

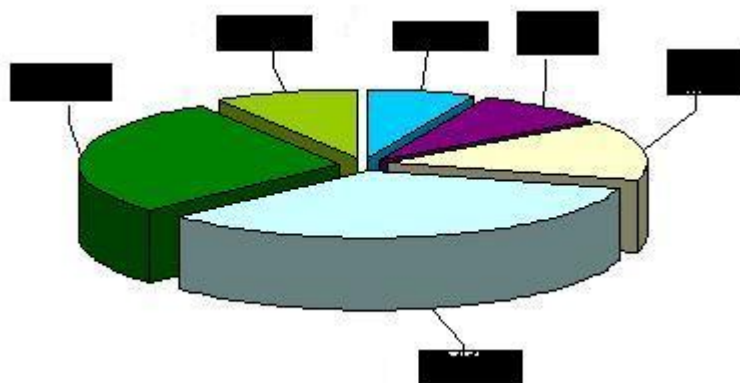
Note: Key data/information in this sample page is hidden, while in the report it is not.

1 Overview of fluorite reserves in China

In 2011, China's total proven reserves of fluorspar are about [REDACTED] million tonnes. Two large fluorspar mines are found in Inner Mongolia Autonomous Region, with about [REDACTED] million tonnes of proven reserves of fluorspar.

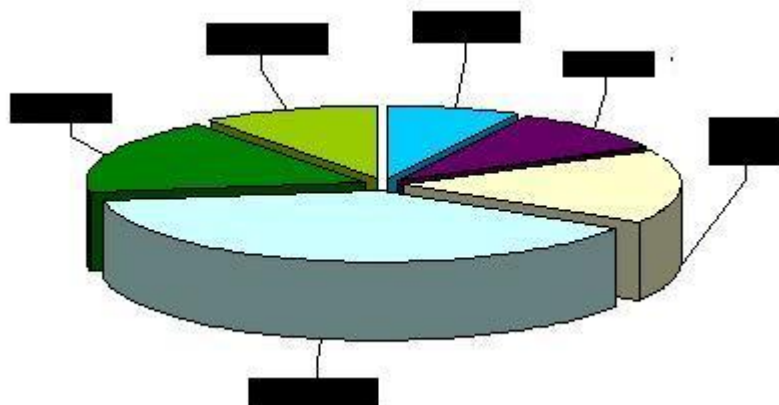
By the end of 2010, China had been the largest holder of proven reserves of fluorspar in the world, with about [REDACTED] million tonnes of proven reserves of fluorspar, which accounted for [REDACTED]% of the world's total. But compared with the proven reserves, technical reserves of fluorspar in China were about [REDACTED] million tonnes, only accounting for no more than [REDACTED]% of the world's total. China owns the third largest technical reserves of fluorspar in the world, following South Africa and Mexico, whose technical reserves were about [REDACTED] million tonnes and [REDACTED] million tonnes respectively in 2010.

Figure 1-1 Fluorspar proven reserve distribution in China, 2011



Source: Ministry of Land and Resources of People's Republic of China, CCM

Figure 1-2 Fluorspar proven reserves distribution in China, 2010



Source: CCM

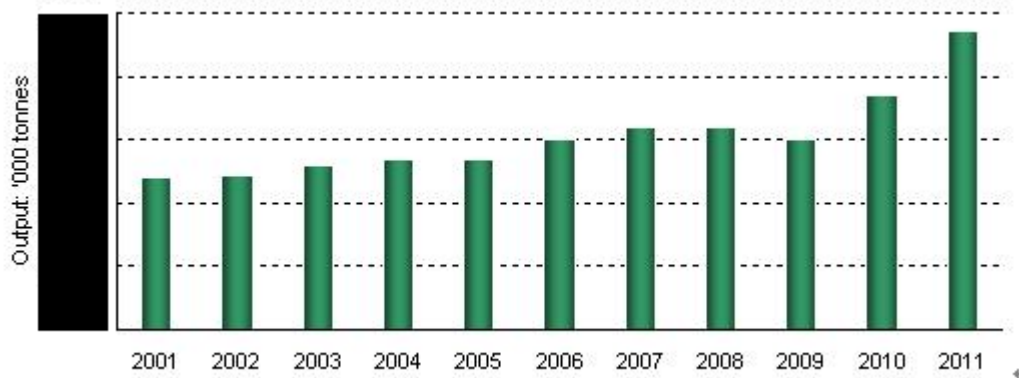
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2 Production situation of fluorite

From 2001 to 2011, the output of fluorspar in China has witnessed a gradual increase, with the CAGR of █%. The output of fluorspar kept steady from 2001 to 2008, and grew fast after 2009. There were two reasons behind the fast growth. Firstly, downstream industries of fluorspar developed rapidly after 2009, especially hydrogen fluoride industry. Secondly, the export quota system of fluorspar was cancelled in 2010.

In 2011, China is the largest fluorspar producer worldwide, with fluorspar output reaching about █ million tonnes and accounting for about █% of the global output. However, compared with the fluorspar technical reserves, China's fluorspar resources are over-exploited.

Figure 2-1 Output of fluorspar in China, 2001-2011



Source: CCM

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There are more than █ fluorite producers in China, whose total output reaches about █0 million tonnes in 2011. Besides, █ producers with fluorite capacity are more than █t/a. The largest ones are Inner Mongolia Xiangzhen Mining Group Co., Ltd. (Inner Mongolia Xiangzhen) and Centralfluor Industries Group, Inc (CFIC), with capacity of █t/a for each in 2011.

Table 2-1 Main producers of fluorspar in China, 2011

No.	Company	Abbreviation	Capacity, t/a
1	Inner Mongolia Xiangzhen Mining Group Co., Ltd.	Inner Mongolia Xiangzhen	██████████
2	████████████████████	██████	300,000
3	████████████████████	China Kings Resources	200,000
4	████████████████████	████████████████████ ██████	██████████
5	████████████████████	████████████████████ ██████	██████████
6	████████████████████	████████████████████	████████████████████ ██████ ████████████████████ ██████ ██████████
7	████████████████████	████████████████████	██████████
8	████████████████████	████████████████████	██████████
9	████████████████████	████████████████████	██████████
10	████████████████████ ██████	████████████████████	100,000
11	████████████████████ ██████	████████████████████	██████████
12	████████████████████	████████████████████	██████████
13	Gansu Gaotai County Hongyuan Mining Co., Ltd.	Gansu Hongyuan Mining	██████████

Note: Inner Mongolia Xiangzhen purchased Guizhou Dongsheng Mining on Jan. 16, 2012 under the agreement to acquire 60% ownership of Guizhou Dongsheng Mining's equity.

Source: CCM

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4 Export and import situation

China is the largest producer and exporter of fluorite in the world. From 1985 to 2011, the total output of fluorite is over █████ million tonnes and the export volume of fluorite is over █████ million tonnes. Besides, the export volume of fluorite exceeded █████ tonnes each year from 1989 to 2002.

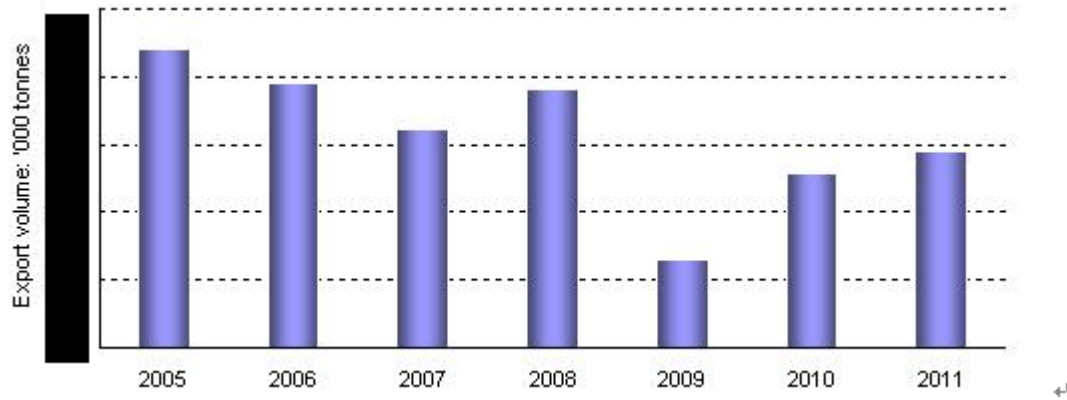
The total domestic export volume of fluorite is about █████ tonnes (including content >97% and content ≤97%) in 2011, accounting for about █████% of the world's total.

Loss of China's fluorite resources has been considered to be very serious in the past 10 years and disorder competition causes China's fluorite price to be lower than other countries'. In order to protect fluorite resources, Chinese government set the export quota of fluorite from

1999 (the export quota system of fluorite was canceled in 2010) and imposed a tariff on fluorite in 2006.

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Figure 4-1 Export volume of fluorite (content > 97%) in China, 2005-2011



Source: China Customs Information Network