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23 June 2025

The Board of Directors
Dragon Mining Limited

Dear Sirs,

REPORT FROM REPORTING ACCOUNTANTS ON THE DISCOUNTED CASH FLOW FORECASTS IN CONNECTION WITH THE VALUATION OF 100% EQUITY INTEREST IN DRAGON MINING LIMITED

We have been engaged to report on the arithmetical accuracy of the calculations of the discounted cash flow forecasts (the "Forecasts") on which the valuation dated 23 June 2025, prepared by Grant Thornton Corporate Finance Pty Ltd (Independent Expert) in respect of 100% equity interests in Dragon Mining Limited (the "Target") as at 23 June 2025 is based. The valuation is set out in section 9 *Valuation assessment of DML before the Offer* of the Independent Expert Report as set out in Schedule 2 of the Response Document dated 23 June 2025 (the "Response Document") in relation to the proposed acquisition of the Target by Wah Cheong Development (B.V.I.) Limited. The valuation based on the Forecasts is regarded as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Rule 10 of the Hong Kong Code of Takeovers and Mergers (the "Takeovers Code").

Directors' responsibilities

The directors of the Target (the "Directors") are solely responsible for the preparation of the Forecasts in accordance with the bases and assumptions determined by the Directors and as set out in section 8 *Economic Assumptions* of the Independent Expert Report as set out in Schedule 2 of the Response Document. This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future cash flows for the Forecasts and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our independence and quality management

We have complied with the independence and other ethical requirements of the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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Reporting accountants' responsibilities

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the Forecasts based on our work. The Forecasts do not involve the adoption of accounting policies.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the Forecasts, in all material respects, in accordance with the assumptions adopted by the Directors. Our work consisted primarily of checking the arithmetical accuracy of the calculations of the Forecasts prepared based on the assumptions made by the Directors. Our work is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB). Accordingly, we do not express an audit opinion.

We are not reporting on the appropriateness and validity of the assumptions on which the Forecasts are based and thus express no opinion whatsoever thereon. Our work does not constitute any valuation of the Target. The assumptions used in the preparation of the Forecasts include hypothetical assumptions about future events and management actions that may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Forecasts and the variation may be material. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.60A of the Listing Rules and Rule 10 of the Takeovers Code and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

Opinion

Based on the foregoing, in our opinion, so far as the arithmetical accuracy of the calculations of the Forecasts are concerned, the Forecasts have been properly compiled in all material respects in accordance with the assumptions adopted by the Directors.

Yours faithfully,

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive, script font.

Ernst & Young
Perth, Australia