
BUSINESS OBJECTIVES AND FUTURE PLANS

BUSINESS OBJECTIVES AND STRATEGIES

Please refer to the paragraph headed “Strategies and business objectives” in the section headed “Business” in this prospectus for a detailed description of the business objectives and strategies of the Group.

IMPLEMENTATION PLAN

In light of the business objectives and future plans of the Group, the Group will seek to attain the milestones contained in this paragraph from the Latest Practicable Date to 31 March 2015. Investors should note that the milestones and their scheduled times for attainment are formulated on the bases and assumptions referred to in the paragraph headed “Bases and assumptions” in this section. These bases and assumptions are inherently subject to many uncertainties, variables and unpredictable factors, in particular the risk factors set out in the section headed “Risk factors” in this prospectus. The Group’s actual course of business may vary from the business objectives set out in this prospectus. There can be no assurance that the plans of the Group will materialise in accordance with the expected time frame or that the objectives of the Group will be accomplished at all. The Directors intend to carry out the following implementation plans:

For the period from the Latest Practicable Date to 31 March 2013

<u>Enhancing the quality and expanding the professional team</u>	<u>Upgrading and maintaining the information technology system</u>	<u>Strengthening the marketing efforts</u>
<ul style="list-style-type: none">● Offer internal continuous professional training programs	<ul style="list-style-type: none">● Set up an off-site computer hardware centre and servers● Upgrade professional software for the natural resources industry● Organise trainings on professional software to staff	<ul style="list-style-type: none">● Organise seminars for professional parties and potential clients● Advertise in industry magazine and public electronic media● Engage an independent public relations firm

Amount to be applied from the net proceeds of the placing of the New Shares:

Nil	HK\$0.9 million	HK\$0.4 million
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For the period from 1 April 2013 to 30 September 2013

Enhancing the quality and expanding the professional team

- Offer internal continuous professional training program
- Remunerate candidates newly join the professional team of the Group
- Provide subsidies to the Group's professional team on continuing education program

Upgrading and maintaining the information technology system

- Upgrade professional software for the natural resources industry
- Organise training on professional software to staff

Strengthening the marketing efforts

- Participate in industry exhibitions
- Organise seminars for professional parties and potential clients
- Organise client relationship events
- Retain the independent public relations firm

Amount to be applied from the net proceeds of the placing of the New Shares:

HK\$0.7 million

HK\$1.8 million

HK\$0.9 million

For the period from 1 October 2013 to 31 March 2014

Enhancing the quality and expanding the professional team

- Offer internal continuous professional training program
- Remunerate candidates newly join the professional team of the Group
- Provide subsidies to the Group's professional team on continuing education program

Upgrading and maintaining the information technology system

- Upgrade professional software for the natural resources industry
- Organise training on professional software to staff

Strengthening the marketing efforts

- Participate in industry exhibitions
- Advertise in industry magazine and public electronic media
- Organise client relationship events
- Retain the independent public relations firm

Amount to be applied from the net proceeds of the placing of the New Shares:

HK\$2.6 million

HK\$1.8 million

HK\$0.9 million

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For the period from 1 April 2014 to 30 September 2014

Enhancing the quality and expanding of the professional team

- Offer internal continuous professional training program
- Remunerate candidates newly join the professional team of the Group
- Provide subsidies to the Group's professional team on continuing education program

Upgrading and maintaining the information technology system

- Upgrade professional software for the natural resources industry
- Organise training on professional software to staff

Strengthening the marketing efforts

- Participate in industry exhibitions
- Organise client relationship events
- Retain the independent public relations firm

Amount to be applied from the net proceeds of the placing of the New Shares:

HK\$4.9 million

HK\$1.8 million

HK\$0.9 million

For the period from 1 October 2014 to 31 March 2015

Enhancing the quality and expanding of the professional team

- Offer internal continuous professional training program
- Remunerate to candidates newly join the professional team of the Group
- Provide subsidies to the Group's professional team on continuing education program

Upgrading and maintaining the information technology system

- Upgrade professional software for the natural resources industry
- Organise training on professional software to staff

Strengthening the marketing efforts

- Participate in industry exhibitions
- Advertise in industry magazine and public electronic media
- Organise client relationship events
- Retain the independent public relations firm

Amount to be applied from the net proceeds of the placing of the New Shares:

HK\$5.3 million

HK\$1.7 million

HK\$0.9 million

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BASES AND ASSUMPTIONS

The business objectives set out by the Directors are based on the following bases and assumptions:

- the Group will have sufficient financial resources to meet the planned capital expenditure and business development requirements during the period to which the business objectives relate;
- there will be no material changes in existing laws and regulations, or other governmental policies relating to the Group, or in the political, economic or market conditions in which the Group operates;
- there will be no change in the funding requirement for each of the implementation plans described under the paragraph headed “Implementation plan” in this section from the amount as estimated by the Directors;
- there will be no material changes in the bases or rates of taxation applicable to the activities of the Group;
- there will be no disasters, natural, political or otherwise, which would materially disrupt the business or operations of the Group; and
- the Group will not be materially affected by the risk factors as set out under the section headed “Risk factors” in this prospectus.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The placing of the New Shares will enhance capital base of the Group and provide the Group with additional working capital to implement the future plans set out in the paragraph headed “Strategies and business objectives” in the section headed “Business” in this prospectus.

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USE OF PROCEEDS

The Directors intend to apply the net proceeds from the placing of the New Shares to finance the business expansion, capital expenditure and strengthen the capital base of the Group and improve the Group's overall financial position. Based on the Placing Price of HK\$0.375 per Placing Share (being the mid-point of the indicative Placing Price range between HK\$0.25 and HK\$0.50 per Placing Share), the net proceeds from the placing of the New Shares, after deducting underwriting commission and estimated expenses payable by the Company in connection thereto, are estimated to be approximately HK\$35.2 million. The estimated net proceeds of approximately HK\$23.5 million from the sale of the Sale Shares will be received by Aperto Investments Limited and therefore will not be available to the Group. The Company presently intends to apply such net proceeds from the placing of the New Shares as follows:

	From the Latest Practicable Date to		For the six months ending			Total
	31 March 2013	30 September 2013	31 March 2014	30 September 2014	31 March 2015	
	HK\$ (in million)	HK\$ (in million)	HK\$ (in million)	HK\$ (in million)	HK\$ (in million)	HK\$ (in million)
Exploring merger and acquisition opportunities and business collaboration						7.2
Enhancing the quality and expanding the professional team	—	0.7	2.6	4.9	5.3	13.5
Upgrading and maintaining the information technology system	0.9	1.8	1.8	1.8	1.7	8.0
Strengthening the marketing efforts	0.4	0.9	0.9	0.9	0.9	4.0
Working capital and other general corporate purposes	—	—	—	—	—	2.5
Total	<u>1.3</u>	<u>3.4</u>	<u>5.3</u>	<u>7.6</u>	<u>7.9</u>	<u>35.2</u>

- as to approximately HK\$7.2 million or approximately 20% of the net proceeds from the placing of the New Shares, will be used for exploring merger and acquisition opportunities and business collaboration in Hong Kong or overseas with companies principally engaged in the provision of valuation and technical advisory services, where no target companies or assets or potential business collaboration with any parties have been identified as at the Latest Practicable Date;
- as to approximately HK\$13.5 million or approximately 38% of the net proceeds from the placing of the New Shares, will be used for enhancing the quality and expanding the team of professional staff with mining knowledge, technical skills and relevant experience through (i)

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offering various internal continuous training programs; (ii) recruiting new candidates to join the Group's professional team; and (iii) encouraging and supporting the Group's professional team in obtaining internationally recognised qualifications such as Chartered Financial Analyst charterholder and Certified Public Accountants or higher education achievement such as master's degree of mining or geology;

- as to approximately HK\$8.0 million or approximately 23% of the net proceeds from the placing of the New Shares, will be used for upgrading and maintaining the information technology system, including both the hardware and software components as well as organising relevant training for staff of the Group;
- as to approximately HK\$4.0 million or approximately 11% of the net proceeds from the placing of the New Shares, will be used for strengthening the marketing efforts and promoting the Group's services to targeted clients not yet covered by the Group's existing network through, including but not limited to, participating in industry exhibitions; and
- as to approximately HK\$2.5 million or approximately 7% of the net proceeds from the placing of the New Shares, will be used for working capital and other general corporate purposes.

In the event that the Placing Price is set at the high-end or the low-end of the proposed Placing Price range, the net proceeds from the placing of the New Shares will increase or decrease by approximately HK\$14.4 million to, high-end of approximately HK\$49.6 million and low-end of approximately HK\$20.8 million, after deducting related expenses, respectively. The Group intends to use the net proceeds based on the percentages disclosed above, regardless of whether the Shares are priced at the high-end or low-end of the proposed Placing Price.

To the extent that the net proceeds from the placing of the New Shares are not immediately required for the above purposes, it is the present intention of the Directors that such proceeds will be placed on short-term interest bearing deposits with authorised financial institutions in Hong Kong.