

**THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

**The Directors of the Company accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and makes no omission likely to affect the import of such information.**



*(Formerly CIC Capital Limited)*

*(Continued into British Columbia, Canada with number C0986359)*

**REORGANISATION  
AND  
DISTRIBUTIONS OF SHARES**

6 November 2014

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This circular (the “Circular”) contains information concerning the proposed declaration and payment of dividends *in specie* to holders of common shares (“Shareholders”) of CIC Capital Fund Ltd. (the “Company”). The dividends to be distributed, which are in the form of shares, have not been, and will not be, registered under the United States *Securities Act of 1933* (as amended) (the “US Securities Act”), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Australia, Canada, Japan, South Africa or the Republic of Ireland. This Circular does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or acquire, any such shares.

The distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe any such restrictions.

**This Circular is for information only and no action is required by Shareholders other than those resident in Canada or the United States (“Overseas Shareholders”), or nominees who hold on behalf of such Overseas Shareholders, to whom the distributions referred to hereunder will not be made unless they return a relevant accredited investor form as attached as Appendix I, failing which any shares which would otherwise have been distributed to them will be retained and sold, and the proceeds distributed to such Overseas Shareholders.**

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## EXPECTED TIMETABLE

Completion of Reorganisation	1 December 2014
Distributions*	By 31 December 2014
Despatch of share certificates by	By 31 December 2014

\* Certain distributions will be completed before this date and are subject to company share registers being established by the Company and Computershare.

## PART I

### LETTER FROM THE CHAIRMAN OF THE COMPANY



CIC Capital Fund Ltd.  
(Formerly CIC Capital Limited (Canada))

*Head office:*

Office 802  
Office Tower of St. Regis Beijing  
No. 21 Jianguomenwai Ave.  
Chaoyang District  
Beijing 100020  
China

*Directors:*

Robert Rhodes (Chairman)  
Stuart J Bromley (CEO)  
Li JinLiang (CFO)  
Li Hongguang

6 November 2014

Dear Shareholder,

#### 1. Introduction

Following a review of the Company's investment and advisory businesses, the Board has determined that a more efficient operating structure is required for the Company's advisory business. The Company has therefore established a wholly owned subsidiary in the Republic of Seychelles, named CIC Capital Ltd. ("**CIC Seychelles**"), which is to conduct the advisory business previously conducted by the Company (the "**Reorganisation**"). A Seychelles domicile has been chosen from which to run the advisory business as CIC Seychelles will not be subject to any income tax, stamp duty and/or other duties and taxes in the Seychelles. This is guaranteed by law for a period of 20 years from the date of its incorporation.

The Company will continue to carry out its investment business and intends to make further announcements in due course.

As you are aware the Company was previously quoted on the AIM Market of the London Stock Exchange before delisting on 2 May 2014. CIC Seychelles has sought admission to the standard listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities of its common shares by way of an introduction ("**Listing**"). There will be no fundraising on Listing if and when such Listing is completed.

As the advisory business of the Company is to be conducted by CIC Seychelles, and in order to enable all Shareholders to take advantage of the proposed Listing, the Company is now demerging the advisory business by distributing by way of dividend *in specie* all of the shares it currently owns in CIC Seychelles to Shareholders on a one for one basis so that Shareholders will then own the same number of shares in CIC Seychelles as they do in the Company (the "**Seychelles Distribution**"). Details of the management of CIC Seychelles are set out in Part II.

In line with the its announcement on 2 June 2014, the Company is also distributing by way of dividend *in specie* to Shareholders on the relevant record date, shares allotted to it in certain companies ("**Client Companies**") in connection with the provision by the Company of advisory services (the "**Client Company Distributions**").

In anticipation of one of the Client Companies, CIC Gold Group Ltd, potentially listing in the future, and in order to create sufficient shares in public hands, CIC Seychelles and the Company will also be distributing by way of dividend *in specie* some of the shares in that Client Company to shareholders upon them becoming a shareholder in CIC Seychelles (the “**Free Float Distributions**”).

A similar approach is expected to be taken for future listings of other Client Companies.

This Circular explains the background to and details of the Reorganisation and the various distributions.

## 2. The Reorganisation

Part of the Company’s business has been to provide advisory and consulting services primarily to clients in the mining sector and in the energy infrastructure sector. It has previously been engaged to work for four companies:

- CIC Gold Ltd
- CIC Fuels Ltd
- CIC Brancepeth Coal Ltd
- Sino Reserves Ltd

Under the terms of the relevant advisory agreements, shares in these companies (“**Former Client Companies**”) were allotted to the Company in lieu of fees payable on commencement of services. These shares were previously held in the Company’s books at valuations based on IFRS 10 but have since been written down.

In June this year these four contracts with the Former Client Companies were terminated and new contracts to perform the same services have been entered into between CIC Seychelles and each of the newly incorporated Client Companies being:

- CIC Gold Group Ltd (“**Gold**”)
- CIC Fuels Group Ltd (“**Fuels**”)
- CIC Coal Group Ltd (“**Coal**”)
- Sino Reserves Group Ltd (“**Sino**”)

Each of these companies has been incorporated in the Republic of Seychelles and has allotted shares of no par value to the same shareholders (including the Company) as were previously entitled to shares in the Former Client Companies, and in the same amount to which they were each entitled..

As the advisory business of the Company is therefore now being carried out by CIC Seychelles rather than the Company, any shareholdings in the Former Client Companies will cease to have any material value. It is for this reason that the previous entitlements to shares in the Former Client Companies are being replicated in the Client Companies. One of these entitlements that is being replicated is the Company’s shareholding in the Client Companies which it holds on the basis that part of the contracts with the Former Client Companies had already been performed by the Company resulting in the Company earning shares in those companies in lieu of fees.

As the Company had previously agreed to transfer some of its entitlement to shares in two Former Client Companies to third parties under pre-existing agreements, it is now procuring that those third parties are allotted the same amount of shares in Gold and Fuels. In addition, as the Company had agreed to distribute as dividends *in specie* to its Shareholders shares in all Former Client Companies, it is now making the Client Company Distributions in the same amount. The Company will continue to retain a small balance of shares in the Client Companies following these allotments and distributions.

Following the above Reorganisation CIC Seychelles will now carry on the advisory business formerly carried on by the Company. The shares held by the Company and CIC Seychelles in each of the Client Companies following the Reorganisation (but prior to the Free Float Distributions below) are set out in Part II of this Circular.

## 2. The Distributions

Shareholders will shortly be receiving three types of distribution in connection with the Reorganisation.

### **1) Seychelles Distribution**

First, to demerge the advisory business of the Company and to enable Shareholders to carry on holding their interests in the advisory business now being carried on by CIC Seychelles, the Company will distribute by way of an *in specie* dividend to all Shareholders on its register on the record date as at the date of this Circular, the same number of shares in CIC Seychelles as they currently hold in the Company (the “**Seychelles Distribution**”).

### **2) Client Company Distributions (distribution approved prior to Company being continued as a BC company)**

Second, the Company will carry out each of the distributions previously announced of shares in each of the Client Companies to each Shareholder on its register on the record date of 6 June 2014. The terms of the distribution, as set out in the announcement of 2 June 2014, are that each Shareholder on the record date will receive an *in specie* dividend of a number of shares in the relevant Client Company that is the result of multiplying its shareholding at that date by the relevant percentage set out in the Table 1 below, depending on the time the relevant shares have been held:

**Table 1**

<b>Time held</b>	<b>Gold</b>	<b>Fuels</b>	<b>Coal</b>	<b>Sino</b>
2 years or more	5%	2%	5%	2%
1 year or less	2%	1%	2%	1%
<b>Total shares distributed</b>	<b>3,029,118</b>	<b>1,514,559</b>	<b>3,029,118</b>	<b>1,514,559</b>

Directors of the Company will be asked to waive their right to participate in the Client Company Distributions.

### **3) Free Float Distributions of shares in Gold**

There will be two such distributions. The first will be carried out by CIC Seychelles which will distribute twenty million (20,000,000) shares it owns in Gold to all of its shareholders on the register immediately following the Seychelles Distribution. Shareholders in CIC Seychelles will receive their pro rata share of such distribution based on their shareholding percentage in CIC Seychelles (which will be equivalent to their shareholding percentage in the Company).

The second of these distributions will be made shortly before a listing of Gold from shares which would then be held by the Company arising on conversion of certain convertible loans. The Company announced on the 2 October 2014 two unsecured, interest free convertible loans to Gold of £300,000 and £1,425,000 respectively. These loans are convertible into common shares in Gold prior to its admission to listing on the Main Market of the London Stock Exchange. The conversion price is at six (6) UK pence per share resulting in the issue of 28,750,000 shares in Gold. The Directors have determined that these shares will be distributed by the Company on conversion of the loans to its shareholders on the register immediately following the Seychelles Distribution. Shareholders in the Company will receive their pro rata share of such distribution based on their shareholding percentage in the Company. Directors of the Company will be asked to waive their right to participate in this share distribution.

## **3. The Common Shares**

Each common share of CIC Seychelles will have no par value and be denominated in Sterling. Each common share of each of the other Client Companies will also have no par value and be denominated in Sterling.

All shares being distributed will be evidenced by share certificates which will be posted to Shareholders by the Company and CIC Seychelles or their registrar, Computershare.

## **4. US and Canadian Shareholders**

The Company and CIC Seychelles have been advised that they may be in breach of certain securities laws if they were to make the share distributions to shareholders in the US and Canada without evidence of the availability of registration and prospectus exemptions, respectively. For that reason, any such distributions will only be made to US or Canadian Shareholders who return the appropriate accredited investor form as set out in Appendix 1. If no such

form is received by the Company or CIC Seychelles it will retain the relevant shares, sell them at a time the Directors deem appropriate and remit the net proceeds to the relevant shareholder.

Intermediary shareholders receiving this Circular who hold shares in the Company or are entitled to shares in CIC Seychelles on behalf of US or Canadian beneficial shareholders should advise the Company or CIC Seychelles as soon as possible if any of the beneficial shareholders for whom they hold such shares are resident in the US or Canada. Any such beneficial shareholders should return the relevant accredited investor form before the relevant shares are transferred for the benefit of such beneficial shareholders, or the relevant shares, if transferred to intermediary shareholders without an intermediary shareholder having received evidence of exemption from a beneficial shareholder, must be transferred back to the Company or CIC Seychelles in order for it to sell such shares and remit the net proceeds to the beneficial shareholder.

## **5. Taxation**

You should be aware that these transactions may have tax consequences in your own jurisdiction and anywhere else you are liable to pay tax. You are encouraged to seek tax advice your professional advisers on the ramification of the various distributions.

## **6. Timing**

Please refer to the expected timetable on page 2.

Yours sincerely,

Robert Rhodes  
*Chairman*

## PART II

### INFORMATION ABOUT CIC SEYCHELLES

#### Shareholdings

The expected equity interests in the Client Companies following the Reorganisation (but prior to the Free Float Distributions) are stated in the table below.

	CIC Seychelles	Percentage	CIC Canada	Percentage
CIC Gold Group Limited	55,840,000	53.9	2,250,882	2.2
CIC Fuels Group Limited	25,500,000	73.9	2,485,441	7.2
Sino Reserves Group Limited	16,500,000	75	3,985,441	18.1
CIC Coal Group Limited	60,000,000	93.8	970,882	1.5

#### Directors of CIC Seychelles

The following table lists the names, positions and ages of the Directors of CIC Seychelles and the year they were appointed:

Name	Age	Position	Appointment
Robert Leslie Rhodes	56	Non-Executive Director / Chairman	2014
Stuart J. Bromley	53	Executive Director / Chief Executive Officer	2013
Li Hongguang	48	Non-Executive Director	2014
Li Jinliang	49	Executive Director / Chief Financial Officer	2014
Luke Webster	36	Non-Executive Director	2014

#### ***Robert Leslie Rhodes (Non-Executive Chairman)***

Mr. Rhodes has worked within the quarrying/mining and construction industry in Australia for the past 29 years. Since January 2013 Mr. Rhodes has been the General Manager of Transmin Pty Ltd, a privately owned West Australian manufacturer and international supplier of mining and materials handling equipment. Prior to his current appointment Mr. Rhodes held senior management roles with BIS Industries, and international professional services consultancy Coffey International Limited. Mr. Rhodes has worked with many of the major national and international mining and construction companies that operate in Australia. For the five year period from 2006 - 2011 Mr. Rhodes was the Regional General Manager for Komatsu Australia Pty Ltd.

After graduating from Curtin University in 1979 with a Bachelor of Applied Science Degree, Mr. Rhodes spent six years working as an agriculture research scientist. In 1985 Mr. Rhodes joined Boral Quarries Ltd which was the beginning of his career in the quarrying/mining and construction industry. Within this industry he has held roles responsible for marketing, contracts, operations, human resources, regional and general management.

Mr. Rhodes is a Fellow of the Australian Institute of Quarrying and a member of the West Australian Mining Club.

Mr. Rhodes provides the CIC Seychelles with advice and guidance with regards to developing international mining operations and will sit on the company's Audit Committee and Compensation Committee.

#### ***Stuart J. Bromley (Executive Director/Chief Executive Officer)***

Mr. Bromley is an executive Director and Chief Executive Officer of CIC Seychelles. Mr. Bromley oversees the company's strategy and commercialisation of its projects. He is also responsible for financing and evaluation of investments and divestment opportunities. Mr. Bromley is a key member of the Board bringing in significant investment opportunities for the company through his international relationship base.

Mr. Bromley was born in South Africa (Witbank coal fields) and is the seventh generation of his family to be involved in the mining industry. Mr. Bromley, who is qualified in both Civil and Process Mechanical Engineering, worked in Australia as an engineer until 1982, following which he worked with major Japanese corporations during

the rapid advancement of industrial electronics in the mid-1980s. In 1989, he established an advisory firm providing international expertise in the areas of international marketing, strategic management and corporate restructuring for organizations in Japan, Russia, Central Asia, Europe and North America. Mr. Bromley has been a negotiator and strategist for Fortune 500 corporations. Through many years of experience Mr. Bromley has gained experience in legal matters in numerous jurisdictions, public company listing and compliance in Canada, US, Asia and UK, company financings and complex merger transactions. Mr. Bromley is Executive Director of the Company, Tanshan Smelter Group Limited and Co-Chairman of each of the Former Client Companies and each of the Client Companies.

Mr. Bromley is the Secretariat for the PR China Investment Council, and was appointed as Investment Attaché by the Mongolian Government Cabinet between 2002 and 2004.

***Li Hongguang (Non-Executive Director)***

Mr. Li is an Attorney at Law in PRC, having graduated from the Northwestern Polytechnic University in the PRC in 1989 and from the China University of Political Science and Law in 1991. Mr. Li acted for the Ministry of Geology and Mineral Resources, China from 1991 to 1998.

In 1993, Mr. Li, in the capacity of visiting scholar, conducted comparison research on Western mining law at the Law School of Boston University, USA. in 1996.

Mr. Li was instrumental in drafting the new Mineral Law of PRC. Mr. Li was appointed as a director of Headman Consultants in August 1998 and has been providing legal consulting to many international mining companies.

Mr. Li provides guidance to CIC Seychelles on mining issues and mining industry relationships within China.

***Luke Webster (Non-Executive Director)***

Luke is an experienced solicitor and corporate finance professional with extensive experience of working in China. Luke qualified as a solicitor in 2004 with Nabarro Nathanson before moving into corporate finance with Oriel Securities.

In 2009 Luke joined the London Stock Exchange as a senior member of AIM regulation which was then responsible for the regulation of 1,600 quoted companies and 70 nominated advisers. Luke has since worked in China executing deals across various sectors including resources, financial services and technology. Luke currently holds the CF2 controlled function from the FCA as a non-executive director of Beaufort Securities Limited.

***Li Jinliang (Non-Executive Director/Chief Financial Officer)***

Mr. Li is a member of Association of Chartered Accountants UK (ACCA) and a Certified Enterprise Risk Manager in Asia. Mr. Li graduated in 1987 from the Renmin University China with a degree in Accounting. In 1988 he also gained a master's degree in Business Administration in Financial Services from the University of East London. Mr. Li served as the General Supervisor of the Financial and Investment Centre of Hopson Group Limited (listed on the main board of the Hong Kong Stock Exchange), the general supervisor of the Department of International Finance of China Oilfield Technology (listed on the main board of the Singapore Stock Exchange), the Chief Financial Officer of European Food Trading (UK) Co. Ltd., and the director of the financial department of the Engineering and Technology Research Institute of China National Petroleum Corporation (CNPC).

Mr. Li assisted in the listing of China Oilfield Technology in Singapore. He has extensive experience of international capital markets, company IPOs, the listing regulations and laws of Hong Kong and Singapore, international accounting principles and company management. Mr. Li has studied and worked in the field of accounting and senior financial management in the UK for eight years. He has a good understanding of commercial law and the accounting principles and taxation policies in the UK. Mr. Li will sit on the Audit Committee and Remuneration Committee of CIC Seychelles.



## Appendix 1 Accredited Investor Forms

### 1. CANADIAN ACCREDITED INVESTOR CERTIFICATE

TO: CIC Capital Fund Ltd. (the “Corporation”)

AND TO: CIC Capital Ltd. (Seychelles) (“CIC Seychelles”)

The undersigned, a Canadian resident shareholder of the Corporation hereby represents, warrants and certifies to the Corporation and CIC Seychelles that the undersigned is an “Accredited Investor” as defined in subsection 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* (“NI 45-106”). The undersigned has indicated below the categories which the undersigned satisfies in order to qualify as an “Accredited Investor”.

The undersigned understands that the Corporation, CIC Seychelles and their respective counsel are relying upon this information in determining to transfer certain shares to the undersigned in a manner exempt from the prospectus requirements of applicable securities laws.

The undersigned represents, warrants and certifies that it, he or she is: ***[initial or place a checkmark above the line to the left of each applicable item]***

- \_\_\_\_\_ (a) a Canadian financial institution, or a Schedule III of the *Bank Act* (Canada);
- \_\_\_\_\_ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- \_\_\_\_\_ (c) a subsidiary of any person referred to in paragraphs (a) to (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- \_\_\_\_\_ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- \_\_\_\_\_ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- \_\_\_\_\_ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- \_\_\_\_\_ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec;
- \_\_\_\_\_ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- \_\_\_\_\_ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;

- \_\_\_\_\_ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
- \_\_\_\_\_ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- \_\_\_\_\_ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- \_\_\_\_\_ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;
- \_\_\_\_\_ (n) an investment fund that distributes or has distributed its securities only to:
  - (i) a person that is or was an accredited investor at the time of the distribution,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 *Minimum amount investment*, or 2.19 *Additional investment in investment funds* of NI 45-106; or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 *Investment fund reinvestment* of NI 45-106;
- \_\_\_\_\_ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
- \_\_\_\_\_ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully-managed account managed by the trust company or trust corporation, as the case may be;
- \_\_\_\_\_ (q) a person acting on behalf of a fully-managed account managed by that person, if that person:
  - (i) \_\_\_\_\_ is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction; and
  - (ii) \_\_\_\_\_ in Ontario, is purchasing a security that is not a security of an investment fund;
- \_\_\_\_\_ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- \_\_\_\_\_ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) through (d) or paragraph (i) in form and function;
- \_\_\_\_\_ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- \_\_\_\_\_ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or

\_\_\_\_\_ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor.

The undersigned shareholder has executed this certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

If a trust, partnership or other entity:

If an individual:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Name of Individual

\_\_\_\_\_  
Signature of person Signing

\_\_\_\_\_  
Title of person Signing

As used in this Certificate, the following terms have the following meanings:

An issuer is an “**affiliate**” of another issuer if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person;

“Canadian financial institution” means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

“**control person**” has the meaning ascribed to that term in securities legislation except in Ontario, Québec and Nova Scotia where “control person” means any person that holds or is one of a combination of persons that holds:

- (a) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
- (b) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;

“eligibility adviser” means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:

- (i) have a professional business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons, and
- (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

“**financial assets**” means cash, securities, or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“**foreign jurisdiction**” means a country other than Canada or a political subdivision of a country other than Canada;

“**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

“**investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure* and means a mutual fund or a non-redeemable investment fund;

“**jurisdiction**” means a province or territory of Canada except when used in the term foreign jurisdiction;

“**local jurisdiction**” means the jurisdiction in which the Canadian securities regulatory authority is situated;

“**non-redeemable investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure* and means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders;
- (b) that does not invest;
  - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
  - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
- (c) that is not a mutual fund;

“**regulator**” means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;

“related liabilities” means:

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
- (b) liabilities that are secured by financial assets;

“**securities legislation**” means securities legislation as such term is defined in National Instrument 14-101 *Definitions*;

“**spouse**” means, an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;

- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and

“**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

**Calculation of shareholder’s net assets:** To calculate a shareholder’s net assets under paragraphs (l) and (m) of the “Accredited Investor” definition, subtract the shareholder’s total liabilities from the shareholder’s total assets. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the trade.

2. U.S. ACCREDITED INVESTOR CERTIFICATE

TO: CIC Capital Fund Ltd (the “Corporation”)

AND TO: CIC Capital Ltd. (“CIC Seychelles”)

The undersigned United States resident shareholder of the Corporation understands and agrees that the shares to be distributed to it have not been and will not be registered under the 1933 Act, or applicable state securities laws, and the shares are being transferred by the Corporation and CIC Seychelles to the shareholder in reliance upon the safe harbor exemption from 1933 Act registration requirements set forth in Rule 506 of Regulation D.

The undersigned shareholder represents, warrants and covenants to the Corporation and to CIC Seychelles (and acknowledges that the Corporation and CIC Seychelles are relying thereon) that:

(a) the undersigned shareholder is a U.S. Accredited Investor that satisfies one or more of the categories of U.S. Accredited Investor as indicated below (**the shareholder must initial on the appropriate line(s)**):

- \_\_\_\_\_ Category 1. A bank, as defined in Section 3(a)(2) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 2. A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 3. A broker or dealer registered pursuant to Section 15 of the United States *Securities Exchange Act of 1934*, as amended; or
- \_\_\_\_\_ Category 4. An insurance company as defined in Section 2(a)(13) of the 1933 Act; or
- \_\_\_\_\_ Category 5. An investment company registered under the United States *Investment Company Act of 1940*; or
- \_\_\_\_\_ Category 6. A business development company as defined in Section 2(a)(48) of the United States *Investment Company Act of 1940*; or
- \_\_\_\_\_ Category 7. A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States *Small Business Investment Act of 1958*; or
- \_\_\_\_\_ Category 8. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S. \$5,000,000; or
- \_\_\_\_\_ Category 9. An employee benefit plan within the meaning of the United States *Employee Retirement Income Security Act of 1974* in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S. \$5,000,000 or, if a self directed plan, with investment decisions made solely by persons who are U.S. Accredited Investors; or
- \_\_\_\_\_ Category 10. A private business development company as defined in Section 202(a)(22) of the United States *Investment Advisers Act of 1940*; or
- \_\_\_\_\_ Category 11. An organization described in Section 501(c)(3) of the United States *Internal Revenue Code*, a corporation, a Massachusetts or similar business trust, or a

partnership, not formed for the specific purpose of acquiring the shares, with total assets in excess of U.S. \$5,000,000; or

\_\_\_\_\_ Category 12. A trust, with total assets in excess of U.S. \$5,000,000, not formed for the specific purpose of acquiring the shares, whose acquisition is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the 1933 Act; or

\_\_\_\_\_ Category 13. Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds U.S. \$1,000,000 (for purposes of calculating net worth: (i) a person's primary residence shall not be included as an asset, (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the transfer of the shares, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the transfer of the shares exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability) and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the transfer of the shares shall be included as a liability); or

\_\_\_\_\_ Category 14. A natural person who had an individual income in excess of U.S. \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S. \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

\_\_\_\_\_ Category 15. An entity in which all of the equity owners are U.S. Accredited Investors.

(b) it understands that upon the transfer thereof, and until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable United States securities laws and regulations, the certificates representing the shares, and all securities issued in exchange therefor or in substitution thereof, will bear a legend in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON EXCHANGES IN CANADA.

provided, that if the shares are being sold under clause (B) above, at a time when the issuer thereof (the “issuer”) is a “foreign issuer” as defined in Rule 902 of Regulation S under the 1933 Act, the legend set

forth above may be removed by providing such evidence of exemption as the issuer or its registrar and transfer agent may from time to time prescribe (which may include an opinion satisfactory to the issuer and its registrar and transfer agent), to the effect that the sale of the shares is being made in compliance with Rule 904 of Regulation S under the 1933 Act and in compliance with any applicable state securities laws; provided further, that if any of the shares are being sold pursuant to Rule 144 of the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the issuer's registrar and transfer agent of an opinion satisfactory to the issuer and its registrar and transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act or state securities laws;

(c) it understands that none of the shares to be transferred to the shareholder have been or will be registered under the 1933 Act or under any state securities laws and, accordingly, the shares are subject to restrictions on transferability and resale, and it agrees not to offer, sell or otherwise transfer any of the shares except as permitted by paragraph (b) above and the legend included therein;

(d) it consents to the issuer making a notation on its records or giving instruction to the registrar and transfer agent of the issuer in order to implement the restrictions on transfer with respect to the shares set forth and described herein;

(e) it understands and acknowledges that the issuer has no obligation or present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the shares in the United States;

(f) it understands that (i) the issuer may be deemed to be an issuer that is, or that has been at any time previously, an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents (a "Shell Company"), (ii) if the issuer is deemed to be, or to have been at any time previously, a Shell Company, Rule 144 under the 1933 Act may not be available for resales of the shares, and (iii) the issuer is not obligated to make Rule 144 under the 1933 Act available for resales of the shares;

(g) it acknowledges that the representations, warranties and covenants contained in this certificate are made by it with the intent that they may be relied upon by the Corporation and CIC Seychelles in determining its eligibility to receive the shares. It agrees that by accepting shares it shall be representing and warranting that the representations and warranties above are true as at the time of transfer with the same force and effect as if they had been made by it at the time of transfer .

The undersigned shareholder undertakes to notify the Corporation and CIC Seychelles immediately of any change in any representation, warranty or other information relating to the undersigned set forth herein which takes place prior to the transfer of the shares.

If a Corporation, Partnership or Other Entity:

If an Individual:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Signature of person Signing



---

Print or Type Name and Title of person  
Signing



**THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Directors of the Company accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and makes no omission likely to affect the import of such information.



*(Formerly CIC Capital Limited)*

*(Continued into British Columbia, Canada with number C0986359)*

**REORGANISATION  
AND  
DISTRIBUTIONS OF SHARES**

6 November 2014

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This circular (the “Circular”) contains information concerning the proposed declaration and payment of dividends *in specie* to holders of common shares (“Shareholders”) of CIC Capital Fund Ltd. (the “Company”). The dividends to be distributed, which are in the form of shares, have not been, and will not be, registered under the United States *Securities Act of 1933* (as amended) (the “US Securities Act”), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Australia, Canada, Japan, South Africa or the Republic of Ireland. This Circular does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or acquire, any such shares.

The distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe any such restrictions.

**This Circular is for information only and no action is required by Shareholders other than those resident in Canada or the United States (“Overseas Shareholders”), or nominees who hold on behalf of such Overseas Shareholders, to whom the distributions referred to hereunder will not be made unless they return a relevant accredited investor form as attached as Appendix I, failing which any shares which would otherwise have been distributed to them will be retained and sold, and the proceeds distributed to such Overseas Shareholders.**

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Part I	Letter from the Chairman
Part II	Information about CIC Seychelles
Appendix 1	Accredited Investor Forms

## EXPECTED TIMETABLE

Completion of Reorganisation	1 December 2014
Distributions*	By 31 December 2014
Despatch of share certificates by	By 31 December 2014

\* Certain distributions will be completed before this date and are subject to company share registers being established by the Company and Computershare.

## PART I

### LETTER FROM THE CHAIRMAN OF THE COMPANY



CIC Capital Fund Ltd.  
(Formerly CIC Capital Limited (Canada))

*Head office:*

Office 802  
Office Tower of St. Regis Beijing  
No. 21 Jianguomenwai Ave.  
Chaoyang District  
Beijing 100020  
China

*Directors:*

Robert Rhodes (Chairman)  
Stuart J Bromley (CEO)  
Li JinLiang (CFO)  
Li Hongguang

6 November 2014

Dear Shareholder,

#### 1. Introduction

Following a review of the Company's investment and advisory businesses, the Board has determined that a more efficient operating structure is required for the Company's advisory business. The Company has therefore established a wholly owned subsidiary in the Republic of Seychelles, named CIC Capital Ltd. ("**CIC Seychelles**"), which is to conduct the advisory business previously conducted by the Company (the "**Reorganisation**"). A Seychelles domicile has been chosen from which to run the advisory business as CIC Seychelles will not be subject to any income tax, stamp duty and/or other duties and taxes in the Seychelles. This is guaranteed by law for a period of 20 years from the date of its incorporation.

The Company will continue to carry out its investment business and intends to make further announcements in due course.

As you are aware the Company was previously quoted on the AIM Market of the London Stock Exchange before delisting on 2 May 2014. CIC Seychelles has sought admission to the standard listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities of its common shares by way of an introduction ("**Listing**"). There will be no fundraising on Listing if and when such Listing is completed.

As the advisory business of the Company is to be conducted by CIC Seychelles, and in order to enable all Shareholders to take advantage of the proposed Listing, the Company is now demerging the advisory business by distributing by way of dividend *in specie* all of the shares it currently owns in CIC Seychelles to Shareholders on a one for one basis so that Shareholders will then own the same number of shares in CIC Seychelles as they do in the Company (the "**Seychelles Distribution**"). Details of the management of CIC Seychelles are set out in Part II.

In line with the its announcement on 2 June 2014, the Company is also distributing by way of dividend *in specie* to Shareholders on the relevant record date, shares allotted to it in certain companies ("**Client Companies**") in connection with the provision by the Company of advisory services (the "**Client Company Distributions**").

In anticipation of one of the Client Companies, CIC Gold Group Ltd, potentially listing in the future, and in order to create sufficient shares in public hands, CIC Seychelles and the Company will also be distributing by way of dividend *in specie* some of the shares in that Client Company to shareholders upon them becoming a shareholder in CIC Seychelles (the “**Free Float Distributions**”).

A similar approach is expected to be taken for future listings of other Client Companies.

This Circular explains the background to and details of the Reorganisation and the various distributions.

## **2. The Reorganisation**

Part of the Company’s business has been to provide advisory and consulting services primarily to clients in the mining sector and in the energy infrastructure sector. It has previously been engaged to work for four companies:

- CIC Gold Ltd
- CIC Fuels Ltd
- CIC Brancepeth Coal Ltd
- Sino Reserves Ltd

Under the terms of the relevant advisory agreements, shares in these companies (“**Former Client Companies**”) were allotted to the Company in lieu of fees payable on commencement of services. These shares were previously held in the Company’s books at valuations based on IFRS 10 but have since been written down.

In June this year these four contracts with the Former Client Companies were terminated and new contracts to perform the same services have been entered into between CIC Seychelles and each of the newly incorporated Client Companies being:

- CIC Gold Group Ltd (“**Gold**”)
- CIC Fuels Group Ltd (“**Fuels**”)
- CIC Coal Group Ltd (“**Coal**”)
- Sino Reserves Group Ltd (“**Sino**”)

Each of these companies has been incorporated in the Republic of Seychelles and has allotted shares of no par value to the same shareholders (including the Company) as were previously entitled to shares in the Former Client Companies, and in the same amount to which they were each entitled..

As the advisory business of the Company is therefore now being carried out by CIC Seychelles rather than the Company, any shareholdings in the Former Client Companies will cease to have any material value. It is for this reason that the previous entitlements to shares in the Former Client Companies are being replicated in the Client Companies. One of these entitlements that is being replicated is the Company’s shareholding in the Client Companies which it holds on the basis that part of the contracts with the Former Client Companies had already been performed by the Company resulting in the Company earning shares in those companies in lieu of fees.

As the Company had previously agreed to transfer some of its entitlement to shares in two Former Client Companies to third parties under pre-existing agreements, it is now procuring that those third parties are allotted the same amount of shares in Gold and Fuels. In addition, as the Company had agreed to distribute as dividends *in specie* to its Shareholders shares in all Former Client Companies, it is now making the Client Company Distributions in the same amount. The Company will continue to retain a small balance of shares in the Client Companies following these allotments and distributions.

Following the above Reorganisation CIC Seychelles will now carry on the advisory business formerly carried on by the Company. The shares held by the Company and CIC Seychelles in each of the Client Companies following the Reorganisation (but prior to the Free Float Distributions below) are set out in Part II of this Circular.

## **2. The Distributions**

Shareholders will shortly be receiving three types of distribution in connection with the Reorganisation.

### **1) Seychelles Distribution**

First, to demerge the advisory business of the Company and to enable Shareholders to carry on holding their interests in the advisory business now being carried on by CIC Seychelles, the Company will distribute by way of an *in specie* dividend to all Shareholders on its register on the record date as at the date of this Circular, the same number of shares in CIC Seychelles as they currently hold in the Company (the “**Seychelles Distribution**”).

### **2) Client Company Distributions (distribution approved prior to Company being continued as a BC company)**

Second, the Company will carry out each of the distributions previously announced of shares in each of the Client Companies to each Shareholder on its register on the record date of 6 June 2014. The terms of the distribution, as set out in the announcement of 2 June 2014, are that each Shareholder on the record date will receive an *in specie* dividend of a number of shares in the relevant Client Company that is the result of multiplying its shareholding at that date by the relevant percentage set out in the Table 1 below, depending on the time the relevant shares have been held:

**Table 1**

<b>Time held</b>	<b>Gold</b>	<b>Fuels</b>	<b>Coal</b>	<b>Sino</b>
2 years or more	5%	2%	5%	2%
1 year or less	2%	1%	2%	1%
<b>Total shares distributed</b>	<b>3,029,118</b>	<b>1,514,559</b>	<b>3,029,118</b>	<b>1,514,559</b>

Directors of the Company will be asked to waive their right to participate in the Client Company Distributions.

### **3) Free Float Distributions of shares in Gold**

There will be two such distributions. The first will be carried out by CIC Seychelles which will distribute twenty million (20,000,000) shares it owns in Gold to all of its shareholders on the register immediately following the Seychelles Distribution. Shareholders in CIC Seychelles will receive their pro rata share of such distribution based on their shareholding percentage in CIC Seychelles (which will be equivalent to their shareholding percentage in the Company).

The second of these distributions will be made shortly before a listing of Gold from shares which would then be held by the Company arising on conversion of certain convertible loans. The Company announced on the 2 October 2014 two unsecured, interest free convertible loans to Gold of £300,000 and £1,425,000 respectively. These loans are convertible into common shares in Gold prior to its admission to listing on the Main Market of the London Stock Exchange. The conversion price is at six (6) UK pence per share resulting in the issue of 28,750,000 shares in Gold. The Directors have determined that these shares will be distributed by the Company on conversion of the loans to its shareholders on the register immediately following the Seychelles Distribution. Shareholders in the Company will receive their pro rata share of such distribution based on their shareholding percentage in the Company. Directors of the Company will be asked to waive their right to participate in this share distribution.

## **3. The Common Shares**

Each common share of CIC Seychelles will have no par value and be denominated in Sterling. Each common share of each of the other Client Companies will also have no par value and be denominated in Sterling.

All shares being distributed will be evidenced by share certificates which will be posted to Shareholders by the Company and CIC Seychelles or their registrar, Computershare.

## **4. US and Canadian Shareholders**

The Company and CIC Seychelles have been advised that they may be in breach of certain securities laws if they were to make the share distributions to shareholders in the US and Canada without evidence of the availability of registration and prospectus exemptions, respectively. For that reason, any such distributions will only be made to US or Canadian Shareholders who return the appropriate accredited investor form as set out in Appendix 1. If no such

form is received by the Company or CIC Seychelles it will retain the relevant shares, sell them at a time the Directors deem appropriate and remit the net proceeds to the relevant shareholder.

Intermediary shareholders receiving this Circular who hold shares in the Company or are entitled to shares in CIC Seychelles on behalf of US or Canadian beneficial shareholders should advise the Company or CIC Seychelles as soon as possible if any of the beneficial shareholders for whom they hold such shares are resident in the US or Canada. Any such beneficial shareholders should return the relevant accredited investor form before the relevant shares are transferred for the benefit of such beneficial shareholders, or the relevant shares, if transferred to intermediary shareholders without an intermediary shareholder having received evidence of exemption from a beneficial shareholder, must be transferred back to the Company or CIC Seychelles in order for it to sell such shares and remit the net proceeds to the beneficial shareholder.

## **5. Taxation**

You should be aware that these transactions may have tax consequences in your own jurisdiction and anywhere else you are liable to pay tax. You are encouraged to seek tax advice your professional advisers on the ramification of the various distributions.

## **6. Timing**

Please refer to the expected timetable on page 2.

Yours sincerely,

Robert Rhodes  
*Chairman*



## PART II

### INFORMATION ABOUT CIC SEYCHELLES

#### Shareholdings

The expected equity interests in the Client Companies following the Reorganisation (but prior to the Free Float Distributions) are stated in the table below.

	CIC Seychelles	Percentage	CIC Canada	Percentage
CIC Gold Group Limited	55,840,000	53.9	2,250,882	2.2
CIC Fuels Group Limited	25,500,000	73.9	2,485,441	7.2
Sino Reserves Group Limited	16,500,000	75	3,985,441	18.1
CIC Coal Group Limited	60,000,000	93.8	970,882	1.5

#### Directors of CIC Seychelles

The following table lists the names, positions and ages of the Directors of CIC Seychelles and the year they were appointed:

Name	Age	Position	Appointment
Robert Leslie Rhodes	56	Non-Executive Director / Chairman	2014
Stuart J. Bromley	53	Executive Director / Chief Executive Officer	2013
Li Hongguang	48	Non-Executive Director	2014
Li Jinliang	49	Executive Director / Chief Financial Officer	2014
Luke Webster	36	Non-Executive Director	2014

#### ***Robert Leslie Rhodes (Non-Executive Chairman)***

Mr. Rhodes has worked within the quarrying/mining and construction industry in Australia for the past 29 years. Since January 2013 Mr. Rhodes has been the General Manager of Transmin Pty Ltd, a privately owned West Australian manufacturer and international supplier of mining and materials handling equipment. Prior to his current appointment Mr. Rhodes held senior management roles with BIS Industries, and international professional services consultancy Coffey International Limited. Mr. Rhodes has worked with many of the major national and international mining and construction companies that operate in Australia. For the five year period from 2006 - 2011 Mr. Rhodes was the Regional General Manager for Komatsu Australia Pty Ltd.

After graduating from Curtin University in 1979 with a Bachelor of Applied Science Degree, Mr. Rhodes spent six years working as an agriculture research scientist. In 1985 Mr. Rhodes joined Boral Quarries Ltd which was the beginning of his career in the quarrying/mining and construction industry. Within this industry he has held roles responsible for marketing, contracts, operations, human resources, regional and general management.

Mr. Rhodes is a Fellow of the Australian Institute of Quarrying and a member of the West Australian Mining Club.

Mr. Rhodes provides the CIC Seychelles with advice and guidance with regards to developing international mining operations and will sit on the company's Audit Committee and Compensation Committee.

#### ***Stuart J. Bromley (Executive Director/Chief Executive Officer)***

Mr. Bromley is an executive Director and Chief Executive Officer of CIC Seychelles. Mr. Bromley oversees the company's strategy and commercialisation of its projects. He is also responsible for financing and evaluation of investments and divestment opportunities. Mr. Bromley is a key member of the Board bringing in significant investment opportunities for the company through his international relationship base.

Mr. Bromley was born in South Africa (Witbank coal fields) and is the seventh generation of his family to be involved in the mining industry. Mr. Bromley, who is qualified in both Civil and Process Mechanical Engineering, worked in Australia as an engineer until 1982, following which he worked with major Japanese corporations during

the rapid advancement of industrial electronics in the mid-1980s. In 1989, he established an advisory firm providing international expertise in the areas of international marketing, strategic management and corporate restructuring for organizations in Japan, Russia, Central Asia, Europe and North America. Mr. Bromley has been a negotiator and strategist for Fortune 500 corporations. Through many years of experience Mr. Bromley has gained experience in legal matters in numerous jurisdictions, public company listing and compliance in Canada, US, Asia and UK, company financings and complex merger transactions. Mr. Bromley is Executive Director of the Company, Tanshan Smelter Group Limited and Co-Chairman of each of the Former Client Companies and each of the Client Companies.

Mr. Bromley is the Secretariat for the PR China Investment Council, and was appointed as Investment Attaché by the Mongolian Government Cabinet between 2002 and 2004.

***Li Hongguang (Non-Executive Director)***

Mr. Li is an Attorney at Law in PRC, having graduated from the Northwestern Polytechnic University in the PRC in 1989 and from the China University of Political Science and Law in 1991. Mr. Li acted for the Ministry of Geology and Mineral Resources, China from 1991 to 1998.

In 1993, Mr. Li, in the capacity of visiting scholar, conducted comparison research on Western mining law at the Law School of Boston University, USA. in 1996.

Mr. Li was instrumental in drafting the new Mineral Law of PRC. Mr. Li was appointed as a director of Headman Consultants in August 1998 and has been providing legal consulting to many international mining companies.

Mr. Li provides guidance to CIC Seychelles on mining issues and mining industry relationships within China.

***Luke Webster (Non-Executive Director)***

Luke is an experienced solicitor and corporate finance professional with extensive experience of working in China. Luke qualified as a solicitor in 2004 with Nabarro Nathanson before moving into corporate finance with Oriel Securities.

In 2009 Luke joined the London Stock Exchange as a senior member of AIM regulation which was then responsible for the regulation of 1,600 quoted companies and 70 nominated advisers. Luke has since worked in China executing deals across various sectors including resources, financial services and technology. Luke currently holds the CF2 controlled function from the FCA as a non-executive director of Beaufort Securities Limited.

***Li Jinliang (Non-Executive Director/Chief Financial Officer)***

Mr. Li is a member of Association of Chartered Accountants UK (ACCA) and a Certified Enterprise Risk Manager in Asia. Mr. Li graduated in 1987 from the Renmin University China with a degree in Accounting. In 1988 he also gained a master's degree in Business Administration in Financial Services from the University of East London. Mr. Li served as the General Supervisor of the Financial and Investment Centre of Hopson Group Limited (listed on the main board of the Hong Kong Stock Exchange), the general supervisor of the Department of International Finance of China Oilfield Technology (listed on the main board of the Singapore Stock Exchange), the Chief Financial Officer of European Food Trading (UK) Co. Ltd., and the director of the financial department of the Engineering and Technology Research Institute of China National Petroleum Corporation (CNPC).

Mr. Li assisted in the listing of China Oilfield Technology in Singapore. He has extensive experience of international capital markets, company IPOs, the listing regulations and laws of Hong Kong and Singapore, international accounting principles and company management. Mr. Li has studied and worked in the field of accounting and senior financial management in the UK for eight years. He has a good understanding of commercial law and the accounting principles and taxation policies in the UK. Mr. Li will sit on the Audit Committee and Remuneration Committee of CIC Seychelles.

## Appendix 1 Accredited Investor Forms

### 1. CANADIAN ACCREDITED INVESTOR CERTIFICATE

TO: CIC Capital Fund Ltd. (the “Corporation”)

AND TO: CIC Capital Ltd. (Seychelles) (“CIC Seychelles”)

The undersigned, a Canadian resident shareholder of the Corporation hereby represents, warrants and certifies to the Corporation and CIC Seychelles that the undersigned is an “Accredited Investor” as defined in subsection 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* (“NI 45-106”). The undersigned has indicated below the categories which the undersigned satisfies in order to qualify as an “Accredited Investor”.

The undersigned understands that the Corporation, CIC Seychelles and their respective counsel are relying upon this information in determining to transfer certain shares to the undersigned in a manner exempt from the prospectus requirements of applicable securities laws.

The undersigned represents, warrants and certifies that it, he or she is: ***[initial or place a checkmark above the line to the left of each applicable item]***

- \_\_\_\_\_ (a) a Canadian financial institution, or a Schedule III of the *Bank Act* (Canada);
- \_\_\_\_\_ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- \_\_\_\_\_ (c) a subsidiary of any person referred to in paragraphs (a) to (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- \_\_\_\_\_ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- \_\_\_\_\_ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- \_\_\_\_\_ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- \_\_\_\_\_ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec;
- \_\_\_\_\_ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- \_\_\_\_\_ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;

- \_\_\_\_\_ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
- \_\_\_\_\_ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- \_\_\_\_\_ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- \_\_\_\_\_ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;
- \_\_\_\_\_ (n) an investment fund that distributes or has distributed its securities only to:
  - (i) a person that is or was an accredited investor at the time of the distribution,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 *Minimum amount investment*, or 2.19 *Additional investment in investment funds* of NI 45-106; or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 *Investment fund reinvestment* of NI 45-106;
- \_\_\_\_\_ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
- \_\_\_\_\_ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully-managed account managed by the trust company or trust corporation, as the case may be;
- \_\_\_\_\_ (q) a person acting on behalf of a fully-managed account managed by that person, if that person:
  - (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction; and
  - (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
- \_\_\_\_\_ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- \_\_\_\_\_ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) through (d) or paragraph (i) in form and function;
- \_\_\_\_\_ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- \_\_\_\_\_ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or

\_\_\_\_\_ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor.

The undersigned shareholder has executed this certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

If a trust, partnership or other entity:

If an individual:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Name of Individual

\_\_\_\_\_  
Signature of person Signing

\_\_\_\_\_  
Title of person Signing

As used in this Certificate, the following terms have the following meanings:

An issuer is an “**affiliate**” of another issuer if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person;

“Canadian financial institution” means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

“**control person**” has the meaning ascribed to that term in securities legislation except in Ontario, Québec and Nova Scotia where “control person” means any person that holds or is one of a combination of persons that holds:

- (a) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
- (b) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;

“eligibility adviser” means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:

- (i) have a professional business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons, and
- (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

“**financial assets**” means cash, securities, or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“**foreign jurisdiction**” means a country other than Canada or a political subdivision of a country other than Canada;

“**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

“**investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure* and means a mutual fund or a non-redeemable investment fund;

“**jurisdiction**” means a province or territory of Canada except when used in the term foreign jurisdiction;

“**local jurisdiction**” means the jurisdiction in which the Canadian securities regulatory authority is situated;

“**non-redeemable investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure* and means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders;
- (b) that does not invest;
  - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
  - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
- (c) that is not a mutual fund;

“**regulator**” means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;

“related liabilities” means:

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
- (b) liabilities that are secured by financial assets;

“**securities legislation**” means securities legislation as such term is defined in National Instrument 14-101 *Definitions*;

“**spouse**” means, an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;

- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and

“**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

**Calculation of shareholder’s net assets:** To calculate a shareholder’s net assets under paragraphs (l) and (m) of the “Accredited Investor” definition, subtract the shareholder’s total liabilities from the shareholder’s total assets. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the trade.

2. U.S. ACCREDITED INVESTOR CERTIFICATE

TO: CIC Capital Fund Ltd (the “Corporation”)

AND TO: CIC Capital Ltd. (“CIC Seychelles”)

The undersigned United States resident shareholder of the Corporation understands and agrees that the shares to be distributed to it have not been and will not be registered under the 1933 Act, or applicable state securities laws, and the shares are being transferred by the Corporation and CIC Seychelles to the shareholder in reliance upon the safe harbor exemption from 1933 Act registration requirements set forth in Rule 506 of Regulation D.

The undersigned shareholder represents, warrants and covenants to the Corporation and to CIC Seychelles (and acknowledges that the Corporation and CIC Seychelles are relying thereon) that:

(a) the undersigned shareholder is a U.S. Accredited Investor that satisfies one or more of the categories of U.S. Accredited Investor as indicated below (**the shareholder must initial on the appropriate line(s)**):

- \_\_\_\_\_ Category 1. A bank, as defined in Section 3(a)(2) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 2. A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 3. A broker or dealer registered pursuant to Section 15 of the United States *Securities Exchange Act of 1934*, as amended; or
- \_\_\_\_\_ Category 4. An insurance company as defined in Section 2(a)(13) of the 1933 Act; or
- \_\_\_\_\_ Category 5. An investment company registered under the United States *Investment Company Act of 1940*; or
- \_\_\_\_\_ Category 6. A business development company as defined in Section 2(a)(48) of the United States *Investment Company Act of 1940*; or
- \_\_\_\_\_ Category 7. A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States *Small Business Investment Act of 1958*; or
- \_\_\_\_\_ Category 8. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S. \$5,000,000; or
- \_\_\_\_\_ Category 9. An employee benefit plan within the meaning of the United States *Employee Retirement Income Security Act of 1974* in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S. \$5,000,000 or, if a self directed plan, with investment decisions made solely by persons who are U.S. Accredited Investors; or
- \_\_\_\_\_ Category 10. A private business development company as defined in Section 202(a)(22) of the United States *Investment Advisers Act of 1940*; or
- \_\_\_\_\_ Category 11. An organization described in Section 501(c)(3) of the United States *Internal Revenue Code*, a corporation, a Massachusetts or similar business trust, or a



partnership, not formed for the specific purpose of acquiring the shares, with total assets in excess of U.S. \$5,000,000; or

\_\_\_\_\_ Category 12. A trust, with total assets in excess of U.S. \$5,000,000, not formed for the specific purpose of acquiring the shares, whose acquisition is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the 1933 Act; or

\_\_\_\_\_ Category 13. Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds U.S. \$1,000,000 (for purposes of calculating net worth: (i) a person's primary residence shall not be included as an asset, (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the transfer of the shares, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the transfer of the shares exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability) and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the transfer of the shares shall be included as a liability); or

\_\_\_\_\_ Category 14. A natural person who had an individual income in excess of U.S. \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S. \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

\_\_\_\_\_ Category 15. An entity in which all of the equity owners are U.S. Accredited Investors.

(b) it understands that upon the transfer thereof, and until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable United States securities laws and regulations, the certificates representing the shares, and all securities issued in exchange therefor or in substitution thereof, will bear a legend in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON EXCHANGES IN CANADA.

provided, that if the shares are being sold under clause (B) above, at a time when the issuer thereof (the “issuer”) is a “foreign issuer” as defined in Rule 902 of Regulation S under the 1933 Act, the legend set

forth above may be removed by providing such evidence of exemption as the issuer or its registrar and transfer agent may from time to time prescribe (which may include an opinion satisfactory to the issuer and its registrar and transfer agent), to the effect that the sale of the shares is being made in compliance with Rule 904 of Regulation S under the 1933 Act and in compliance with any applicable state securities laws; provided further, that if any of the shares are being sold pursuant to Rule 144 of the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the issuer's registrar and transfer agent of an opinion satisfactory to the issuer and its registrar and transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act or state securities laws;

(c) it understands that none of the shares to be transferred to the shareholder have been or will be registered under the 1933 Act or under any state securities laws and, accordingly, the shares are subject to restrictions on transferability and resale, and it agrees not to offer, sell or otherwise transfer any of the shares except as permitted by paragraph (b) above and the legend included therein;

(d) it consents to the issuer making a notation on its records or giving instruction to the registrar and transfer agent of the issuer in order to implement the restrictions on transfer with respect to the shares set forth and described herein;

(e) it understands and acknowledges that the issuer has no obligation or present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the shares in the United States;

(f) it understands that (i) the issuer may be deemed to be an issuer that is, or that has been at any time previously, an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents (a "Shell Company"), (ii) if the issuer is deemed to be, or to have been at any time previously, a Shell Company, Rule 144 under the 1933 Act may not be available for resales of the shares, and (iii) the issuer is not obligated to make Rule 144 under the 1933 Act available for resales of the shares;

(g) it acknowledges that the representations, warranties and covenants contained in this certificate are made by it with the intent that they may be relied upon by the Corporation and CIC Seychelles in determining its eligibility to receive the shares. It agrees that by accepting shares it shall be representing and warranting that the representations and warranties above are true as at the time of transfer with the same force and effect as if they had been made by it at the time of transfer .

The undersigned shareholder undertakes to notify the Corporation and CIC Seychelles immediately of any change in any representation, warranty or other information relating to the undersigned set forth herein which takes place prior to the transfer of the shares.

If a Corporation, Partnership or Other Entity:

If an Individual:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Signature of person Signing

---

Print or Type Name and Title of person  
Signing



**THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Directors of the Company accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and makes no omission likely to affect the import of such information.



*(Formerly CIC Capital Limited)*

*(Continued into British Columbia, Canada with number C0986359)*

**REORGANISATION  
AND  
DISTRIBUTIONS OF SHARES**

6 November 2014

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This circular (the “Circular”) contains information concerning the proposed declaration and payment of dividends *in specie* to holders of common shares (“Shareholders”) of CIC Capital Fund Ltd. (the “Company”). The dividends to be distributed, which are in the form of shares, have not been, and will not be, registered under the United States *Securities Act of 1933* (as amended) (the “US Securities Act”), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Australia, Canada, Japan, South Africa or the Republic of Ireland. This Circular does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or acquire, any such shares.

The distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe any such restrictions.

**This Circular is for information only and no action is required by Shareholders other than those resident in Canada or the United States (“Overseas Shareholders”), or nominees who hold on behalf of such Overseas Shareholders, to whom the distributions referred to hereunder will not be made unless they return a relevant accredited investor form as attached as Appendix I, failing which any shares which would otherwise have been distributed to them will be retained and sold, and the proceeds distributed to such Overseas Shareholders.**

## CONTENTS

Part I	Letter from the Chairman
Part II	Information about CIC Seychelles
Appendix 1	Accredited Investor Forms

## EXPECTED TIMETABLE

Completion of Reorganisation	1 December 2014
Distributions*	By 31 December 2014
Despatch of share certificates by	By 31 December 2014

\* Certain distributions will be completed before this date and are subject to company share registers being established by the Company and Computershare.

## PART I

### LETTER FROM THE CHAIRMAN OF THE COMPANY



CIC Capital Fund Ltd.  
(Formerly CIC Capital Limited (Canada))

*Head office:*

Office 802  
Office Tower of St. Regis Beijing  
No. 21 Jianguomenwai Ave.  
Chaoyang District  
Beijing 100020  
China

*Directors:*

Robert Rhodes (Chairman)  
Stuart J Bromley (CEO)  
Li JinLiang (CFO)  
Li Hongguang

6 November 2014

Dear Shareholder,

#### 1. Introduction

Following a review of the Company's investment and advisory businesses, the Board has determined that a more efficient operating structure is required for the Company's advisory business. The Company has therefore established a wholly owned subsidiary in the Republic of Seychelles, named CIC Capital Ltd. ("**CIC Seychelles**"), which is to conduct the advisory business previously conducted by the Company (the "**Reorganisation**"). A Seychelles domicile has been chosen from which to run the advisory business as CIC Seychelles will not be subject to any income tax, stamp duty and/or other duties and taxes in the Seychelles. This is guaranteed by law for a period of 20 years from the date of its incorporation.

The Company will continue to carry out its investment business and intends to make further announcements in due course.

As you are aware the Company was previously quoted on the AIM Market of the London Stock Exchange before delisting on 2 May 2014. CIC Seychelles has sought admission to the standard listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities of its common shares by way of an introduction ("**Listing**"). There will be no fundraising on Listing if and when such Listing is completed.

As the advisory business of the Company is to be conducted by CIC Seychelles, and in order to enable all Shareholders to take advantage of the proposed Listing, the Company is now demerging the advisory business by distributing by way of dividend *in specie* all of the shares it currently owns in CIC Seychelles to Shareholders on a one for one basis so that Shareholders will then own the same number of shares in CIC Seychelles as they do in the Company (the "**Seychelles Distribution**"). Details of the management of CIC Seychelles are set out in Part II.

In line with the its announcement on 2 June 2014, the Company is also distributing by way of dividend *in specie* to Shareholders on the relevant record date, shares allotted to it in certain companies ("**Client Companies**") in connection with the provision by the Company of advisory services (the "**Client Company Distributions**").

In anticipation of one of the Client Companies, CIC Gold Group Ltd, potentially listing in the future, and in order to create sufficient shares in public hands, CIC Seychelles and the Company will also be distributing by way of dividend *in specie* some of the shares in that Client Company to shareholders upon them becoming a shareholder in CIC Seychelles (the “**Free Float Distributions**”).

A similar approach is expected to be taken for future listings of other Client Companies.

This Circular explains the background to and details of the Reorganisation and the various distributions.

## 2. The Reorganisation

Part of the Company’s business has been to provide advisory and consulting services primarily to clients in the mining sector and in the energy infrastructure sector. It has previously been engaged to work for four companies:

- CIC Gold Ltd
- CIC Fuels Ltd
- CIC Brancepeth Coal Ltd
- Sino Reserves Ltd

Under the terms of the relevant advisory agreements, shares in these companies (“**Former Client Companies**”) were allotted to the Company in lieu of fees payable on commencement of services. These shares were previously held in the Company’s books at valuations based on IFRS 10 but have since been written down.

In June this year these four contracts with the Former Client Companies were terminated and new contracts to perform the same services have been entered into between CIC Seychelles and each of the newly incorporated Client Companies being:

- CIC Gold Group Ltd (“**Gold**”)
- CIC Fuels Group Ltd (“**Fuels**”)
- CIC Coal Group Ltd (“**Coal**”)
- Sino Reserves Group Ltd (“**Sino**”)

Each of these companies has been incorporated in the Republic of Seychelles and has allotted shares of no par value to the same shareholders (including the Company) as were previously entitled to shares in the Former Client Companies, and in the same amount to which they were each entitled..

As the advisory business of the Company is therefore now being carried out by CIC Seychelles rather than the Company, any shareholdings in the Former Client Companies will cease to have any material value. It is for this reason that the previous entitlements to shares in the Former Client Companies are being replicated in the Client Companies. One of these entitlements that is being replicated is the Company’s shareholding in the Client Companies which it holds on the basis that part of the contracts with the Former Client Companies had already been performed by the Company resulting in the Company earning shares in those companies in lieu of fees.

As the Company had previously agreed to transfer some of its entitlement to shares in two Former Client Companies to third parties under pre-existing agreements, it is now procuring that those third parties are allotted the same amount of shares in Gold and Fuels. In addition, as the Company had agreed to distribute as dividends *in specie* to its Shareholders shares in all Former Client Companies, it is now making the Client Company Distributions in the same amount. The Company will continue to retain a small balance of shares in the Client Companies following these allotments and distributions.

Following the above Reorganisation CIC Seychelles will now carry on the advisory business formerly carried on by the Company. The shares held by the Company and CIC Seychelles in each of the Client Companies following the Reorganisation (but prior to the Free Float Distributions below) are set out in Part II of this Circular.

## 2. The Distributions

Shareholders will shortly be receiving three types of distribution in connection with the Reorganisation.



### **1) Seychelles Distribution**

First, to demerge the advisory business of the Company and to enable Shareholders to carry on holding their interests in the advisory business now being carried on by CIC Seychelles, the Company will distribute by way of an *in specie* dividend to all Shareholders on its register on the record date as at the date of this Circular, the same number of shares in CIC Seychelles as they currently hold in the Company (the “**Seychelles Distribution**”).

### **2) Client Company Distributions (distribution approved prior to Company being continued as a BC company)**

Second, the Company will carry out each of the distributions previously announced of shares in each of the Client Companies to each Shareholder on its register on the record date of 6 June 2014. The terms of the distribution, as set out in the announcement of 2 June 2014, are that each Shareholder on the record date will receive an *in specie* dividend of a number of shares in the relevant Client Company that is the result of multiplying its shareholding at that date by the relevant percentage set out in the Table 1 below, depending on the time the relevant shares have been held:

**Table 1**

<b>Time held</b>	<b>Gold</b>	<b>Fuels</b>	<b>Coal</b>	<b>Sino</b>
2 years or more	5%	2%	5%	2%
1 year or less	2%	1%	2%	1%
<b>Total shares distributed</b>	<b>3,029,118</b>	<b>1,514,559</b>	<b>3,029,118</b>	<b>1,514,559</b>

Directors of the Company will be asked to waive their right to participate in the Client Company Distributions.

### **3) Free Float Distributions of shares in Gold**

There will be two such distributions. The first will be carried out by CIC Seychelles which will distribute twenty million (20,000,000) shares it owns in Gold to all of its shareholders on the register immediately following the Seychelles Distribution. Shareholders in CIC Seychelles will receive their pro rata share of such distribution based on their shareholding percentage in CIC Seychelles (which will be equivalent to their shareholding percentage in the Company).

The second of these distributions will be made shortly before a listing of Gold from shares which would then be held by the Company arising on conversion of certain convertible loans. The Company announced on the 2 October 2014 two unsecured, interest free convertible loans to Gold of £300,000 and £1,425,000 respectively. These loans are convertible into common shares in Gold prior to its admission to listing on the Main Market of the London Stock Exchange. The conversion price is at six (6) UK pence per share resulting in the issue of 28,750,000 shares in Gold. The Directors have determined that these shares will be distributed by the Company on conversion of the loans to its shareholders on the register immediately following the Seychelles Distribution. Shareholders in the Company will receive their pro rata share of such distribution based on their shareholding percentage in the Company. Directors of the Company will be asked to waive their right to participate in this share distribution.

## **3. The Common Shares**

Each common share of CIC Seychelles will have no par value and be denominated in Sterling. Each common share of each of the other Client Companies will also have no par value and be denominated in Sterling.

All shares being distributed will be evidenced by share certificates which will be posted to Shareholders by the Company and CIC Seychelles or their registrar, Computershare.

## **4. US and Canadian Shareholders**

The Company and CIC Seychelles have been advised that they may be in breach of certain securities laws if they were to make the share distributions to shareholders in the US and Canada without evidence of the availability of registration and prospectus exemptions, respectively. For that reason, any such distributions will only be made to US or Canadian Shareholders who return the appropriate accredited investor form as set out in Appendix 1. If no such

form is received by the Company or CIC Seychelles it will retain the relevant shares, sell them at a time the Directors deem appropriate and remit the net proceeds to the relevant shareholder.

Intermediary shareholders receiving this Circular who hold shares in the Company or are entitled to shares in CIC Seychelles on behalf of US or Canadian beneficial shareholders should advise the Company or CIC Seychelles as soon as possible if any of the beneficial shareholders for whom they hold such shares are resident in the US or Canada. Any such beneficial shareholders should return the relevant accredited investor form before the relevant shares are transferred for the benefit of such beneficial shareholders, or the relevant shares, if transferred to intermediary shareholders without an intermediary shareholder having received evidence of exemption from a beneficial shareholder, must be transferred back to the Company or CIC Seychelles in order for it to sell such shares and remit the net proceeds to the beneficial shareholder.

## **5. Taxation**

You should be aware that these transactions may have tax consequences in your own jurisdiction and anywhere else you are liable to pay tax. You are encouraged to seek tax advice your professional advisers on the ramification of the various distributions.

## **6. Timing**

Please refer to the expected timetable on page 2.

Yours sincerely,

Robert Rhodes  
*Chairman*

## PART II

### INFORMATION ABOUT CIC SEYCHELLES

#### Shareholdings

The expected equity interests in the Client Companies following the Reorganisation (but prior to the Free Float Distributions) are stated in the table below.

	CIC Seychelles	Percentage	CIC Canada	Percentage
CIC Gold Group Limited	55,840,000	53.9	2,250,882	2.2
CIC Fuels Group Limited	25,500,000	73.9	2,485,441	7.2
Sino Reserves Group Limited	16,500,000	75	3,985,441	18.1
CIC Coal Group Limited	60,000,000	93.8	970,882	1.5

#### Directors of CIC Seychelles

The following table lists the names, positions and ages of the Directors of CIC Seychelles and the year they were appointed:

Name	Age	Position	Appointment
Robert Leslie Rhodes	56	Non-Executive Director / Chairman	2014
Stuart J. Bromley	53	Executive Director / Chief Executive Officer	2013
Li Hongguang	48	Non-Executive Director	2014
Li Jinliang	49	Executive Director / Chief Financial Officer	2014
Luke Webster	36	Non-Executive Director	2014

#### ***Robert Leslie Rhodes (Non-Executive Chairman)***

Mr. Rhodes has worked within the quarrying/mining and construction industry in Australia for the past 29 years. Since January 2013 Mr. Rhodes has been the General Manager of Transmin Pty Ltd, a privately owned West Australian manufacturer and international supplier of mining and materials handling equipment. Prior to his current appointment Mr. Rhodes held senior management roles with BIS Industries, and international professional services consultancy Coffey International Limited. Mr. Rhodes has worked with many of the major national and international mining and construction companies that operate in Australia. For the five year period from 2006 - 2011 Mr. Rhodes was the Regional General Manager for Komatsu Australia Pty Ltd.

After graduating from Curtin University in 1979 with a Bachelor of Applied Science Degree, Mr. Rhodes spent six years working as an agriculture research scientist. In 1985 Mr. Rhodes joined Boral Quarries Ltd which was the beginning of his career in the quarrying/mining and construction industry. Within this industry he has held roles responsible for marketing, contracts, operations, human resources, regional and general management.

Mr. Rhodes is a Fellow of the Australian Institute of Quarrying and a member of the West Australian Mining Club.

Mr. Rhodes provides the CIC Seychelles with advice and guidance with regards to developing international mining operations and will sit on the company's Audit Committee and Compensation Committee.

#### ***Stuart J. Bromley (Executive Director/Chief Executive Officer)***

Mr. Bromley is an executive Director and Chief Executive Officer of CIC Seychelles. Mr. Bromley oversees the company's strategy and commercialisation of its projects. He is also responsible for financing and evaluation of investments and divestment opportunities. Mr. Bromley is a key member of the Board bringing in significant investment opportunities for the company through his international relationship base.

Mr. Bromley was born in South Africa (Witbank coal fields) and is the seventh generation of his family to be involved in the mining industry. Mr. Bromley, who is qualified in both Civil and Process Mechanical Engineering, worked in Australia as an engineer until 1982, following which he worked with major Japanese corporations during

the rapid advancement of industrial electronics in the mid-1980s. In 1989, he established an advisory firm providing international expertise in the areas of international marketing, strategic management and corporate restructuring for organizations in Japan, Russia, Central Asia, Europe and North America. Mr. Bromley has been a negotiator and strategist for Fortune 500 corporations. Through many years of experience Mr. Bromley has gained experience in legal matters in numerous jurisdictions, public company listing and compliance in Canada, US, Asia and UK, company financings and complex merger transactions. Mr. Bromley is Executive Director of the Company, Tanshan Smelter Group Limited and Co-Chairman of each of the Former Client Companies and each of the Client Companies.

Mr. Bromley is the Secretariat for the PR China Investment Council, and was appointed as Investment Attaché by the Mongolian Government Cabinet between 2002 and 2004.

***Li Hongguang (Non-Executive Director)***

Mr. Li is an Attorney at Law in PRC, having graduated from the Northwestern Polytechnic University in the PRC in 1989 and from the China University of Political Science and Law in 1991. Mr. Li acted for the Ministry of Geology and Mineral Resources, China from 1991 to 1998.

In 1993, Mr. Li, in the capacity of visiting scholar, conducted comparison research on Western mining law at the Law School of Boston University, USA. in 1996.

Mr. Li was instrumental in drafting the new Mineral Law of PRC. Mr. Li was appointed as a director of Headman Consultants in August 1998 and has been providing legal consulting to many international mining companies.

Mr. Li provides guidance to CIC Seychelles on mining issues and mining industry relationships within China.

***Luke Webster (Non-Executive Director)***

Luke is an experienced solicitor and corporate finance professional with extensive experience of working in China. Luke qualified as a solicitor in 2004 with Nabarro Nathanson before moving into corporate finance with Oriel Securities.

In 2009 Luke joined the London Stock Exchange as a senior member of AIM regulation which was then responsible for the regulation of 1,600 quoted companies and 70 nominated advisers. Luke has since worked in China executing deals across various sectors including resources, financial services and technology. Luke currently holds the CF2 controlled function from the FCA as a non-executive director of Beaufort Securities Limited.

***Li Jinliang (Non-Executive Director/Chief Financial Officer)***

Mr. Li is a member of Association of Chartered Accountants UK (ACCA) and a Certified Enterprise Risk Manager in Asia. Mr. Li graduated in 1987 from the Renmin University China with a degree in Accounting. In 1988 he also gained a master's degree in Business Administration in Financial Services from the University of East London. Mr. Li served as the General Supervisor of the Financial and Investment Centre of Hopson Group Limited (listed on the main board of the Hong Kong Stock Exchange), the general supervisor of the Department of International Finance of China Oilfield Technology (listed on the main board of the Singapore Stock Exchange), the Chief Financial Officer of European Food Trading (UK) Co. Ltd., and the director of the financial department of the Engineering and Technology Research Institute of China National Petroleum Corporation (CNPC).

Mr. Li assisted in the listing of China Oilfield Technology in Singapore. He has extensive experience of international capital markets, company IPOs, the listing regulations and laws of Hong Kong and Singapore, international accounting principles and company management. Mr. Li has studied and worked in the field of accounting and senior financial management in the UK for eight years. He has a good understanding of commercial law and the accounting principles and taxation policies in the UK. Mr. Li will sit on the Audit Committee and Remuneration Committee of CIC Seychelles.

## Appendix 1 Accredited Investor Forms

### 1. CANADIAN ACCREDITED INVESTOR CERTIFICATE

TO: CIC Capital Fund Ltd. (the “Corporation”)

AND TO: CIC Capital Ltd. (Seychelles) (“CIC Seychelles”)

The undersigned, a Canadian resident shareholder of the Corporation hereby represents, warrants and certifies to the Corporation and CIC Seychelles that the undersigned is an “Accredited Investor” as defined in subsection 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* (“NI 45-106”). The undersigned has indicated below the categories which the undersigned satisfies in order to qualify as an “Accredited Investor”.

The undersigned understands that the Corporation, CIC Seychelles and their respective counsel are relying upon this information in determining to transfer certain shares to the undersigned in a manner exempt from the prospectus requirements of applicable securities laws.

The undersigned represents, warrants and certifies that it, he or she is: ***[initial or place a checkmark above the line to the left of each applicable item]***

- \_\_\_\_\_ (a) a Canadian financial institution, or a Schedule III of the *Bank Act* (Canada);
- \_\_\_\_\_ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- \_\_\_\_\_ (c) a subsidiary of any person referred to in paragraphs (a) to (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- \_\_\_\_\_ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- \_\_\_\_\_ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- \_\_\_\_\_ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- \_\_\_\_\_ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec;
- \_\_\_\_\_ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- \_\_\_\_\_ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;

- \_\_\_\_\_ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
- \_\_\_\_\_ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- \_\_\_\_\_ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- \_\_\_\_\_ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;
- \_\_\_\_\_ (n) an investment fund that distributes or has distributed its securities only to:
  - (i) a person that is or was an accredited investor at the time of the distribution,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 *Minimum amount investment*, or 2.19 *Additional investment in investment funds* of NI 45-106; or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 *Investment fund reinvestment* of NI 45-106;
- \_\_\_\_\_ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
- \_\_\_\_\_ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully-managed account managed by the trust company or trust corporation, as the case may be;
- \_\_\_\_\_ (q) a person acting on behalf of a fully-managed account managed by that person, if that person:
  - (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction; and
  - (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
- \_\_\_\_\_ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- \_\_\_\_\_ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) through (d) or paragraph (i) in form and function;
- \_\_\_\_\_ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- \_\_\_\_\_ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or

\_\_\_\_\_ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor.

The undersigned shareholder has executed this certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

If a trust, partnership or other entity:

If an individual:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Name of Individual

\_\_\_\_\_  
Signature of person Signing

\_\_\_\_\_  
Title of person Signing

As used in this Certificate, the following terms have the following meanings:

An issuer is an “**affiliate**” of another issuer if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person;

“Canadian financial institution” means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

“**control person**” has the meaning ascribed to that term in securities legislation except in Ontario, Québec and Nova Scotia where “control person” means any person that holds or is one of a combination of persons that holds:

- (a) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
- (b) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;

“eligibility adviser” means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:

- (i) have a professional business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons, and
- (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

“**financial assets**” means cash, securities, or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“**foreign jurisdiction**” means a country other than Canada or a political subdivision of a country other than Canada;

“**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;

“**investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure* and means a mutual fund or a non-redeemable investment fund;

“**jurisdiction**” means a province or territory of Canada except when used in the term foreign jurisdiction;

“**local jurisdiction**” means the jurisdiction in which the Canadian securities regulatory authority is situated;

“**non-redeemable investment fund**” has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure* and means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders;
- (b) that does not invest;
  - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
  - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
- (c) that is not a mutual fund;

“**regulator**” means, for the local jurisdiction, the Executive Director as defined under securities legislation of the local jurisdiction;

“related liabilities” means:

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
- (b) liabilities that are secured by financial assets;

“**securities legislation**” means securities legislation as such term is defined in National Instrument 14-101 *Definitions*;

“**spouse**” means, an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;



- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and

“**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

**Calculation of shareholder’s net assets:** To calculate a shareholder’s net assets under paragraphs (l) and (m) of the “Accredited Investor” definition, subtract the shareholder’s total liabilities from the shareholder’s total assets. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the trade.

2. U.S. ACCREDITED INVESTOR CERTIFICATE

TO: CIC Capital Fund Ltd (the “Corporation”)

AND TO: CIC Capital Ltd. (“CIC Seychelles”)

The undersigned United States resident shareholder of the Corporation understands and agrees that the shares to be distributed to it have not been and will not be registered under the 1933 Act, or applicable state securities laws, and the shares are being transferred by the Corporation and CIC Seychelles to the shareholder in reliance upon the safe harbor exemption from 1933 Act registration requirements set forth in Rule 506 of Regulation D.

The undersigned shareholder represents, warrants and covenants to the Corporation and to CIC Seychelles (and acknowledges that the Corporation and CIC Seychelles are relying thereon) that:

(a) the undersigned shareholder is a U.S. Accredited Investor that satisfies one or more of the categories of U.S. Accredited Investor as indicated below (**the shareholder must initial on the appropriate line(s)**):

- \_\_\_\_\_ Category 1. A bank, as defined in Section 3(a)(2) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 2. A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 3. A broker or dealer registered pursuant to Section 15 of the United States *Securities Exchange Act of 1934*, as amended; or
- \_\_\_\_\_ Category 4. An insurance company as defined in Section 2(a)(13) of the 1933 Act; or
- \_\_\_\_\_ Category 5. An investment company registered under the United States *Investment Company Act of 1940*; or
- \_\_\_\_\_ Category 6. A business development company as defined in Section 2(a)(48) of the United States *Investment Company Act of 1940*; or
- \_\_\_\_\_ Category 7. A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States *Small Business Investment Act of 1958*; or
- \_\_\_\_\_ Category 8. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of U.S. \$5,000,000; or
- \_\_\_\_\_ Category 9. An employee benefit plan within the meaning of the United States *Employee Retirement Income Security Act of 1974* in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of U.S. \$5,000,000 or, if a self directed plan, with investment decisions made solely by persons who are U.S. Accredited Investors; or
- \_\_\_\_\_ Category 10. A private business development company as defined in Section 202(a)(22) of the United States *Investment Advisers Act of 1940*; or
- \_\_\_\_\_ Category 11. An organization described in Section 501(c)(3) of the United States *Internal Revenue Code*, a corporation, a Massachusetts or similar business trust, or a

partnership, not formed for the specific purpose of acquiring the shares, with total assets in excess of U.S. \$5,000,000; or

\_\_\_\_\_ Category 12. A trust, with total assets in excess of U.S. \$5,000,000, not formed for the specific purpose of acquiring the shares, whose acquisition is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the 1933 Act; or

\_\_\_\_\_ Category 13. Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds U.S. \$1,000,000 (for purposes of calculating net worth: (i) a person's primary residence shall not be included as an asset, (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the transfer of the shares, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the transfer of the shares exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability) and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the transfer of the shares shall be included as a liability); or

\_\_\_\_\_ Category 14. A natural person who had an individual income in excess of U.S. \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S. \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

\_\_\_\_\_ Category 15. An entity in which all of the equity owners are U.S. Accredited Investors.

(b) it understands that upon the transfer thereof, and until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable United States securities laws and regulations, the certificates representing the shares, and all securities issued in exchange therefor or in substitution thereof, will bear a legend in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON EXCHANGES IN CANADA.

provided, that if the shares are being sold under clause (B) above, at a time when the issuer thereof (the “issuer”) is a “foreign issuer” as defined in Rule 902 of Regulation S under the 1933 Act, the legend set

forth above may be removed by providing such evidence of exemption as the issuer or its registrar and transfer agent may from time to time prescribe (which may include an opinion satisfactory to the issuer and its registrar and transfer agent), to the effect that the sale of the shares is being made in compliance with Rule 904 of Regulation S under the 1933 Act and in compliance with any applicable state securities laws; provided further, that if any of the shares are being sold pursuant to Rule 144 of the 1933 Act and in compliance with any applicable state securities laws, the legend may be removed by delivery to the issuer's registrar and transfer agent of an opinion satisfactory to the issuer and its registrar and transfer agent to the effect that the legend is no longer required under applicable requirements of the 1933 Act or state securities laws;

(c) it understands that none of the shares to be transferred to the shareholder have been or will be registered under the 1933 Act or under any state securities laws and, accordingly, the shares are subject to restrictions on transferability and resale, and it agrees not to offer, sell or otherwise transfer any of the shares except as permitted by paragraph (b) above and the legend included therein;

(d) it consents to the issuer making a notation on its records or giving instruction to the registrar and transfer agent of the issuer in order to implement the restrictions on transfer with respect to the shares set forth and described herein;

(e) it understands and acknowledges that the issuer has no obligation or present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the shares in the United States;

(f) it understands that (i) the issuer may be deemed to be an issuer that is, or that has been at any time previously, an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents (a "Shell Company"), (ii) if the issuer is deemed to be, or to have been at any time previously, a Shell Company, Rule 144 under the 1933 Act may not be available for resales of the shares, and (iii) the issuer is not obligated to make Rule 144 under the 1933 Act available for resales of the shares;

(g) it acknowledges that the representations, warranties and covenants contained in this certificate are made by it with the intent that they may be relied upon by the Corporation and CIC Seychelles in determining its eligibility to receive the shares. It agrees that by accepting shares it shall be representing and warranting that the representations and warranties above are true as at the time of transfer with the same force and effect as if they had been made by it at the time of transfer .

The undersigned shareholder undertakes to notify the Corporation and CIC Seychelles immediately of any change in any representation, warranty or other information relating to the undersigned set forth herein which takes place prior to the transfer of the shares.

If a Corporation, Partnership or Other Entity:

If an Individual:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Signature of person Signing

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Print or Type Name and Title of person  
Signing

