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**中國礦業資源集團有限公司\***  
**China Mining Resources Group Limited**

*(incorporated in Bermuda with limited liability)*

**(Stock code: 340)**

**MAJOR ACQUISITION RELATING TO  
ACQUISITION OF A COMPANY IN THE PRC  
AND  
RESUMPTION OF TRADING**

**THE ACQUISITION**

On 23 April 2015 (after trading hours), the Purchaser (being a direct wholly-owned subsidiary of the Company), the Vendors and the Guarantors entered into the Agreement, pursuant to which the Purchaser conditionally agreed to purchase, and the Vendors conditionally agreed to sell the Sale Shares of the Target Company at the Initial Consideration of HK\$450,000,000, which shall be settled by a combination of cash in the sum of HK\$150,000,000 and the issue of 3,000,000,000 Consideration Shares by the Company at the Issue Price of HK\$0.10 per Consideration Share. A Further Consideration of not more than HK\$250,000,000 may also be payable and settled by the Company through the issue of Promissory Note as detailed in the paragraph headed "Consideration and Payment Terms".

The Target Group is in the process of completing the acquisition of 90% equity interest of the Project Company. As at the date of this announcement, the Project Company holds (i) Mining Licenses and Exploration License in respect of the Gold Mine and (ii) owns and operates a gold processing plant.

Completion is conditional upon, among others things, the Shareholders' approval at the EGM. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company.

## **IMPLICATIONS OF THE LISTING RULES**

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition are more than 25% and less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

A circular containing, among other things, (i) further details of the Acquisition; (ii) the financial information of the Target Group; (iii) the Competent Person's Report; (iv) the Valuation Report; and (v) a notice of EGM, will be despatched to the Shareholders on or before 30 June 2015 as additional time is required to complete various reports and information (including the Accountants' Report on the Target Group, the Competent Person's Report and the Valuation Report on the Target Group) in accordance with the relevant requirements of the Listing Rules.

**Shareholders and potential investors should note that Completion is subject to the satisfaction of the conditions set out under the paragraph headed "Conditions precedent" of the section headed "The Acquisition" of this announcement. As the transactions contemplated by the Agreement may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **TRADING HALT AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 24 April 2015 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 28 April 2015.

Reference is made to the announcement of the Company dated 19 March 2015 relating to, among others, the Acquisition.

## **THE ACQUISITION**

### **The Agreement**

*Date* 23 April 2015 (after trading hours)

### *Parties*

The Purchaser: Combined Success, a direct wholly-owned subsidiary of the Company.

- The Vendors:
- (1) Forever Success, being legally and beneficially holding 70% of the Sale Shares, an investment holding company incorporated in the Republic of Seychelles with limited liability, being wholly-owned by Mr. Ma; and
  - (2) Supreme Success, being legally and beneficially holding 30% of the Sale Shares, an investment holding company incorporated in the BVI with limited liability, being wholly-owned by Ms. Lin.
- The Guarantors:
- (1) Mr. Ma, being the ultimate beneficial owner of Forever Success; and
  - (2) Ms. Lin, being the ultimate beneficial owner of Supreme Success

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Vendors together with the Guarantors are Independent Third Parties.

### ***Asset to be acquired***

Pursuant to the Agreement, the Purchaser conditionally agreed to purchase and the Vendors conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company as at the date of this announcement.

The Target Group is in the process of completing the acquisition of 90% equity interest of the Project Company. Pursuant to the Agreement, completion of the Acquisition is conditional upon the completion of the acquisition of 90% equity interest of the Project Company by the Target Group.

The Project Company is principally engaged in the exploration, mining, processing, and sale of gold. As at the date of this announcement, the Project Company holds (i) Mining Licenses and Exploration License in respect of the Gold Mine and (ii) owns and operates a gold processing plant. Detailed information on the Target Group is set out in the paragraph headed "Information on the Target Group" of this announcement.

### ***Consideration and Payment Terms***

The Initial Consideration shall be HK\$450,000,000, which will be settled by the Purchaser in the following manner:

- (i) HK\$90,000,000 to be paid in cash by the Purchaser to Forever Success (or its designated nominee) within three Business Days from the date of the Agreement as a refundable deposit for the Acquisition;

- (ii) HK\$300,000,000 by the allotment and issue of an aggregate 3,000,000,000 Consideration Shares by the Company at the Issue Price of HK\$0.10 per Consideration Share on the Completion Date, of which 1,650,000,000 Shares shall be issued to Forever Success and 1,350,000,000 Shares shall be issued to Supreme Success; and
- (iii) HK\$60,000,000 to be paid in cash by the Purchaser to Forever Success (or its designated nominee) on the Completion Date.

As Mr. Ma and his associates (if any) owe an amount of approximately RMB45,000,000 (equivalent to approximately HK\$56,000,000) as at 31 December 2014 as shown in the management accounts of the Project Company, the Company will only allot and issue Consideration Shares to Forever Success equivalent to the value of the difference between HK\$165,000,000 and any amount still owed by Mr. Ma and his associates (if any) to the Target Group on the Completion Date. If the same can be repaid in full within one month after the Completion Date, the Company shall allot and issue the remaining Consideration Shares to Forever Success on the date falling one month after Completion; otherwise, the Purchaser shall be deemed to have discharged of its payment obligation for the Initial Consideration and the Company shall no longer be required to issue any further Consideration Shares to Forever Success.

After Completion, without affecting the normal operation of the Target Group, the Vendors are entitled to, at their own costs and expenses, carry out further exploration work on the existing gold resources and reserves as indicated in the PRC Geological Resources (Reserves) Report within a period of not more than 12 months after Completion as basis for the Post-Completion Valuation Report on the Target Group in compliance with the VALMIN Code, so as to reflect the value of the additional amount of gold reserves and resources for valuation as recognized under the VALMIN Code, subject to adjustment for gold price as at the date of the Agreement (the “**Updated Valuation**”). A Further Consideration of not more than HK\$250,000,000 will be payable by the Purchaser to the Vendors if the Updated Valuation indicates more than HK\$450,000,000 (the valuation reference date shall be a date falling on or before the 12th month after the Completion Date as agreed by the parties). The difference between the Updated Valuation and HK\$450,000,000 shall be settled by way of issue of the Promissory Note by the Company to the Vendors on a pro rata basis subject to a cap of not more than HK\$250,000,000 on the date falling on the 14th month after the Completion Date or such other earlier date as agreed between the parties.

It is the intention of the Company to finance the Consideration by the internal resources of the Group.

### ***Consideration Shares***

The Consideration Shares represent (i) approximately 24.12% of the existing issued share capital of the Company, and (ii) approximately 19.43% of the Company’s issued share capital as enlarged by the issue of the Consideration Shares. The Consideration Shares will be allotted and issued under a specific mandate to be obtained by the Company in the EGM. The Consideration Shares when allotted and issued shall be credited as fully paid and rank pari passu with all other Shares in issue in the share capital of the Company.

Application will be made by the Company to the Stock Exchange for the approval for the listing of, and permission to deal in, the Consideration Shares. The issue price of HK\$0.10 per Consideration Share represents:

- (i) a discount of approximately 50.7% to the closing price of HK\$0.203 per Share as quoted on the Stock Exchange on 23 April 2015, being the date of the Agreement;
- (ii) a premium of approximately 16.3% over the closing price of HK\$0.086 per Share as quoted on the Stock Exchange on 18 March 2015, being the full trading day immediately prior to the date of issue of the unusual price trading volume movement announcement of the Company on 19 March 2015;
- (iii) a discount of approximately 50.3% to the average closing price per Share as quoted on the Stock Exchange for the last 5 consecutive full trading days prior to the date of the Agreement on 23 April 2015, being approximately HK\$0.201 per Share;
- (iv) a discount of approximately 49.5% to the average closing price per Share as quoted on the Stock Exchange for the last 10 consecutive full trading days prior to the date of the Agreement on 23 April 2015, being approximately HK\$0.198 per Share; and
- (v) a discount of approximately 35.9% to the average closing price per Share as quoted on the Stock Exchange for the last 30 consecutive full trading days prior to the date of the Agreement on 23 April 2015, being approximately HK\$0.156 per Share.

***Promissory Note(s)***

Pursuant to the Agreement, the Company will issue the Promissory Note(s), the principal terms of which are summarised as follows:

Principal amount:	a maximum of HK\$250,000,000
Issuer:	the Company
Issue price:	100% of the aggregate principal amount of the Promissory Note
Issue date:	the date falling on or before the 14th month after the Completion Date or such other earlier date as agreed between the parties
Interest:	nil
Maturity date:	3 years (extendable for another 3 years, subject to mutual agreement of the parties)

Redemption: early redemption is allowed and at face value

Transferability: transferable

### ***Basis of the Consideration***

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendors after taking into account of the following factors:

- (i) the Initial Consideration of HK\$450,000,000 is determined with reference to the preliminary market valuation on 90% equity interest of the Project Company prepared by GCA based on the PRC Geological Resources (Reserves) Report at a valuation of approximately HK\$478,000,000;
- (ii) a condition precedent is included in the Agreement that the Market Valuation prepared by GCA in accordance with the VALMIN Code shall indicate that the valuation on the Target Group shall be not less than HK\$400,000,000;
- (iii) the Further Consideration which will be payable by the Purchaser if the Updated Valuation indicates more than HK\$450,000,000. The maximum amount of the Further Consideration of HK\$250,000,000 is determined with reference to the PRC Geological Resources (Reserves) Report which reported that the Gold Mine should have gold reserves and resources of approximately 10 tonnes and taking into account the conversion ratios<sup>1</sup> recommended by Chinese Association of Mineral Resources Appraisers and commonly adopted in the PRC, as advised by GCA; and
- (iv) the factors as set out in the section headed "Reasons for and Benefits of the Acquisition".

The Company has appointed GCME as the competent person and GCA as the independent valuer to prepare the Competent Person's Report and the Valuation Report (which contains the Listing Rules Valuation), respectively. The reports will be incorporated in the circular to be despatched to the Shareholders in relation to the Acquisition. The Company has also commissioned GCA to prepare the Market Valuation. The Market Valuation is being prepared in accordance with the VALMIN Code, using methodologies in line with international market practices. The Market Valuation seeks to evaluate the full market value of mineral interests held by the Target Group and accordingly, reflects the additional value associated with the inferred mineral resources of the Target Group in compliance with the VALMIN Code, which are specifically excluded from the Listing Rules Valuation as required by the Listing Rules. The Market Valuation is a common methodology used in assessing valuation of mining operations in merger and acquisition transactions that involve companies engaged in such operations.

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<sup>1</sup> China Mineral Valuation Standard ("中國礦業權評估準則") and other references

According to GCA, most of the bases and assumptions applied in the preparation of the Listing Rules Valuation and the Market Valuation are the same. The major difference in the bases and assumptions applied relates to the exclusion or inclusion of the inferred mineral resources in the valuation. In the Listing Rules Valuation, GCA has not included any consideration of inferred mineral resources in determining the value of the Target Group. However, as advised by GCA, the value of the inferred mineral resources that has a reasonable likelihood of being mined in the future has been included in the Market Valuation. Given the different assumptions and methods adopted in deriving the Listing Rules Valuation and the Market Valuation of which the Initial Consideration was referenced to, the value of the inferred resources of the Gold Mine cannot be deduced by way of a simple mathematical deduction and an approximate proportion of the Initial Consideration which relates specifically to the inferred resources cannot be ascertained. The Valuation Report on the Listing Rules Valuation as well as the Competent Person's Report will be disclosed in the circular to be despatched by the Company to the Shareholders in connection with the Acquisition. The Listing Rules Valuation will be subject to updates for changes, including but not limited to changes in commodity prices, changes in foreign exchange rates and any material changes in the operational prospects for the relevant assets, until the latest practicable date prior to publication of the circular.

Taking into account of the above, in particular, the preliminary market valuation, the Market Valuation of not less than HK\$400,000,000 as a condition precedent to the Agreement, the staged payment of the Consideration that the Further Consideration of not more than HK\$250,000,000 will only be payable by the Purchaser to the Vendors if the Updated Valuation indicates more than HK\$450,000,000, the issuing of the Consideration Shares will enlarge the equity base of the Company, the Directors (including all independent non-executive Directors) are of the view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### ***Conditions precedent***

Completion is conditional upon the satisfaction (or waiver, if applicable) of all of the following conditions:

- (i) the Agreement, the allotment and issue of the Consideration Shares, the issue of Promissory Notes and all transactions contemplated thereunder having been approved by the Shareholders at the EGM;
- (ii) the Target Group having completed the acquisition of 90% equity interest of the Project Company;
- (iii) the Purchaser shall have completed, to its sole and absolute satisfaction, a due diligence review on the Target Group (in particular the Project Company) in respect of their business operation, financial status, asset/liabilities and other related issues to be determined by the Purchaser;

- (iv) the Purchaser having obtained from a qualified PRC legal adviser a legal opinion with respect to the Target Group (in particular the due establishment, valid existence, legality and shareholding structure of the Project Company and the legality of the business operations of the Project Company under PRC law and the legality and validity of the acquisition of the Project Company by the Target Group), and that the Purchaser being satisfied with such legal opinion;
- (v) the Purchaser shall have received the Competent Person's Report prepared by GCME on the Gold Mine which are in full compliance with the Listing Rules (if applicable) and in form and substance satisfactory to the Purchaser;
- (vi) the Purchaser shall have received report on the Market Valuation of the Target Group issued by GCA which is in full compliance with the VALMIN Code and in form and substance satisfactory to the Purchaser showing the Market Valuation of the Target Group to be not less than HK\$400,000,000;
- (vii) the Vendors shall provide evidence to its sole and absolute satisfaction of the Purchaser showing the mining licenses which are material to the business operation of the Project Company will be obtained or renewed, in the event that the same are pending transfer or renewal;
- (viii) from the date of signing of the Agreement till Completion, there not being any abnormal operations or any material adverse changes in the business, prospects, operations, performance or finance in respect of the Target Group;
- (ix) the warranties given by the Vendors in the Agreement remaining true, accurate and not misleading at the date of the Agreement and up to and including Completion Date in all material aspects;
- (x) the obtaining of all necessary consents and approvals in respect of the Acquisition from the relevant governmental or regulatory bodies, and no governmental or regulatory bodies has issued any orders, laws, regulations to disallow or restrain the Completion from taking place;
- (xi) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Consideration Shares; and
- (xii) the Vendors shall at the request of the Purchaser provide any information or documents in relation to the transactions contemplated under the Agreement to the sole and absolute satisfaction of the Purchaser.



The Purchaser shall have the right to waive the conditions precedent above (save for the condition (i), (ii), (v) and (xi) which cannot be waived). Save as aforesaid, if the conditions precedent as set out in the Agreement have not been fulfilled (or, where applicable, waived by the Purchaser) on or before 31 October 2015, neither the Purchaser nor the Vendors shall be obliged to proceed with Completion. The Vendors shall refund the deposit without interest and any amount previously paid by the Purchaser to the Vendors within 10 Business Days once it is determined that Completion will not or cannot be proceed.

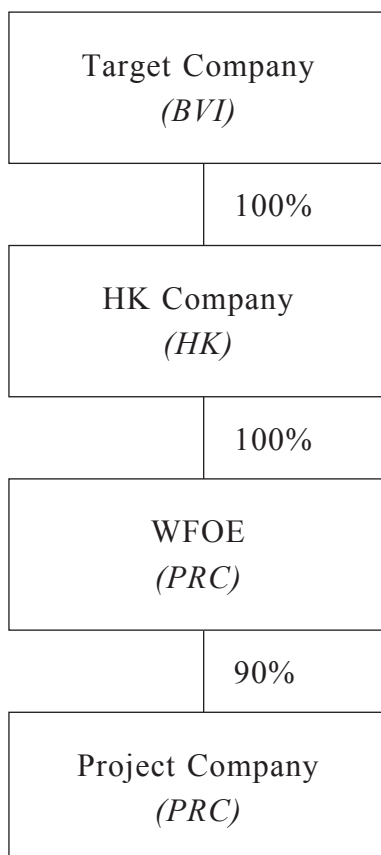
### ***Completion***

Completion shall take place on Completion Date.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company. The results and assets and liabilities of the Target Group will be consolidated with, and accounted for as subsidiaries in the Company's financial statements.

### **INFORMATION ON TARGET GROUP**

The Target Group shall comprise the Target Company, the HK Company, the WFOE (or its wholly-owned subsidiary) and the Project Company. Set out below is the proposed shareholding structure of the Target Group upon Completion:



\* *the Project Company may be held directly by the WFOE or its wholly-owned subsidiary established in the PRC*

### ***The Target Company***

The Target Company is an investment holding company incorporated in the BVI with limited liability on 2 January 2015. It is 70% owned by Forever Success and 30% owned by the Supreme Success, respectively. The principal asset of the Target Company is 100% equity interest in the HK Company and its indirect interests in the WFOE.

### ***The HK Company and the WFOE***

The HK Company is an investment holding company incorporated in Hong Kong with limited liability on 18 February 2015, and is wholly-owned by the Target Company. The WFOE is established in the PRC as a wholly foreign owned enterprise by the HK Company on 17 April 2015, which is in the process of completing the acquisition of 90% equity interest of the Project Company or through its wholly-owned subsidiary to be established in the PRC. Pursuant to the Agreement, completion of the Acquisition is conditional upon the Target Group having completed the acquisition of 90% equity interest of the Project Company.

### ***The Project Company***

The Project Company is established in the PRC with limited liability on 26 July 2006 and 90% equity interests of the Project Company will be held by the Target Group on or before Completion. The Project Company is principally engaged in the exploration, mining, processing, and sale of gold. As at the date of this announcement, the Project Company holds (i) Mining Licenses and Exploration License in respect of the Gold Mine and (ii) owns and operates a gold processing plant.

## **FINANCIAL INFORMATION ON THE TARGET GROUP**

Each of the Target Company, the Hong Kong Company and the WFOE was incorporated in 2015 as mentioned above and has not conducted any business activities since its incorporation. For the period from each of their respective incorporation date to 31 March 2015, the Target Company and the Hong Kong Company had unaudited net losses of approximately HK\$16,000 and HK\$26,000, respectively, and unaudited net assets (liabilities) of approximately HK\$374,000 and HK\$(26,000), respectively. Save for the proposed acquisition of the 90% equity interests of the Project Company through the WFOE (or its wholly-owned subsidiary) as disclosed above, the Target Company does not have any other material assets as at the date of this announcement.

Set out below is a summary of the unaudited financial information on the Project Company for the past two years ended 31 December 2013 and 2014 prepared in accordance with the Hong Kong accounting standards:

	<b>For the year ended/As at 31 December 2014</b>	For the year ended/As at 31 December 2013
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b>(unaudited)</b>	(unaudited)
Revenue	<b>84,842</b>	91,197
Net profits before taxation	<b>30,063</b>	22,762
Net profits after taxation	<b>25,553</b>	19,348
Net assets	<b>31,017</b>	5,072

An accountant's report containing all audited financial information on the Target Group will be included in the circular to be despatched by the Company to the Shareholders in relation to the Acquisition.

## **THE GOLD MINE**

The Gold Mine is located at Tongguan County of Shanxi Province (陝西省潼關縣) of the PRC. According to the PRC Geological Resources (Reserves) Report, as at 31 December 2014, the Gold Mine has an aggregate exploration and mining area of approximately 16.6 km<sup>2</sup> and is accessible to highway (28km away), railway (18km away) and paved roads (National Road G310: 10-15km away). With reference to the PRC Geological Resources (Reserves) Report, the predominant reserves and resources at the Gold Mine is gold. The gold processing plant has an aggregate daily gold ore processing capacity of 500 tonnes.

Set out below is a summary of the estimated resources and reserves of the Gold Mine as at 31 December 2014 according to the data extracted from the PRC Geological Resources (Reserves) Report:

**Estimated mineral resources/reserves under the PRC standards<sup>2</sup>**

<b>Category</b>	<b>Mineral resources/ reserves (tonnes)</b>	<b>Average Grade (gram/tonne)</b>	<b>Gold Metal (kilogram)</b>
122b+332	204,940	5.50	1,126.26
333 (Note)	<u>1,125,970</u>	<u>7.92</u>	<u>8,915.69</u>
<b>122b+332+333</b>	<b><u><u>1,330,910</u></u></b>	<b><u><u>7.54</u></u></b>	<b><u><u>10,041.95</u></u></b>

*Note:* According to the PRC Geological Resources (Reserves) Report, the 333 resources include the additional mineral resources of approximately 460,000 tonnes with an average grade of 10.72 gram/tonne which contains approximately 4.9 tonnes of gold metal discovered as a result of additional exploration on the Gold Mine completed by the end of 2014.

The Competent Person's Report to be prepared by GCME will be included in the circular to be despatched by the Company to the Shareholders in due course.

**REASONS FOR AND BENEFIT OF THE ACQUISITION**

According to the World Gold Council, China's nominal level of gold holdings was estimated at approximately 1,054.1 tonnes, representing 3.5% of the world's total reserves and ranking seventh amongst other countries in the world while the United States ranked first with 8,133.5 tonnes, representing 27% of the world's total reserves as at August 2014. Furthermore, as a percentage of a country's official reserves, China's gold reserves comprised 1% of its official reserves while average gold holdings of the world and the United States comprised approximately 10% and 72% of their official reserves, respectively. According to the United States Geological Survey (USGS), China's minable gold reserves was estimated at approximately 1,900 tonnes with an annual gold production output of approximately 450 tonnes for 2014 while the minable gold reserves of the world and the United States were estimated at approximately 55,000 tonnes and 3,000 tonnes, respectively, with

<sup>2</sup> 中華人民共和國國家標準固體礦產資源／儲量分類(GB/T17766-1999) (Classification for resources / reserves of solid fuels and mineral commodities(GB/T17766-1999)\*)

annual gold production output of approximately 2,860 tonnes and 211 tonnes, respectively, for 2014. This indicates a notably higher rate of annual production output to reserves of China as compared to the world and the United States. In view of the intrinsic value of gold as a cornerstone of a country's currency, credit, and global strategic reserve, it is China's strategy to increase its gold holdings and reserves and encourage the development of the gold industry and new discoveries of gold reserves. Based on the above, the Board is optimistic over the long-term outlook of the gold industry in China.

Tongguan County has long been regarded as a traditional and resourceful gold mining area in the PRC where the gold mining industry has been the pillar industry of the County. According to the PRC Geological Resources (Reserves) Report, an additional mineral resources which contains approximately 4.9 tonnes of gold metal has been discovered as a result of further exploration on the Gold Mine completed by the end of 2014. Based on the strategic location of the Gold Mine, its existing gold resources and reserves and the potential for additional discoveries from further exploration and exploitation, the existing capacity of the gold processing plant of the Project Company, and the Project Company's track record in generating revenue and profits, the Board believes the Acquisition can provide recurring income stream to the Group as well as potential future growth prospects.

The principal business activities of the Group are production and sales of tea. The Group was also engaged in mining, processing and sales of molybdenum and online video broadcasting which were discontinued during the year ended 31 December 2014. Since the disposal of the Group's interest in Harbin Songjiang in October 2014, the Group has been actively exploring possible new investment projects to maximize the value of the Shares of its Shareholders. Based on the above and leveraging on the Group's expertise and experience in the natural resources industry, the Board considers the Acquisition represents a strategic opportunity to expand its business to the gold mining industry in the PRC to broaden the Group's income base and diversify its investments.

Taking into account (i) the prospects of the Gold Mine; (ii) the terms and conditions of Agreement (including the Consideration and the staged payment arrangement) are determined after arms' length negotiations and are fair and reasonable; (iii) the Acquisition is in line with the Group's investment strategy to identify possible new investment projects and to maximize the value of Shares from the investments, and (iv) the potential improvement of the Group's financial performance from the earnings contribution by the Target Group, the Directors are of the view that the Agreement is in the interests of the Company and its Shareholders as a whole.

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purpose only, set out below is a summary of the shareholdings in the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issue of the Consideration Shares:

Shareholders	As at the date of this announcement		Immediately after the allotment and issue of the Consideration Shares	
	No. of Shares	%	No. of Shares	%
Ms. Ho Ping Tanya	3,300,000,000	26.53	3,300,000,000	21.37
Double Joy Enterprise Limited (Note)	1,287,734,286	10.35	1,287,734,286	8.34
Vendors			3,000,000,000	19.43
<i>Forever Success</i>	—	—	1,650,000,000	10.69
<i>Supreme Success</i>	—	—	1,350,000,000	8.74
Public Shareholders	<u>7,851,047,925</u>	<u>63.12</u>	<u>7,851,047,925</u>	<u>50.86</u>
<b>Total</b>	<b><u><u>12,438,782,211</u></u></b>	<b><u><u>100.00</u></u></b>	<b><u><u>15,438,782,211</u></u></b>	<b><u><u>100.00</u></u></b>

Notes:

These Shares are held by Double Joy Enterprise Limited which is 100% beneficially owned by Mr. Lai Yongzhong. Double Joy Enterprise Limited is also interested in 476,190,000 convertible preference shares of the Company (“CPS”, convertible preference shares of the Company which are not listed on the Stock Exchange) (representing 100% of the total CPS of the Company as at the date of this announcement).

## IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition are more than 25% and less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and Shareholders’ approval requirements under the Listing Rules.

The EGM will be held to consider and, if thought fit, pass the ordinary resolution(s) to approve the Agreement and the transactions contemplated thereunder, including the allotment and issue of the Consideration Shares under the specific mandate. Given no Shareholder has any material interest in the Acquisition, no Shareholder is required to abstain from voting at the EGM in respect of the resolution(s).

## GENERAL

A circular containing, among other things, (i) further details of the Acquisition; (ii) the financial information of the Target Group; (iii) the Competent Person's Report; (iv) the Valuation Report; and (v) a notice of EGM, will be despatched to the Shareholders on or before 30 June 2015 as additional time is required to complete various reports and information (including the Accountants' Report on the Target Group, the Competent Person's Report and the Valuation Report on the Target Group) in accordance with the relevant requirements of the Listing Rules.

**As Completion is subject to the fulfillment of a number of conditions precedent which are detailed in this announcement, the Acquisition may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.**

## TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 24 April 2015 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 28 April 2015.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the following meanings ascribed to them respectively:

“Acquisition”	the possible acquisition of the Sale Shares by the Purchaser from the Vendors pursuant to the Agreement
“Agreement”	the conditional sale and purchase agreement entered into between the Purchaser, the Vendors and the Guarantors on 23 April 2015 in relation to the Acquisition
“Board”	the board of Directors of the Company
“Business Day(s)”	any day (except a Saturday, Sunday and public holiday) on which banks in Hong Kong are open to the general public for business
“BVI”	the British Virgin Islands
“Company”	China Mining Resources Group Limited (中國礦業資源集團有限公司*), a limited company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Competent Person's Report”	has the meaning ascribed to it under Chapter 18 of the Listing Rules

“Completion”	the completion of the Acquisition contemplated under the Agreement
“Completion Date”	the fifth Business Day following the date on which the last of the conditions precedent set out in the Agreement has been fulfilled (or otherwise waived) or such other date as the parties may agree in writing
“Connected Persons”	has the same meaning ascribed to it in the Listing Rules
“Consideration”	a maximum of HK\$700,000,000, being the aggregate of the Initial Consideration and the Further Consideration (if payable)
“Consideration Shares”	3,000,000,000 new Shares to be allotted and issued on the Completion Date to the Vendor at the Issue Price of HK\$0.10 per Share as partial consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve by the Shareholders, the Agreement and the transaction contemplated thereunder, including the allotment and issue of the Consideration Shares under the specific mandate
“Exploration License”	the license authorizing the Project Company to conduct exploration activities at the Gold Mine
“Forever Success”	Forever Success Investments Limited (永成投資有限公司), a company incorporated in the Republic of Seychelles with limited liability, being wholly-owned by Mr. Ma, and is holding 70% of the Sales Shares
“Further Consideration”	the additional consideration of up to HK\$250,000,000, which may be payable on a pro rata basis by the Purchaser to the Vendors pursuant to the Agreement
“GCA”	Greater China Appraisal Limited, appointed by the Company as the independent valuer to produce the Valuation Report
“GCME”	Greater China Mineral & Energy Consultants Limited, appointed by the Company to produce the Competent Person’s Report
“Gold Mine”	陝西省潼關縣金礦 (Shanxi Tongguan County Mine*) operated by the Project Company and located at Tongguan County of Shanxi Province of the PRC
“Group”	the Company and its subsidiaries
“Guarantors”	Mr. Ma and Ms Lin



“Harbin Songjiang”	哈爾濱松江銅業(集團)有限公司 (Harbin Songjiang Copper (Group) Company Limited*), a limited company established in the PRC and previously held as to 75.08% by the Company prior to completion of disposal in October 2014
“HK Company”	Champion Lucky Limited (福瑞有限公司), a limited liability company incorporated in Hong Kong and is wholly-owned by the Target Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, are third parties independent of the Company and its Connected Persons
“Initial Consideration”	the initial consideration of HK\$450,000,000 for the Sale Shares pursuant to the Agreement
“Issue Price”	the issue price of HK\$0.10 per Consideration Share
“km <sup>2</sup> ”	square kilometer(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Listing Rules Valuation”	a valuation on the Target Group conducted by GCA in compliance with Chapter 18 of the Listing Rules
“Market Valuation”	an independent market valuation by GCA on the Target Group
“Mining License”	the mining licenses held by the Project Company for conducting exploitation activity at the Gold Mine
“Mr. Ma”	Mr. Ma Dongsheng (馬東生), the ultimate beneficial owner of Forever Success
“Ms. Lin”	Ms. Lin Yuhua (林玉華), the ultimate beneficial owner of Supreme Success
“Post-Completion Valuation Report ”	the post-Completion report on the market valuation of the Target Group to be issued by GCA prepared in accordance with the VALMIN Code in form and substance satisfactory to the Purchaser

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Geological Resources (Reserve) Report”	《潼關縣祥順礦業發展有限公司探、採礦權證範圍內資源(儲量)量核實報告》issued by a qualified third party geological services company in the PRC in February 2015
“Project Company”	潼關縣祥順礦業發展有限公司(Xiang Shun Mining Development Company Limited*), a company established in the PRC with limited liability and should be 90% owned by the Target Group upon Completion
“Promissory Note”	the zero coupon promissory note(s) to be issued by the Company to the Vendors pursuant to the Agreement
“Purchaser” or “Combined Success”	Combined Success Investments Limited, a company established in BVI with limited liability, and a direct wholly-owned subsidiary of the Company being the purchaser under the Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	the entire issued share capital of the Target Company as at the date of this announcement and at Completion
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme Success”	Supreme Success Group Limited (卓成集團有限公司), a company incorporated in BVI with limited liability, being wholly-owned by Ms. Lin, and is holding 30% of the Sales Shares
“Target Company”	One Champion International Limited (一冠國際有限公司), an investment holding company incorporated in the BVI with limited liability
“Target Group”	the Target Company and its subsidiaries from time to time, including without limitation, the HK Company, the WFOE, the WFOE’s wholly-owned subsidiary (if any) and the Project Company upon Completion

“VALMIN Code”	the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2005 Edition
“Valuation Report”	has the meaning ascribed to it under Chapter 18 of the Listing Rules
“Vendors”	collectively, Forever Success and Supreme Success
“WFOE”	陝西福瑞永成礦業有限公司 (Shanxi Furui Rongsheng Mining Co. Ltd.*), a company established in the PRC as a wholly foreign owned enterprise and is wholly-owned by the HK Company
“%”	per cent

*Translation of RMB into Hong Kong dollars are based on the exchange rates of RMB0.8 to HK\$1.00 for information purpose only. Such translations should not be construed as a representation that the relevant accounts have been, could have been, or could be converted at that or any other rate or at all.*

By Order of the Board  
**China Mining Resources Group Limited**  
**Wang Hui**  
*Executive Director and Chief Executive Officer*

Hong Kong, 27 April 2015

*As at the date of this announcement, the Board comprises Mr. Wang Hui, Mr. Fang Yi Quan and Mr. Yeung Kwok Kuen as executive Directors and Mr. Chong Cha Hwa, Mr. Chu Kang Nam and Mr. Ngai Sai Chuen as independent non-executive Directors.*

\* *For identification purpose only*