

**CHINA SILVER GROUP LTD:
IT SHOULD BE A WINNER**

With the economy of the People's Republic of China (PRC), having established itself as being the second-largest in the world and strongly expected, in the next decade or so, to become the Number One in the world, knocking the United States of America off its perch, it would appear that, for the PRC, the ever-increasing requirement for many raw materials is a foregone conclusion.

The world has witnessed, over the past decade, how Australia has benefitted from the PRC's hunger for coal, mined from deep within the bowels of this antipodean country, since this natural resource has been, for some time, the major fuel that kept the Middle Kingdom's factories running at full speed.

Aside from the PRC, being the world's tailor and cobbler, it is, also, one of the world's largest producers of electrical and electronic goods, with companies, such as Apple Incorporated, bestowing multi-million dollar manufacturing contracts on select PRC companies to produce iPads, iPhones and what-have-you for this US giant electronics company.

Because silver has one of the highest thermal and electric conductivity of any substance on the periodic table, it is an essential ingredient in the production of most of the consumer products on sale at Apple stores, around the world.

China Silver Group Ltd () (Code 815, Main Board, The Stock Exchange of Hongkong Ltd) stands in good stead to benefit from the PRC's rapid development of its electrical and electronic industries.

This Company went public on December 14, 2012, when it published its Global Offering Prospectus, Offering a total of 158.84 million, one-cent shares at an Indicative Price Range Per Share of between \$HK1.18 and \$HK1.68.

At the tail end of 2012, things were a little tough for **Initial Public Offerings (IPOs)** and so it was hardly a surprise when, on December 27, 2012, it was announced that the Offer Price of China Silver Group had been struck at \$HK1.18 per share, the lowest, acceptable level.

Netting about \$HK101.30 million, the Company said that it would employ that money '*to construct new production units*' (\$HK44.10 million) and '*to purchase additional production machineries (sic) and equipment (including HK\$4.9 million to purchase production machineries and equipment in connection with the gold production plant*' (\$HK57.20 million).

Of the total number of shares on Offer, 116,476,000 Shares were New Shares and 26,480,000 Shares were designated as '*Sale Shares*'.

The '*Sale Shares*' were those shares that Richwise Capital Group Ltd (), a company, domiciled in the British Virgin Islands and owned, beneficially, as to 70 percent by Mr Shi Jin Lei () and 30 percent by Mr Huang Yuan Zhe (), decided to sell at the time of the IPO.

The beneficial owners of Richwise Capital are said to be independent third parties, but, at the same time, after the Global Offering, this company will be deemed among the '*Substantial Shareholders*' by virtue of owning 14 percent of the Issued and Fully Paid-Up Share Capital of China Silver Group.

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