

This Draft is provided to you at your request and is not to be construed as evidence of our commitment to issue such instrument. Final issuance is subject to our standard internal checks and approval.

20160106 131324 SWT 700 HT01 FHM2 281264 SDGHTI610045
 SENDER HKBCCATT
 RECEIVER HSBCCNSH +(PLEASE CONFIRM) +
 DESTINATION HK+SHANGHAI BANKING CORPORATION LTD
 //SUBSIDIARY USE HBCN SHH
 34/F HSBC TOWER
 1000 LUJIAZUI RING ROAD
 SHANGHAI (PUDONG) 200120 CHINA
 MESSAGE TYPE 700 ISSUE OF A DOCUMENTARY CREDIT

FLD.	TEXT	CONTENTS
27:	SEQUENCE OF TOTAL:	1/1
40A:	FORM OF CD	IRREVOCABLE
20:	DC NO:	SDGHTI610045
31C:	DATE OF ISSUE:	160106
40E:	APPLICABLE RULES:	ISP LATEST VERSION
31D:	EXPIRY DATE AND PLACE:	170131AT OUR COUNTERS
50:	APPLICANT:	SINOMETAL RESOURCES INC. 9470 HENRI BOURASSA, ST LAURENT, QUEBEC, H4S 1N8 CANADA
59:	BENEFICIARY:	HENAN YONGTONG ALUMINIUM CO.,LTD 31/F, JIN MAO TOWER, 88 SHI JI AVE PUDONG NEW AREA, SHANGHAI, CHINA
32B:	DC AMT:	CNY6521720,00
39B:	MAXIMUM CR AMT:	NOT EXCEEDING
41D:	AVAILABLE WITH/BY:	HSBC BANK CANADA GTRF STANDBY UNIT BY PAYMENT
47A:	ADDITIONAL CONDITIONS:	
	DEAR SIR:	
	WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO.	
	SDGHTI6100 45, IN FAVOUR OF HENAN YONGTONG ALUMINIUM CO.,LTD FOR	
	THE ACCOUNT OF SINOMETAL RESOURCES INC. FOR A SUM OR SUMS NOT	
	EXCEEDING CNY6,521,720.00 (CHINESE YUAN SIX MILLION, FIVE	
	HUNDRED TWENTY - ONE THOUSAND, SEVEN HUNDRED TWENTY ONLY)	
	AVAILABLE BY BENEFICIARY'S DRAFTS DRAWN ON US AT SIGHT	
	ACCOMPANIED BY THE FOLLOWING DOCUMENT(S) TO BE PRESENTED AT OUR	
	OFFICE AT HSBC BANK CANADA,GTR F STANDBY UNIT, 3RD FLOOR, 250	
	UNIVERSITY AVENUE, TORONTO, ON, M5H 3E5, CANADA:	
	1) BENEFICIARY'S SIGNED STATEMENT STATING THAT THE AMOUNT OF THIS	
	DRAWING CNY.... UNDER HSBC BANK CANADA, STAN DBY LETTER OF CREDIT	
	NO.SDGHTI610045. REPRESENTS FUNDS DUE TO HENAN YONGTONG	
	ALUMINIUM CO.,LTD FROM SINOMETAL RESOURCES INC. PURSUANT TO THE	
	ATTACHED OVERDUE UNPAID INVOICE(S) FOR THE ALUMIN UM EXTRUSION	
	SUPPLIED TO SINOMETAL RESOURCES INC., IN CONFORMITY WITH	
	CONTRACT / P.O. NO +(PLEASE PROVIDE THE NUMBER) +	
)COPY OF UNPAID INVOICE(S), SHOWING PAYMENT DUE DATE.	
	3)PHOTOCOPY OF ORIGINAL TRANSPORT DOCUMENTS EVIDENCING SHIPMENT	
	OF GOODS AS DESCRIBED IN THE ABOVE INVOICE FROM	

HIGHLY RESTRICTED

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TO +(PLEASE PROVIDE SHIPMENT ROUTE) +

4) ORIGINAL OF THIS STANDBY LETTER OF CREDIT PLUS ANY AMENDMENTS (IF ANY) OR REMITTING BANK'S ATTESTATION STATING THAT THE ORIGINAL STANDBY LETTER OF CREDIT HAS BEEN ENDORSED FOR THE AMOUNT CLAIMED.

* THIS STANDBY LETTER OF CREDIT EXPIRES ON 31 JAN 2017 AT OUR COUNTERS, AFTER THIS DATE THE STANDBY LETTER OF CREDIT AUTOMATICALLY BECOMES NULL AND VOID, AND THE ISSUING BANK IS RELEASED FROM ALL LIABILITIES HEREUNDER.

* OUR TOTAL LIABILITY UNDER THIS STANDBY LETTER OF CREDIT SHALL IN NO EVENT EXCEED THE CREDIT AMOUNT, AND SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF EACH PAYMENT MADE BY OURSELVES HEREUNDER

* PRIOR TO THE EXPIRATION DATE MENTIONED ABOVE, THIS STANDBY LETTER OF CREDIT SHALL BE CANCELLED EFFECTIVE THE DATE OF RECEIPT BY HSBC BANK CANADA OF 1) THE ORIGINAL STANDBY LETTER OF CREDIT INSTRUMENT AND ALL AMENDMENTS (IF ANY) AND 2) A DATED LETTER ADDRESSED TO HSBC BANK CANADA, SIGNED BY THE BENEFICIARY, REFERENCING THIS STANDBY LETTER OF CREDIT NO. SDGHTI610045 AND REQUESTING THE CANCELLATION OF SAME.

* PARTIAL/MULTIPLE DRAWINGS ARE PERMITTED.

* ALL BANKING CHARGES OUTSIDE CANADA ARE FOR ACCOUNT OF THE BENEFICIARY.

* THIS STANDBY LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING TO YOU. SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT OR INSTRUMENT REFERRED TO OR RELATED TO HEREIN AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT OR INSTRUMENT.

* ALL DRAFTS MUST BE MARKED "DRAWN UNDER HSBC BANK CANADA, STANDBY LETTER OF CREDIT NO. SDGHTI610045, DATED + ISSUE DATE +".

* THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES - ISP98, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590.

49: CONFIRMATION INSTRUCTIONS: WITHOUT

AUTHORIZED SIGNATURE(S)

001 - 371789 - 000.02 - - 0

TO: HSBC BANK CANADA ("HSBC"), GTRF Standby LC Unit

WE HEREBY REQUEST ISSUANCE OF AN IRREVOCABLE STANDBY LETTER OF CREDIT / IRREVOCABLE DEMAND GUARANTEE (THE "CREDIT") FOR OUR ACCOUNT SUBSTANTIALLY IN THE FORM OF THE LAST DRAFT OF THE CREDIT SENT BY HSBC TO US IN PDF FORM AT (COPY ABOVE) TOGETHER WITH THE CHANGES (IF ANY) SPECIFICALLY DISCLOSED AND AUTHENTICATED BY OUR INITIALS ABOVE.

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WE ACKNOWLEDGE AND AGREE THAT THE ISSUANCE OF THE CREDIT AND OUR INSTRUCTIONS HEREIN ARE SUBJECT TO SUCH OTHER TERMS AND CONDITIONS WHICH MAYBE SPECIFIED BY HSBC IN RELATION TO THE CREDIT OR OTHERWISE AGREED BETWEEN US AND HSBC, INCLUDING WITHOUT LIMITATION, THE TERMS AND CONDITIONS OF ANY MASTER INDEMNITY AND REIMBURSEMENT AGREEMENT FOR LETTERS OF CREDIT, ANY OTHER INDEMNITY AGREEMENT, ANY FACILITY OR FACILITY LETTER, AND ANY ACCOUNT OPERATING AGREEMENT.

THE FOLLOWING IS A BRIEF DESCRIPTION OF THE PURPOSE OF THIS CREDIT, INCLUDING A BRIEF DESCRIPTION OF THE UNDERLYING TRANSACTION AND GOODS/ SERVICES:

GUARANTEE PAYMENT FOR A LUMINUM EXTRUSION

DRAFT ACCEPTED
FOR: SINOMETAL RESOURCES INC.

AUTHORIZED SIGNATORY & NAME

(PLEASE AFFIX COMPANY STAMP)

AUTHORIZED SIGNATORY & NAME

HIGHLY RESTRICTED