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**SUN INTERNATIONAL GROUP LIMITED**  
**太陽國際集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 8029)

**PROFIT FORECAST  
IN RELATION TO  
THE ACQUISITION OF  
VANADIUM AND SILICA MINING COMPANY IN THE PRC**

Reference is made to the announcement dated 28 March 2011 (the “**Announcement**”) of Sun International Group Limited (the “**Company**”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

**DISCLOSURE IN RELATION TO RULES 19.60A AND 19.62 OF THE GEM LISTING RULES**

As set out in the Announcement, the valuation of 日盛世紀(湖北)礦業有限公司 (Risheng Century (Hubei) Mining Company<sup>#</sup>) (the “**PRC Subsidiary**”), being the holder of a mining and exploitation licence in respect of the Mine, conducted by Valuer constitutes profit forecast under Rule 19.61 of the GEM Listing Rules (“**Profit Forecast**”). As such, Rules 19.60A and 19.62 of the GEM Listing Rules are applicable.

Pursuant to Rule 19.62(1) of the GEM Listing Rules, the following is the details of the principal assumptions, including commercial assumptions, upon which the forecast is based:

- There will be no major changes in the existing political, legal, and economic conditions in the PRC, in which the PRC Subsidiary will carry on its business;
- There will be no major changes in the current taxation law in the PRC, that the rates of tax payable remain unchanged and that all applicable laws and regulations will be complied with;
- Exchange rates and interest rates will not differ materially from those presently prevailing;
- Industry trends and market conditions for related industries in the PRC will not deviate significantly from the investigation included site visit and discussions with the management of the PRC Subsidiary in relation to the history and nature of the business, an analysis of the subject industry and market, a study of the financial forecast of the PRC Subsidiary (the “**Projection**”);
- The feasibility study of the Mine prepared by the Target Company (the “**Feasibility Study**”) and the Projection have been prepared on a reasonable basis, reflecting estimates which have been arrived at after due and careful consideration;

- The availability of finance will not be a constraint on the forecasted growth of the PRC Subsidiary in accordance with the Feasibility Study and the Projection;
- The PRC Subsidiary will retain and have competent management, key personnel, and technical staff to implement its business plan and the Projection;
- The PRC Subsidiary will be able to obtain all necessary permits, license, certificates and approvals to operate the mining business; and
- The exploration and exploitation license can be renewed until the reserve is exhausted.

### **Valuation Conclusion**

Based on the valuation basis, valuation assumptions and the appraisal method employed by Valuer, the independent qualified valuer, the fair value of the PRC Subsidiary free from any encumbrance is reasonably represented by the sum of HK\$1,074 million as at 31 December 2010.

The Directors confirm that the valuation of the PRC Subsidiary as contained in the Valuation Report, which constitutes a profit forecast under the GEM Listing Rules, has been made after due and careful enquiry.

Andes Glacier CPA Limited. (“**Auditors**”), the auditors of the Company, confirms that the discounted future estimated cash flows and the calculations thereof has been properly compiled in accordance with the bases and assumptions made by the Director. Nuada Limited (“**Financial Adviser**”), the financial adviser of the Company, have reviewed the principal assumptions upon which the Profit Forecast is based and are of the view that the Profit Forecast has been made after due and careful enquiry. Letters from the Auditors and Financial Adviser are included in the appendix I and II in this announcement pursuant to Rules 19.60A and 19.62 of the GEM Listing Rules.

### **Experts and consents**

The following are the qualifications of the experts who have given their opinion and advice included in this announcement:

<b>Name</b>	<b>Qualification</b>
Grant Sherman Appraisal Limited	Professional valuer
Andes Glacier CPA Limited	Certified Public Accountants
Nuada Limited	Corporation licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry on type 6 regulated activity

To the best knowledge of the Directors, information and belief, each of the Valuer, Auditors and Financial Adviser is Independent Third Party. As at the date of this announcement, neither Valuer, Auditors nor Financial Adviser has any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Each of the Valuer, Auditors and Financial Adviser has given and has not withdrawn its written consent to the publication of this announcement with reference to its name included herein in the form and context in which it appears.

# *the English translation of Chinese name, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese name.*

By Order of the Board  
**Sun International Group Limited**  
**Chau Cheok Wa**  
*Executive Director*

Hong Kong, 18 April 2011

*As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr Chau Cheok Wa, Ms Cheng Mei Ching, Mr Lee Chi Shing, Caesar and Ms Yeung So Lai; and (ii) five independent non-executive Directors, namely Mr Poon Lai Yin, Michael, Mr Ng Tat Fai, Mr Chan Tin Lup, Trevor, Mr Tou Kin Chuen, and Mr Wang Zhigang.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting and the Company’s website at <http://www.sun8029.com>.*



# Andes Glacier CPA Limited

CERTIFIED PUBLIC ACCOUNTANTS

思捷會計師行有限公司

18 April 2011

The Board of Directors  
**Sun International Group Limited**  
21/F The Pemberton  
22-26 Bonham Strand  
Sheung Wan  
Hong Kong

**Sun International Group Limited (the “Company”) and its subsidiaries (the “Group”)**

**Report on discounted future estimated cash flows in connection with the business valuations of the 日盛世紀(湖北)礦業有限公司 (Risheng Century (Hubei) Mining Company<sup>#</sup>) (the “Target Company”)**

We report on the calculations of the discounted future estimated cash flows on which the business valuation (the “**Valuation**”) dated 30th March, 2011 prepared by Grant Sherman Appraisal Limited (the “**Valuer**”) in respect of the Valuation of the Target Company as at 31st December 2011 in connection with the proposed acquisition of 35% equity interest in the Target Company. The Valuation which is determined based on the discounted cash flows is regarded as a profit forecast under Rule 19.61 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”)

**Respective responsibilities of the directors of the Company and the reporting accountants**

The directors of the Company are solely responsible for the preparation of the discounted future estimated cash flows for the valuation which is regarded as a profit forecast under rule 19.61 of the GEM Listing Rules.

It is our responsibility to report, as required by rule 19.62(2) of the GEM Listing Rules, on the calculations of the discounted future estimated cash flows on which the Valuation is based. The discounted future estimated cash flows do not involve the adoption of accounting policies. The discounted future estimated cash flows depend on future events and on a number of bases and assumptions which cannot be confirmed and verified in the same way as past results and not all of which may remain valid throughout the period. Consequently, we have not reviewed, considered or conducted any work on the appropriateness and validity of the bases and assumptions and express no opinion on the appropriateness and validity of the bases and assumptions on which the discounted future estimated cash flows, and thus the Valuation, are based.

## **Basis of opinion**

We conducted our work in accordance with Hong Kong Standards on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to the procedures under Auditing Guideline 3.341 “Accountants’ report on profit forecasts” issued by Hong Kong Institute of Certified Public Accountants. We examined the arithmetical accuracy of the Valuation. Our work has been undertaken solely to assist the directors of the Company in evaluating whether the discounted future estimated cash flows, so far as the calculations are concerned, has been properly compiled and for no other purpose. We accept no responsibility to any other person in respect of, arising out of in connection with our work. Our work does not constitute any valuation of the Target Company.

## **Opinion**

Based on the foregoing, in our opinion, the discounted future estimated cash flows, so far as the calculations are concerned, has been properly compiled in accordance with the bases and assumptions made by the directors of the Company.

**Andes Glacier CPA Limited**  
*Certified Public Accountants*  
**Hsu Yuk King, Mercedes**  
Practising Certificate Number: P03548

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## APPENDIX II — LETTER FROM NUADA LIMITED

18 April 2011

The Board of Directors  
**Sun International Group Limited**  
21st Floor  
The Pemberton  
22-26 Bonham Strand  
Sheung Wan  
Hong Kong

Dear Sirs,

**Sun International Group Limited (the “Company”) and its subsidiaries (collectively, the “Group”)**  
**Comfort letter on forecast underlying the valuation on the business valuations of**  
**日盛世紀 (湖北) 礦業有限公司 (Risheng Century (Hubei) Mining Company Limited#)**

We refer to the discount cash flow forecasts underlying the valuation (the “**Valuation**”) prepared by Grant Sherman Appraisal Limited (“**Valuer**”) in relation to the appraisal of the business valuations of 日盛世紀 (湖北) 礦業有限公司 (Risheng Century (Hubei) Mining Company Limited#). The Valuation is regarded as a profit forecast under Rule 19.61 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

We have reviewed the forecasts upon which the Valuation has been made for which you as the directors of the Company (“**Directors**”) are solely responsible, and have discussed with you and Valuer the information and documents provided by you which formed part of the basis and assumptions upon which the forecasts have been prepared. We have also considered the letter from Andes Glacier CPA Limited dated 18 April 2011 addressed to yourselves as set out in Appendix I to the Company’s announcement dated 18 April 2011 regarding the calculations upon which the forecasts have been made.

On the basis of the foregoing, we are satisfied that the forecast upon which the Valuation has been made, for which you as the Directors are solely responsible, have been made after due and careful enquiry by you.

Yours faithfully,  
**Nuada Limited**

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