding any Share which may be allotted and issued pursuant to the exercise of the Over-allotment Option), such mandate to remain in effect until whichever is the earliest of:
 - (aa) the conclusion of our next annual general meeting;

- (bb) the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held;
or
 - (cc) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate.
- (iv) a general unconditional mandate was given to our Directors authorizing them to exercise all the powers for and on behalf of our Company to repurchase our Shares on the Stock Exchange or on any other approved stock exchange(s) on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), such mandate to remain in effect until whichever is the earliest of:
- (aa) the conclusion of our next annual general meeting;
 - (bb) the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held;
or
 - (cc) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate; and
- (v) subject to the passing of resolutions set out in paragraph (iii) and (iv) above, the unconditional general mandate mentioned in paragraph (iii) above was extended to include the aggregate nominal value of Shares repurchased by us pursuant to the mandate to repurchase Shares referred to in paragraph (iv) above provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), such mandate to remain in effect until whichever is the earliest of:
- (aa) the conclusion of our next annual general meeting;
 - (bb) the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held;
or
 - (cc) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate.

4. Corporate reorganization

In preparation for the listing of our Shares on the Stock Exchange, the companies comprising our Group underwent a reorganization which involved the following:

- (a) On May 18, 2010, our Company was incorporated in the Cayman Islands as an exempted company with limited liability with an authorized share capital of US\$50,000 divided into 5,000,000 Shares. Codan Trust Company (Cayman) Limited was the initial subscriber for one Share. On the same day, the initial subscriber transferred its Share to MCS Mining Group Limited.
- (b) On June 11, 2010, Mongolian Coal Corporation Limited was incorporated in Hong Kong with an authorized share capital of HK\$10,000 divided into 10,000 shares of a par value of HK\$1.00 each. One share of a par value of HK\$1.00 was issued to the Company on June 11, 2010 and the Company became the sole legal and beneficial owner of Mongolian Coal Corporation Limited on June 11, 2010.
- (c) On July 20, 2010, Mongolian Coal Corporation S.A. was incorporated in Luxembourg with an authorized share capital of €31,000 divided into 3,100 shares of a par value of €10 each. 3,100 shares of a par value of €10 each were issued to Mongolian Coal Corporation Limited on July 20, 2010 and Mongolian Coal Corporation Limited became the sole legal and beneficial owner of Mongolian Coal Corporation S.A. on July 20, 2010.
- (d) On August 20, 2010, Energy Resources Corporation LLC was incorporated in Mongolia with a total capital of US\$100,000 divided into 100,000 shares with a par value of US\$1 each. Mongolian Coal Corporation S.A. became the sole legal and beneficial owner of Energy Resources Corporation LLC on August 20, 2010.
- (e) On September 14, 2010, MCS Mining LLC, Petrovis LLC, Shunkhlai Mining LLC, EBRD, MCS Holding, Tengeriin Tsag Group LLC, Energy Resources Corporation LLC and our Company entered into a share swap agreement, pursuant to which each of MCS Mining LLC, Petrovis LLC, Shunkhlai Mining LLC, EBRD, MCS Holding and Tengeriin Tsag Group LLC transferred its respective shares in ER LLC to Energy Resources Corporation LLC, in consideration of which our Company allotted and issued, credited as fully paid, 1,715,999,999, 423,000,000, 183,000,000, 150,000,000, 300,000,000 and 228,000,000 Shares to MCS Mining Group Limited, Petrovis Resources Inc., Shunkhlai Mining, EBRD, Kerry Mining (UHG) Limited and Ancora Investments No. 2 Limited, respectively. Upon completion of the said allotment and issue and prior to completion of the Global Offering, our Company was owned as to approximately 57.2%, 14.1%, 6.1%, 5.0%, 10.0% and 7.6% by MCS Mining Group Limited, Petrovis Resources Inc., Shunkhlai Mining, EBRD, Kerry Mining (UHG) Limited and Ancora Investments No. 2 Limited, respectively.

5. Changes in share or registered capital of subsidiaries

The present subsidiaries of our Company are referred to in the Accountants' Report, the text of which is set forth in Appendix I to this prospectus.

The following alterations in the share capital of each of our subsidiaries took place within the two years immediately preceding the date of this prospectus:

- (a) On January 25, 2008, the par value of each share in ER LLC was re-evaluated from MNT1,000 to US\$1.75 each, thereby increasing the statutory capital from MNT14,446,000 to US\$25,280.50.
- (b) On January 29, 2008, the statutory capital of ER LLC was increased from US\$25,280.50 to US\$7,175,350.00.
- (c) On May 22, 2008, the par value of each share in ER LLC was re-evaluated from US\$1.75 to US\$2 each and new shares were issued to its then existing shareholders. The statutory capital of ER LLC was increased from US\$7,175,350.00 to US\$14,890,350.00.
- (d) On July 1, 2008, Energy Resources Rail LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (e) On September 1, 2008, Transgobi LLC was incorporated in Mongolia and registered with the registration office of the city of Ulaanbaatar with a statutory capital of MNT1,000,000 divided into 1,000 shares MNT1,000 each.
- (f) On December 1, 2008, the statutory capital of ER LLC was increased from US\$14,890,350.00 to US\$24,890,350.00.
- (g) On December 23, 2008, Energy Resources Mining LLC was incorporated in Mongolia with a statutory capital of US\$1,000 divided into 1,000 shares of US\$1 each.
- (h) On February 18, 2009, the statutory capital of Energy Resources Rail LLC was increased from MNT1,000,000 to MNT2,000,000,000.
- (i) On February 24, 2009, the statutory capital of Transgobi LLC was increased from MNT1,000,000 to MNT9,122,641,836.36.
- (j) On March 26, 2009, the statutory capital of ER LLC was increased from US\$24,890,350.00 to US\$26,200,370.00.
- (k) On June 24, 2009, Ukhaa Khudag Water Supply LLC (formerly known as United Water LLC) was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.

- (l) On June 24, 2009, United Power LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (m) On June 25, 2009, Enrestechology LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (n) On June 30, 2009, Transgobi LLC was re-registered with the aimag-level registration authority in Umnugobi, with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (o) On August 19, 2009, Public Service LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares with a par value of MNT1,000 each.
- (p) On September 3, 2009, the increase in share capital of Transgobi LLC on February 24, 2009 was re-registered with the aimag-level registration authority in Umnugobi.
- (q) On October 7, 2009, Tavan Tolgoi Airport LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (r) On January 15, 2010, the statutory capital of Public Service LLC was increased from MNT1,000,000 to MNT20,000,000.
- (s) On February 23, 2010, the statutory capital of Energy Resources Rail LLC was increased from MNT2,000,000,000 to MNT10,700,000,000.
- (t) On March 24, 2010, Gobi Road LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (u) On March 31, 2010, the statutory capital of Tavan Tolgi Airport LLC was increased from MNT1,000,000 to MNT3,475,379,000.
- (v) On April 21, 2010, Energy Resources Road LLC was incorporated in Mongolia with a statutory capital of MNT1,000,000 divided into 1,000 shares of MNT1,000 each.
- (w) On May 3, 2010, the statutory capital of Enrestechology LLC was increased from MNT1,000,000 to MNT3,466,163,000.
- (x) On May 3, 2010, the statutory capital of United Power LLC was increased from MNT1,000,000 to MNT3,025,219,000.

Save as disclosed in this prospectus and except as referred to in the paragraph headed “Corporate reorganization” above, there has been no alteration in the share capital of any subsidiary of our Company within the two years immediately preceding the date of this prospectus.

6. Repurchase by our Company of our Shares

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(a) Shareholders' approval

All proposed repurchases of shares on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

Pursuant to the Shareholders' Resolutions, a general unconditional mandate ("repurchase mandate") was granted to our Directors authorizing them to exercise all the powers for and on behalf of our Company to repurchase our Shares on the Stock Exchange, or on any other approved stock exchange(s) on which our securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, with an aggregate nominal value not exceeding 10% of the aggregate nominal value of our share capital in issue immediately following the completion of the Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), such mandate to expire at the conclusion of our next annual general meeting, or the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held, or the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate, whichever is the earliest.

Under the Listing Rules, the shares which are proposed to be repurchased by a company must be fully paid up.

(b) Reasons for repurchases

Our Directors believe that it is in the best interests of our Company and our Shareholders as a whole to have a general authority from our Shareholders to enable us to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of our Company and/or our earnings per Share and will only be made when our Directors believe that such repurchases will benefit our Company and our Shareholders as a whole.

(c) Funding of repurchases

In repurchasing Shares, we may only apply funds legally available for such purpose in accordance with our Memorandum and the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. We shall not repurchase our own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

On the basis of our current financial position as disclosed in this prospectus and taking into account our current working capital position, our Directors consider that, if the repurchase mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Company as compared with the position disclosed in this prospectus. However, our Directors do not propose to exercise the repurchase mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or our gearing position.

(d) Directors' undertaking

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands, our Memorandum and the Articles of Association.

(e) Disclosure of interests

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates has any present intention, if the repurchase mandate is exercised, to sell any Shares to our Company or our subsidiaries.

No connected person of our Company has notified us that he or she has a present intention to sell Shares to us, or has undertaken not to do so, if the repurchase mandate is exercised.

(f) Takeovers Code consequences

If, as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and the provision may apply as a result of any such increase. Our Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase under the repurchase mandate.

(g) Share capital

Exercise in full of the repurchase mandate, on the basis of 3,597,122,500 Shares in issue immediately after completion of the Global Offering, but taking no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option and options which may be granted under the Share Option Scheme, could accordingly result in up to 359,712,250 Shares being repurchased by us during the course of the period prior to the date on which such repurchase mandate expires or terminates as mentioned in the section headed "Further Information about Our Company and Our Subsidiaries – 3. Shareholders' Resolutions" in this appendix.

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR COMPANY**7. Summary of material contracts**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by us or any of our subsidiaries within the two years immediately preceding the date of this prospectus and are or may be material:

- (a) a subscription agreement dated February 24, 2009 entered into by ER LLC and EBRD, pursuant to which EBRD agreed to subscribe for shares in ER LLC, which amounted to 5.0% of the then enlarged issued share capital of ER LLC at a consideration of US\$18,750,000;
- (b) a shareholders agreement dated February 24, 2009 entered into among ER LLC, MCS Holding, MCS Mining LLC, Tengeriin Tsag Group LLC, Petrovis LLC, Shunkhlai Group LLC, Shunkhlai Mining LLC and EBRD, which regulated certain matters with respect to ER LLC (the “Shareholders Agreement”);
- (c) a share sale and purchase agreement dated November 19, 2009 entered into by Energy Resources Mining LLC and Khangad Exploration LLC, pursuant to which Energy Resources Mining LLC acquired from Khangad Exploration LLC all of its interests in Enrestechology LLC at a consideration of MNT500,000;
- (d) a share sale and purchase agreement dated November 19, 2009 entered into by Energy Resources Mining LLC and Khangad Exploration LLC, pursuant to which Energy Resources Mining LLC acquired from Khangad Exploration LLC all of its interests in United Water LLC at a consideration of MNT500,000;
- (e) a share sale and purchase agreement dated November 19, 2009 entered into by Energy Resources Mining LLC and Khangad Exploration LLC, pursuant to which Energy Resources Mining LLC acquired from Khangad Exploration LLC all of its interests in United Power LLC at a consideration of MNT500,000;
- (f) a share sale and purchase agreement dated July 1, 2010 entered into by ER LLC and Khot Service LLC pursuant to which ER LLC acquired from Khot Service LLC all of its interests in Public Service LLC at a consideration of MNT20,000,000;
- (g) a share swap agreement dated September 14, 2010 entered into by MCS Mining LLC, Petrovis LLC, Shunkhlai Mining LLC, EBRD, MCS Holding, Tengeriin Tsag Group LLC, Energy Resources Corporation LLC and our Company, pursuant to which each of MCS Mining LLC, Petrovis LLC, Shunkhlai Mining LLC, EBRD, MCS Holding and Tengeriin Tsag Group LLC transferred its respective shares in ER LLC to Energy Resources Corporation LLC, in consideration of which our Company allotted and issued, credited as fully paid, 1,715,999,999, 423,000,000, 183,000,000, 150,000,000, 300,000,000, 228,000,000 Shares to MCS Mining Group Limited, Petrovis Resources Inc., Shunkhlai Mining, EBRD, Kerry Mining (UHG) Limited and Ancora Investments No. 2 Limited, respectively;

- (h) a termination agreement dated September 16, 2010 entered into by ER LLC, MCS Holding, MCS Mining LLC, Tengeriin Tsag Group LLC, Petrovis LLC, Shunkhlai Group LLC, Shunkhlai Mining LLC and EBRD, pursuant to which the Shareholders Agreement was terminated;
- (i) a deed of indemnity dated September 20, 2010 entered into by MCS Mining Group Limited and MCS Group Limited with and in favour of our Company, pursuant to which each of MCS Mining Group Limited and MCS Group Limited has agreed to indemnify our Company against certain estate duty and tax liabilities;
- (j) a deed of non-competition dated September 20, 2010 entered into by the Controlling Shareholders with and in favor of our Company (for itself and on behalf of its subsidiaries). For details, see “Relationship with Controlling Shareholders – Non-competition Undertaking”; and
- (k) the Hong Kong Underwriting Agreement.

8. Trademark

As of the Latest Practicable Date, our Group had applied for the registration of the following trademarks, the registration of which has not yet been granted.

Trademark	Applicant	Place of Application	Class	Application Date	Application Number
	ER LLC	Hong Kong	35, 36, 37, 39, 40, 41, 42 and 45	May 7, 2010	301607364
	ER LLC	Hong Kong	35, 36, 37, 39, 40, 41, 42 and 45	May 7, 2010	301607373
	ER LLC	Hong Kong	40, 41, 42 and 45	May 7, 2010	301607382

As of the Latest Practicable Date, our Group was the legal and beneficial owner of the following trademarks:

Trademark	Registrant	Place of registration	Class	Expiry Date	Registration Number
	ER LLC	Mongolia	40 and 41	July 17, 2019	7827
	ER LLC	Mongolia	41 and 42	July 17, 2019	7828
	ER LLC	Mongolia	35, 36, 37 and 41	July 17, 2019	7829
	ER LLC	Mongolia	35, 36, 37 and 42	July 17, 2019	7830
	ER LLC	Mongolia	35, 36, 37 and 42	July 17, 2019	7831
	ER LLC	Mongolia	35, 36, 37 and 42	July 17, 2019	7832

(a) Domain name

As of the Latest Practicable Date, our Group had registered the following domain names:

Domain name	Registration Date	Expiration Date
www.energyresources.mn.	June 25, 2004	June 30, 2011
www.mmc.mn	July 28, 2010	July 28, 2011

(b) Mining rights

For details of our mining rights, see “Business – Our Location and License”.

FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT AND STAFF

9. Disclosure of interests

(a) Interests and short positions of our Directors and chief executive in the Shares, underlying Shares and debentures of our Company or its associated corporation

Immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account Shares to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme), our Directors and chief executive will have the following interests and/or short positions in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to us and the Stock Exchange once our Shares are listed:

Name	Name of the entity	Number of Shares held after the Global Offering	Nature of interest	Approximate percentage of shareholding after the Global Offering
Odjargal Jambaljamts (<i>Note 1</i>)	Our Company	1,629,669,000	Interest in controlled corporation	45.3
Oyungerel Janchiv (<i>Note 2</i>)	Our Company	423,000,000	Interest in controlled corporation	11.8
Batsaikhan Purev (<i>Note 3</i>)	Our Company	183,000,000	Interest in controlled corporation	5.1

Notes:

- Mr. Odjargal Jambaljamts is interested in approximately 46.9% in MCS Holding which in turn holds the entire interest in MCS Group Limited. MCS Group Limited holds the entire interest in MCS Mining Group Limited which in turn is interested in approximately 45.3% in our Company. Mr. Odjargal Jambaljamts is therefore deemed to be interested in approximately 45.3% in our Company held by MCS Mining Group Limited under the provisions of the SFO.*

2. *Dr. Oyungerel Janchiv is interested in approximately 33.4% in Petrovis LLC which in turn holds the entire interest in Petrovis Resources Inc. Petrovis Resources Inc. holds 11.8% interest in our Company. Dr. Oyungerel Janchiv is therefore deemed to be interested in approximately 11.8% in our Company held by Petrovis Resources Inc. under the provisions of the SFO.*
3. *Mr. Batsaikhan Purev is interested in approximately 50% in Shunkhlai Group LLC which in turn holds the entire interest in Shunkhlai Mining LLC. Shunkhlai Mining LLC holds the entire interest in Shunkhlai Mining which in turn is interested in approximately 5.1% in our Company. Mr. Batsaikhan Purev is therefore deemed to be interested in approximately 5.1% in our Company held by Shunkhlai Mining under the provisions of the SFO.*

(b) Interests and short positions of the Substantial Shareholders in the Shares and underlying Shares

Save as disclosed in the section headed “Substantial Shareholders and Selling Shareholders” in this prospectus, our Directors and chief executive are not aware of any other person, not being a Director or chief executive of our Company, who has an interest or short position in the Shares and underlying Shares of our Company which, once our Shares are listed, would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Company.

(c) Particulars of Directors’ service agreements and letters of appointment

Each of our executive Directors has entered into a service agreement with us for an initial fixed period of three years commencing from the Listing Date.

Each of our non-executive Directors and independent non-executive Directors has been appointed for an initial fixed term ranging from one to two years commencing from the Listing Date.

(d) Directors’ remuneration

During the year ended 31 December 2009, the aggregate of the remuneration paid and benefits in kind granted to our Directors by our Group was about US\$212,498.

Under the arrangements currently in force, we estimate the aggregate remuneration payable and benefits in kind granted to the Directors for the year ending December 31, 2010 is approximately US\$0.4 million.

Save as disclosed in this prospectus, no Director or the five highest paid individuals has been paid in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her in connection with the promotion or formation of our Company.

(e) *Disclaimers*

Save as disclosed in this prospectus:

- (i) so far as our Directors are aware, none of our Directors or chief executive has any interest and/or short position in the shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to us and the Stock Exchange once our Shares are listed;
- (ii) none of our Directors and the experts referred to under the heading “Consents of experts” in this appendix has any direct or indirect interest in the promotion of our Company or any of our subsidiaries, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to, our Company or any of our subsidiaries, or are proposed to be acquired or disposed of by or leased to our Company or any of our subsidiaries;
- (iii) none of our Directors and the experts referred to under the heading “Consents of experts” in this appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business taken as a whole;
- (iv) none of our Directors has any existing or proposed service contracts with our Company or any of our subsidiaries, excluding contracts which are expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation);
- (v) none of the experts referred to under the heading “Consents of experts” in this appendix has any shareholding in our Company or any of our subsidiaries or the right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries; and
- (vi) none of our Directors, their respective associates (as defined under the Listing Rules), or Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in our Company’s five largest customers and five largest suppliers save as contemplated under the Underwriting Agreements.

10. Agency fees or commission received

The Underwriters will receive a commission as mentioned in the section headed “Underwriting – Underwriting Commission and Expenses” in this prospectus.

Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries.

11. Related party transactions

Saved as disclosed in the Accountants’ Report set out in Appendix I to this prospectus and other parts of this prospectus, we have not engaged in any dealings with our Directors and their associates within the two years immediately preceding the date of this prospectus.

12. Share Option Scheme*Summary of terms*

The following is a summary of the principal terms of the Share Option Scheme conditionally approved and adopted by the Shareholders’ Resolutions:

(a) Purpose

The purpose of the Share Option Scheme is to enable us to grant options to selected participants as incentives or rewards for their contribution to our Company.

(b) Who may join

Our Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for Shares at a price calculated in accordance with subparagraph (f) below:

- (i) any employee or proposed employee (whether full-time or part-time and including any executive Director), consultants or advisers of or to our Company, any of our subsidiaries or any entity (“Invested Entity”) in which our Company holds an equity interest;
- (ii) any non-executive Directors (including independent non-executive Directors) of our Company, any of our subsidiaries or any Invested Entity;
- (iii) any supplier of goods or services to our Company or any of our subsidiaries or any Invested Entity;
- (iv) any customer of our Company or any Invested Entity;

- (v) any person or entity that provides research, development or other technological support to our Company or any Invested Entity; and
- (vi) any Shareholders or any shareholder of any of our subsidiaries or any Invested Entity or any holder of any securities issued by our Company or any of our subsidiaries or any Invested Entity,

and for the purposes of the Share Option Scheme, the options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of participants. For the avoidance of doubt, the grant of any options by us for the subscription of Shares or other securities of our Company to any person who falls within any of the above classes of participants shall not, by itself, unless our Directors otherwise determine, be construed as a grant of option under the Share Option Scheme.

The basis of eligibility of any of the above classes of participants to the grant of any options shall be determined by our Directors from time to time on the basis of the participants' contribution to the development and growth of our Company.

In order for a person to satisfy our Directors that he/she is qualified to be (or where applicable, continues to qualify to be) a participant, such person shall provide all such information as our Directors may request for the purpose of assessing his/her eligibility (or continuing eligibility).

(c) *Maximum number of Shares*

- (i) The maximum number of Shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company must not in aggregate exceed 30% of our issued share capital from time to time. No options may be granted under any schemes of our Company (or the subsidiary of our Company) if such grant will result in the maximum number being exceeded.
- (ii) The total number of Shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme to be granted under the Share Option Scheme and any other share option schemes of our Company) must not in aggregate exceed 359,712,250 Shares, being 10% of the total number of Shares in issue at the time dealings in our Shares first commence on the Stock Exchange (excluding the Shares which may be issued pursuant to the exercise of the Over-allotment Option) ("General Mandate Limit").
- (iii) Subject to (i) above and without prejudice to (iv) below, we may seek approval of our Shareholders in general meeting to refresh the General Mandate Limit. However, the total number of Shares which may be issued upon exercise of all outstanding options to be granted under the Share Option Scheme and any other

share option schemes of our Company under the limit as “refreshed” must not exceed 10% of the Shares in issue as of the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of our Company (including those outstanding, cancelled or lapsed in accordance with the Share Option Scheme and other share option schemes of our Company or exercised options) will not be counted for the purpose of calculating the limit as “refreshed.” We will send a circular to our Shareholders in compliance with Note (1) to Rule 17.03(3) and Rule 17.06 of the Listing Rules and/or such other requirements as prescribed in the Listing Rules.

- (iv) Subject to (i) above and without prejudice to (iii) above, we may seek separate approval of our Shareholders in general meeting for granting options beyond the General Mandate Limit provided the options in excess of the limit are granted only to participants specifically identified by us before such approval is sought. We will issue a circular to our Shareholders in compliance with Note (1) to Rule 17.03(3) and Rule 17.06 of the Listing Rules and/or such other requirements as prescribed in the Listing Rules.

(d) *Maximum entitlement of each participant and connected persons*

- (i) Unless approved by our Shareholders, the total number of Shares issued and to be issued upon exercise of all outstanding options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of the Shares in issue (“Individual Limit”).
- (ii) Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to our Shareholders in compliance with the Note to Rule 17.03(4) and Rule 17.06 of the Listing Rules and/or such other requirements as prescribed in the Listing Rules and the approval of our Shareholders in general meeting with such participant and his/her associates abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before our Shareholders’ approval and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Note (1) to Rule 17.03(9) of the Listing Rules.
- (iii) In addition to the Shareholders’ approval set out in Note (1) to Rule 17.03(3) and Note to Rule 17.03(4) of the Listing Rules, each grant of options to a Director, chief executive or substantial Shareholder or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options).

- (iv) Where any grant of options to a Substantial Shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, canceled and outstanding) under the Share Option Scheme or any other share option schemes of our Company to such person in the 12-month period up to and including the date of such grant:
- (a) representing in aggregate more than 0.1% of the Shares in issue; and
 - (b) having an aggregate value, based on the closing price of our Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options must be approved by our Shareholders. We must send a circular to our Shareholders. All of our connected persons must abstain from voting in favor at such general meeting. Any connected person may vote against the relevant resolution at the general meeting provided that his/her intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such option must be taken on a poll.

(e) Minimum period of holding an option and performance target

Our Directors may, at their absolute discretion, fix any minimum period for which an option must be held, any performance targets that must be achieved and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to a participant.

(f) Subscription price for Shares

The subscription price of a Share in respect of any option granted under the Share Option Scheme shall be such price as our Board in its absolute discretion shall determine, provided that such price shall not be less than the highest of (i) the nominal value of our Shares, (ii) the average closing price of our Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant of the option and (iii) the closing price of our Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (which must be a business day). A consideration of HK\$1.00 is payable on acceptance of the offer of the grant of an option.

(g) Rights are personal to grantee

An option granted under the Share Option Scheme shall not be transferable or assignable and is personal to the grantee.

(h) Time of exercise of option

An option may be accepted by a participant within 28 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence on a day upon which the offer for the grant of the option is accepted but shall end in any event not later than ten years from the date of grant of the option subject to the provisions for early termination thereof.

(i) Rights on ceasing employment or death

If the grantee of an option, who is an employee of our Company or any Invested Entity at the time of the grant of the option, ceases to be an employee of our Company or Invested Entity for any reason other than death, ill-health or retirement in accordance with his/her contract of employment or certain other grounds, the option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless our Directors otherwise determine, in which case the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as our Directors may determine following the date of such cessation or termination, which date shall be the last actual working day with our Company or the relevant Invested Entity whether salary is paid in lieu of notice or not. Failing such exercise, the option will lapse.

If the grantee of an option, who is an employee of our Company or any Invested Entity at the time of the grant of the option, ceases to be an employee of our Company or Invested Entity by reason of death, ill-health or retirement in accordance with his/her contract of employment, before exercise of option in full, the grantee or, if appropriate his/her lawful personal representative(s) may exercise the option in whole or in part (to the extent not already exercised) within a period of twelve months following the date of cessation of employment (or such longer period as our Directors may determine), failing which it will lapse.

(j) Rights on dismissal

If the grantee of an option leaves the service of our Company or Invested Entity by the reason of serious misconduct or on certain other grounds on which an employer would be entitled to lawfully terminate his/her employment, his/her option (to the extent not already exercised) will thereupon lapse forthwith and will not in any event be exercisable on or after the date of cessation of employment.

(k) *Rights on a general offer, a compromise or arrangement*

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, we shall use all reasonable endeavors to procure that such offer is extended to all the grantees (or his/her personal representative(s)) on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, Shareholders. If such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional or such scheme or arrangement is formally proposed to our Shareholders, a grantee (or his/her personal representative(s)) shall, notwithstanding any other terms on which his/her options were granted, be entitled to exercise his/her option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to us in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be.

(l) *Rights on winding-up*

In the event of an effective resolution being proposed for the voluntary winding-up of our Company during the option period, the grantee of an option (or his/her personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to us elect to exercise the option (to the extent not already exercised) either to its full extent or to the extent specified in such notice within two business days prior to the proposed general meeting of our Company considering such winding up, such notice to be accompanied by the subscription price for the Shares in respect of which the notice is given, whereupon the grantee will be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his/her options, to receive out of the assets available in the liquidation *pari passu* with the holders of Shares such sum as would have been received in respect of the Shares the subject of such election. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date of commencement of the winding-up of our Company.

(m) *Ranking of Shares*

The Shares to be allotted upon the exercise of an option will be subject to all the provisions of our Memorandum and the Articles of Association for the time being in force and will rank *pari passu* in all respects with the then existing fully paid Shares in issue on the date of exercise of the option and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of exercise of the option other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with reference to a record date falling before the date of exercise of the option. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the name of the grantee of such option has been duly entered on our register of members or the holder thereof.

(n) Period of the Share Option Scheme

Unless terminated by us by resolution in general meeting, the Share Option Scheme shall be valid and effective for a period of ten years commencing on the date on which the Share Option Scheme becomes unconditional.

(o) Alteration of the Share Option Scheme

The Share Option Scheme may be altered in any respect by a resolution of our Board except that any material alteration to its terms and conditions, any change to the terms of options granted (except for changes which automatically take effect under the existing terms of the Share Option Scheme) and the matters contained in the relevant provisions of the Listing Rules shall not be altered to the advantage of the grantees or prospective grantees without the prior sanction of any resolution of our Company in general meeting. The amended terms of the Share Option Scheme or the options must still comply with the applicable requirements under the Listing Rules. Any change to the authority of our Directors or scheme administrators (if applicable) in relation to any alteration to the terms of the Share Option Scheme must be approved by our Shareholders in general meeting.

(p) Effect of alterations to capital

In the event of any alteration in our capital structure whilst any option remains exercisable or the Share Option Scheme remains in effect, and such event arises from a capitalization of profits or reserves, rights issue, consolidation, subdivision or reduction of our share capital or otherwise howsoever, we shall instruct our auditors for the time being or an independent financial adviser to our Company to certify in writing that such adjustments satisfy the requirement that they give a participant the same proportion (or rights in respect of the same proportion) of the equity capital as that to which that person was previously entitled. Adjustment will be made to the number of Shares being the subject matter of the Share Option Scheme or the option so far as unexercised and/or the subscription price and/or the maximum number of Shares referred to in the sub-paragraph headed “Maximum number of Shares” above provided that (i) any such adjustment shall be made on the basis that the aggregate subscription price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; (ii) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; (iii) no such adjustment shall be made the effect of which would be to increase the proportion of the issued share capital of our Company for which any grantee would have been entitled to subscribe had he exercised all the options held by him/her immediately prior to such adjustment; (iv) the issue of Shares or securities of our Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and (v) for the avoidance of doubt, any adjustments shall be made in compliance with the Listing Rules and the “Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rules 23.03(13) and the note immediately after the rule” set out in the letter from the Stock Exchange to all listed issuers dated September 5, 2005 or other relevant guidance as the Stock Exchange may from time to time issue. In addition, in respect of any such adjustments, other than any made on a capitalization issue, such auditors or independent financial adviser must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

(q) Cancellation of options

Our Directors may effect the cancellation of any options granted but not exercised on such terms as may be agreed with the relevant grantee, as our Directors may in their absolute discretion see fit and in a manner that complies with all applicable legal requirements for cancellation. Where we cancel any options granted and offer to grant or grant new options to the same grantee, the offer or grant of such new options may only be made under the Share Option Scheme if there are available unissued options (excluding the canceled options) within each of the limits as referred of in the subparagraph headed “Maximum number of Shares” above.

(r) Conditions of the Share Option Scheme

The Share Option Scheme is conditional on (i) the Listing Committee granting approval of the listing of, and permission to deal in, the Shares on the Main Board, which Shares may fall to be issued pursuant to the exercise of options granted under the Share Option Scheme; (ii) upon the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any conditions by the Joint Global Coordinators) and such obligation not being terminated in accordance with the terms of the Underwriting Agreements; and (iii) the commencement of dealings in the Shares on the Stock Exchange.

(s) Termination of the Share Option Scheme

We may by resolution in general meeting terminate the operation of the Share Option Scheme and in such event no further options will be offered but options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme. Details of the options granted, including options exercised or outstanding, under the Share Option Scheme and (if applicable) options that become void or non-exercisable as a result of the termination must be disclosed in the circular to our Shareholders seeking approval of the first new scheme (if any) to be established after such termination.

(t) Status of the Listing Rules

The Share Option Scheme shall comply with the Listing Rules as amended from time to time. In the event that there are differences between the terms of the Share Option Scheme and the Listing Rules, the Listing Rules shall prevail.

(u) *Present status of the Share Option Scheme*

As of the date of this prospectus, no option has been granted or agreed to be granted under the Share Option Scheme. Application has been made to the Listing Committee for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of any options granted under the Share Option Scheme, as described above.

OTHER INFORMATION

13. Indemnities

Estate duty and tax indemnity

Each of MCS Group Limited and MCS Mining Group Limited has entered into a deed of indemnity with and in favor of our Company (for itself and as trustee for each of our present subsidiaries) whereby each of MCS Group Limited and MCS Mining Group Limited has given indemnities in connection with, among other things, any liability for estate duty under the Estate Duty Ordinance, Chapter 111 of the Laws of Hong Kong, or legislation similar thereto in Hong Kong or any part of the world which might be incurred by any member of our Company on or before the Listing Date, and other taxation (including all fines, penalties, costs, charges, expenses and interest relating to taxation) which may be made against our Company or any of our subsidiaries in respect of any income, profits or gains earned, accrued or received on or before the Listing Date, save:

- (a) to the extent that specific provision or reserve has been made for such taxation in the Accountants' Report of our Group as set out in Appendix I to this prospectus;
- (b) to the extent that the liability for such taxation would not have arisen but for any voluntary act of our Company or any of our subsidiaries which our Company or the relevant subsidiary, as applicable, ought reasonably to have known would give rise to such taxation but excluding any act carried out other than pursuant to a legally binding obligation entered into or incurred on or before the Listing Date, pursuant to an obligation imposed by any law, regulation or requirement having the force of law, which has taken place with the written approval of MCS Group Limited and MCS Mining Group Limited or pursuant to the Global Offering or any document executed pursuant to the Global Offering, or which has occurred in the ordinary course of business; or
- (c) the taxation arises or is incurred as a result of any retrospective passing of any legislation, retrospective change in practice or retrospective increase in tax rates coming into force after the Listing Date.

Our Directors have been advised that no material liability for estate duty is likely to fall on any member of our Group in the Cayman Islands.

14. Litigation

Except as disclosed in this prospectus, as of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our results of operations or financial condition.

15. Joint Sponsors

The Joint Sponsors have made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, our Shares in issue and to be issued as mentioned in this prospectus, including any Shares falling to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.

Each of the Joint Sponsors has declared pursuant to Rule 3A.08 of the Listing Rules that it is independent pursuant to Rule 3A.07 of the Listing Rules.

16. Registration procedures

Subject to the provisions of the Cayman Companies Law, our principal register of members will be maintained in the Cayman Islands by Butterfield Fulcrum Group (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited.

17. Preliminary expenses

The preliminary expenses incurred by our Company in relation to our establishment were approximately US\$18,000 and were paid by us.

18. Promoter

Our Company has no promoter.

19. Qualifications of experts

The following are the qualifications of the experts which have given their opinion or advice which are contained in, or referred to in, this prospectus:

Expert	Qualification
Citigroup Global Markets Asia Limited	a licensed corporation to conduct types 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 7 (providing automated trading services) regulated activities (as set out in Schedule 5 of the SFO)
J.P. Morgan Securities (Asia Pacific) Limited	a registered institution to conduct types 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 7 (providing automated trading services) regulated activities (as set out in Schedule 5 of the SFO)
KPMG	Certified public accountants
American Appraisal China Limited	Professional valuer
Conyers Dill & Pearman	Legal advisors on Cayman Islands law to our Company
Economic & Legal Consultancy LLC	Legal advisors on Mongolian law to our Company
Norwest Corporation	Independent technical advisor
Wood Mackenzie (Australia) Pty Ltd	Independent industry expert

20. Consents of experts

Each of Citigroup Global Markets Asia Limited, J.P. Morgan Securities (Asia Pacific) Limited, KPMG, American Appraisal China Limited, Conyers Dill & Pearman, Economic & Legal Consultancy LLC, Norwest Corporation and Wood Mackenzie (Australia) Pty Ltd has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its reports, letters, valuation certificate, opinions or summaries of opinions (as the case may be) and the references to its name included herein in the form and context in which they are respectively included.

21. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all person concerned bound by all of the provisions (other than penal provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.

22. Particulars of the Selling Shareholders

Particulars of the Selling Shareholders are set out as follows:

Name of Selling Shareholder	Description	Registered Office	Number of Sale Shares Offered in the Global Offering
MCS Mining Group Limited	A limited liability company incorporated in the British Virgin Islands	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	86,331,000
European Bank for Reconstruction and Development . .	An international financial institution formed by an international treaty	One Exchange Square, London EC2A 2JN, United Kingdom	35,971,000

23. Bilingual prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided in section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

24. Miscellaneous

- (a) Save as disclosed in this prospectus:
- (i) within the two years immediately preceding the date of this prospectus, neither we nor any of our subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;
 - (ii) within the two years immediately preceding the date of this prospectus, no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) within the two years immediately preceding the date of this prospectus, no commission has been paid or payable (except commission to sub-underwriters) to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of our Company or any of our subsidiaries;

- (iv) no founder, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;
 - (v) our Directors confirm that since April 30, 2010 (being the date on which the latest audited combined financial statements of our Group was made up), there has been no material adverse change in our financial or trading position or prospects;
 - (vi) our Directors confirm that there has not been any interruption in the business of our Company which may have or have had a material adverse effect on the financial position of our Company in the 12 months immediately preceding the date of this prospectus; and
 - (vii) our Company has no outstanding convertible debt securities or debentures.
- (b) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (c) All necessary arrangements have been made enabling our Shares to be admitted into CCASS for clearing and settlement.