



**CHINA MINING INTERNATIONAL LIMITED**

中矿国际有限公司

(Incorporated in the Cayman Islands)

(Company Registration No. CT-140095)

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**REPLY TO THE QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") IN CONNECTION WITH THE ANNUAL REPORT OF THE COMPANY AND ITS SUBSIDIARIES (THE "GROUP") FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012 ("FY2012") (THE "2012 ANNUAL REPORT")**

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With reference to the captioned subject, the Board of Directors of the Company appends the Company's reply to the following queries raised by the SGX-ST on the 2012 Annual Report:

**The SGX-ST's Query 1**

Guideline 9.2 of the Code of Corporate Governance 2005 provides that the annual remuneration report should set out the names of at least the top 5 key executives (who are not also directors) earning remuneration which falls within bands of S\$250,000. However, we note on page 16 of the Annual Report that the Company did not provide the remuneration band of its key executives and only the top 4 key executives were disclosed. In this respect, please disclose the relevant remuneration band of the key executives and the name and remuneration of the fifth key executive, or otherwise explain the deviation from the recommendations in accordance with Rule 1207(12) of the Listing Manual.

The Company's reply:

The remuneration band of below S\$250,000 applies to the remuneration of the 4 key executives as disclosed on page 16 of the 2012 Annual Report.

Presently, the Group only has 4 key executives.

**The SGX-ST's Query 2**

**Auditors of subsidiaries and significant associated companies**

The Company stated that Crowe Horwath First Trust LLP, audited all its subsidiaries and associates for consolidation purposes. However, an audit for consolidation purposes is different from the audit of the underlying financial accounts of each of the subsidiaries with Singapore's required standards and therefore Horwath as auditors for consolidation would not satisfy the Listing Rule requirements under Rules 715, 716 and 717. Please disclose:-

- a) the names of the auditors who audited the accounts of each of the significant PRC subsidiaries in compliance with Listing Rule 717;

The Company's reply:

The auditor who audited the accounts of each of the significant PRC associates of the Group is Zhongxi Certified Public Accountants Co., Ltd (中喜会计师事务所有限责任公司河南分公司) (the "PRC Auditor").

The PRC Auditor, a China-based audit company, is registered with the Beijing Administration for Industry and Commerce (北京市工商行政管理局) and the Beijing Municipal Bureau of Finance (北京市财政局). It employs more than 500 employees nation-wide, with more than 200 of them being certified public accountants. The PRC Auditor, with branches based in over 11 provinces in China, has a present clientele which includes firms from the property and mining sectors.

- b) the board's and AC's opinion on the appointment of these different auditing firms pursuant to Listing Rule 716; and

The Company's reply:

The Board and the Audit Committee of the Company have no reservation concerning the appointment of the PRC Auditor in view of the following considerations:

- 1) The credentials of the PRC Auditor as highlighted in above;
  - 2) The Finance Controller of the significant PRC associates of the Group (the "Associated Companies") being an appointee of the Group. He approves all disbursements of the Associate Companies as well as review the management accounts of the Associated Companies; and
  - 3) The audit working papers prepared by the PRC Auditor on the Associated Companies having been reviewed and concurred by the Company's Group auditor, Crowe Horwath First Trust LLP.
- c) details of what the board and AC took into account when forming its view that it complies with Listing Rule 715 in relation to its significant subsidiaries and associated companies.

The Company's reply:

The Associated Companies are not controlled by the Group but by the Associated Companies' PRC parent (the "Associated Companies' Parent"). As the Associated Companies' Parent prefers to have a PRC auditor auditing the accounts of the Associated Companies, the PRC Auditor, which is acceptable to Howarth First Trust LLP, is and has been appointed to audit the books of the Associated Companies.

**The SGX-ST's Query 3**

**Interested Person Transaction**

We note on page 72 of the Annual Report that there are amounts due from related parties of RMB 1,455,000. These amounts should be deemed interested person transactions ("IPT") under Chapter 9 of the Listing Manual but was not disclosed in the IPT section of the Annual Report. Please disclose the nature and terms of these transactions with the related parties and the name of the interested persons. To also explain why these amounts were not disclosed under the IPT table on page 19 as required under Listing Rule 907.

The Company's reply:

The nature and terms of the transactions concerning the RMB1.455 million in question are detailed in the Company's reply to SGX query 6 dated 24 March 2013.

The amount was not disclosed in the IPT table on page 19 of the 2012 Annual Report due to oversight. A revised interested party transaction disclosure table, taking into omission, is present as follows:

Name of the interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	RMB'000	RMB'000
Mr Guo Yinghui (in connection with the Huilong Property Management Disposal as announced by the Company on 6 March 2012)	8,622	-
Mr Guo Yinghui (in connection with an offset agreement with related companies as announced by the Company on 24 March 2013)	1,455	-

**BY ORDER OF THE BOARD**

**Mr Li Bin**  
**CEO and Executive Director**

5 May 2013