



Tel : +852 2541 5041
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2541 5041
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

11 October 2010

The Board of Directors
China Primary Resources Holdings Limited
Suite 1415, Ocean Centre
Tsim Sha Tsui
Kowloon

Dear Sirs,

We report on the unaudited pro forma statement of adjusted consolidated net tangible assets (the "Unaudited Pro Forma Net Tangible Assets") of China Primary Resources Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") as set out on Appendix IV to the Company's circular (the "Circular") dated 11 October 2010, which has been prepared by the directors of the Company, solely for illustrative purposes only, to provide information about how the issue of the Company's shares by way of Subscription and Open Offer on the record date at a price of HK\$0.08 each per Subscription Share and Offer Share might have affected the relevant financial information of the Group as at 30 June 2010. The basis of preparation of the Unaudited Pro Forma Net Tangible Assets is set out in Appendix IV to the Circular.

Respective Responsibilities of Directors of the Company and Reporting Accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Net Tangible Assets in accordance with Chapter 7 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by Chapter 7 of the GEM Rules, on the Unaudited Pro Forma Net Tangible Assets and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Net Tangible Assets beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unaudited consolidated net tangible assets of the Group as at 30 June 2010 as set out in Appendix IV "Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets of the Group" to this Circular with the unaudited condensed consolidated statement of financial position of the Company as at 30 June 2010 as set out in section III "Unaudited Financial Statements of The Group For The Six Months Ended 30 June 2010" in Appendix I to this Circular, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Net Tangible Assets with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Net Tangible Assets has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Net Tangible Assets as disclosed pursuant to Chapter 7 of the GEM Rules.

The Unaudited Pro Forma Net Tangible Assets is for illustrative purpose only, based on the judgements and assumptions of the directors of the Company, and because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 30 June 2010 or any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Net Tangible Assets has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Net Tangible Assets as disclosed pursuant to Chapter 7 of the GEM Rules.

Yours faithfully,
For and on behalf of
BDO Limited
Certified Public Accountants
Hong Kong



Shiu Hong NG
Practising Certificate number P03752