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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Mining Resources Group Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of **China Mining Resources Group Limited**.

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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: 00340)

**PLACING OF NEW SHARES UNDER SPECIFIC MANDATE
AND
NOTICE OF SPECIAL GENERAL MEETING**

Placing Agent



A notice convening the special general meeting of China Mining Resources Group Limited to be held at Room 1306, 13/F., Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong on Thursday, 24 December 2015 at 10:30am is set out on pages 12 to 14 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited of A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

* For identification purposes only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“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
“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
“Completion Date”	a day as soon as possible following the satisfaction of the conditions precedent to the Placing and in any event not later than the third Business Day after the satisfaction of the conditions precedent to the Placing (or such other date as the Company and the Placing Agent may agree in writing)
“connected persons”	has the same meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	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 not connected nor acting in concert with any of the connected persons of the Company or any of their respective associates

* *For identification purposes only*

DEFINITIONS

“Latest Practicable Date”	7 December 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date falling six months after the date of the Placing Agreement, or such other date as the Placing Agent and the Company may agree in writing
“Placee(s)”	any individual(s), corporate(s), institutional or other professional investor(s) procured by the Placing Agent to subscribe for the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of up to 4,000,000,000 Placing Shares by the Placing Agent, on a best effort basis, pursuant to the terms of the Placing Agreement
“Placing Agent”	Guoyuan Capital (Hong Kong) Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent on 11 August 2015 in relation to the Placing (as amended and supplemented by the Placing Supplemental Agreements)
“Placing Price”	HK\$0.10 per Placing Share
“Placing Share(s)”	a maximum of 4,000,000,000 new Shares to be placed by the Placing Agent pursuant to the Placing Agreement
“Placing Supplemental Agreements”	the supplemental agreements dated 11 November 2015 and 7 December 2015 entered into between the Company and the Placing Agent for amendment and modification of certain terms of the Placing Agreement

DEFINITIONS

“PRC”	The People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be convened to consider and, if thought fit, approve by the Shareholders the Placing Agreement and the transactions contemplated thereunder, including the allotment and issue of the Placing Shares under the Specific Mandate
“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)
“Specific Mandate”	the specific mandate to be granted to the Board by the Shareholders at the SGM for the allotment and issue of up to 4,000,000,000 Placing Shares
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



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: 00340)

Executive Directors:

Mr. Wang Hui

Mr. Fang Yi Quan

Mr. Yeung Kwok Kuen

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-Executive Directors:

Mr. Chong Cha Hwa

Mr. Chu Kang Nam

Mr. Ngai Sai Chuen

Head office and principal

place of business:

Room 1306, 13th Floor,

Bank of America Tower,

12 Harcourt Road, Admiralty,

Hong Kong

8 December 2015

To the Shareholders

Dear Sir or Madam,

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

References are made to the announcements of the Company dated 11 August 2015, 11 November 2015 and 7 December 2015 in relation to, among other things, the Placing. The Board announced that, on 11 August 2015 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent, on a best effort basis, up to 4,000,000,000 Placing Shares, to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties at a price of HK\$0.10 per Placing Share.

* *For identification purposes only*

LETTER FROM THE BOARD

The purpose of this circular is to give you (i) further details of the Placing Agreement and the transactions contemplated thereunder; and (ii) the notice of the SGM.

THE PLACING AGREEMENT

Date

11 August 2015 (after trading hours) (as varied by the Placing Supplemental Agreements)

Issuer

The Company

Placing Agent

Guoyuan Capital (Hong Kong) Limited, as placing agent for the Company, has conditionally agreed to procure the Placees, on a best effort basis, to subscribe for the Placing Shares.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

The Placing Agent will receive a placing commission equivalent to 1% of the aggregate of the Placing Price of the Placing Shares actually placed by it at completion of the Placing in accordance with the Placing Agreement. Such placing commission was determined after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions.

Placees

The Placing Shares will be placed to not less than six Placees, who and whose ultimate beneficial owner(s) shall be Independent Third Parties.

It is expected that none of the Placees will become a substantial Shareholder (as defined under the Listing Rules) immediately after completion of the Placing.

LETTER FROM THE BOARD

Placing Price

The Placing Price of HK\$0.10 per Placing Share represents:

- (i) a discount of approximately 39.0% to the closing price of HK\$0.164 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 28.6% to the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on the date of the Placing Agreement;
- (iii) a discount of approximately 25.9% to the average closing price of HK\$0.135 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of the Placing Agreement;
- (iv) a discount of approximately 25.5% to the average closing price of HK\$0.134 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the date of the Placing Agreement; and
- (v) a premium of approximately 434.8% over the unaudited consolidated net asset value per Share of approximately HK\$0.023 (based on the latest published unaudited net asset value of the Group of HK\$297,298,000 as at 30 June 2015 and 12,914,972,211 Shares in issue as at the Latest Practicable Date)

The Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent and was determined with reference to the prevailing market price of the Shares. The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Placing Shares

The maximum number of 4,000,000,000 Placing Shares represents (i) approximately 30.97% of the existing issued share capital of the Company of 12,914,972,211 Shares as at the Latest Practicable Date; and (ii) approximately 23.65% of the issued share capital of the Company of 16,914,972,211 Shares as enlarged by the Placing (assuming the maximum number of the Placing Shares is placed). The aggregate nominal value of the Placing Shares under the Placing (assuming the maximum number of the Placing Shares is placed) will be HK\$400,000,000.

LETTER FROM THE BOARD

Ranking

The Placing Shares, upon issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Placing Shares.

Conditions precedent

Completion of the Placing is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares on the Stock Exchange;
- (ii) the passing of the resolution(s) by the Shareholders to approve the Placing Agreement and the transactions contemplated thereunder, including the Specific Mandate at the SGM; and
- (iii) the completion of the Acquisition (as defined below).

None of the above conditions can be waived by any party to the Placing Agreement.

In the event that the above conditions are not fulfilled on or before the Long Stop Date, the Placing Agreement and all rights and obligations thereunder will cease and terminate and none of the Placing Agent or the Company will have any claim against the other for costs, damages, compensation or otherwise except for antecedent breach of provisions of the Placing Agreement.

Completion

Completion of the Placing shall take place on the Completion Date.

Application for listing

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

LETTER FROM THE BOARD

Termination

If at any time prior to the completion of the Placing, in the opinion of the Placing Agent, the success of the Placing or the business or financial prospects of the Group would or is likely to be materially and adversely affected by:

- (i) any material breach of any of the representations and warranties set out in the Placing Agreement; or
- (ii) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than three trading days (other than in connection with the Placing); or
- (iii) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (vi) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date of the Placing Agreement and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or
- (v) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (vi) a change or development involving a prospective change in taxation in Hong Kong, Bermuda or the PRC or the implementation of exchange controls which shall or might materially and adversely affect the Group or its present or prospective Shareholders in their capacity as such; or
- (vii) any change or deterioration in the conditions of local, national or international securities markets,

then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company.

The Directors were not aware of the occurrence of any of such events as at the Latest Practicable Date.

LETTER FROM THE BOARD

REASONS FOR THE PLACING AND USE OF PROCEEDS

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 which was discontinued during the year ended 31 December 2014. Since the disposal of the Group's interest in the mining, processing and sales of molybdenum business, the Group has been actively exploring possible new investment opportunities including opportunities in the mining sector or other profitable investment opportunities that are in line with the Group's development strategy to diversify the Group's business stream, and thereby further expand the Group's source of revenue, enhance the Group's profitability, so as to enhance the long-term benefits of the Company and the Shareholders as a whole.

As disclosed in the announcement of the Company dated 7 December 2015, the Group entered into the conditional sale and purchase agreement on 7 December 2015 for the acquisition of 27% equity interest in One Champion International Limited (the "**Target Company**", together with its subsidiaries, the "**Target Group**") which in turn indirectly holds 90% effective interest in a gold mine (the "**Gold Mine**") located in Tongguan County, Shaanxi Province in the PRC (the "**Acquisition**").

Assuming the maximum number of the Placing Shares are successfully placed at the Placing Price, the gross proceeds and net proceeds from the issue of the Placing Shares will be approximately HK\$400 million and approximately HK\$396 million respectively, and the net placing price for the Placing Shares will be approximately HK\$0.10 per Placing Share. The net proceeds from the Placing are intended to be used as to (i) approximately HK\$346 million for funding any future business development and/or potential investment opportunities; and (ii) approximately HK\$50 million for general working capital of the Company, the largest components of which will be operating expenses such as salary and office rental expenses.

After the completion of the Acquisition, the Company will be able to obtain first-hand information on the operations of the Gold Mine and make further assessment on the prospects of the Target Group. The Board will consider to apply not more than HK\$200 million and HK\$100 million, respectively, of the net proceeds from the Placing for funding the further development of the Gold Mine by the Target Group (including but not limited to the carrying out of further exploration and expansion of the capacity of the processing plant) and to acquire further equity interest in the Target Group as and when appropriate. The remaining portion of the net proceeds will be applied for funding any potential investment opportunities in the mining sector and/or other profitable investment opportunities that are in line with the Group's development strategy. As at the date of this circular, the Group has not entered into any binding agreement in respect of any of such potential investment opportunities.

LETTER FROM THE BOARD

The Directors are of the view that, the Placing represents a good opportunity to raise additional funds for the Company to enhance its working capital base, to broaden its Shareholders' base and to finance any business or investment opportunities in a timely manner without increasing the interest burden of the Group. As such, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities in relation to issue of equity securities in the past twelve months prior to the Latest Practicable Date.

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there will be no change in the shareholding structure of the Company immediately before completion of the Placing and the maximum number of the Placing Shares are successfully placed by the Placing Agent, the effects of the Placing on the shareholding structure of the Company are set out in the table below:

Shareholders	As at the Latest Practicable Date		Immediately after the allotment and issue of the Placing Shares	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Ms. Ho Ping Tanya	3,300,000,000	25.55	3,300,000,000	19.51
Placees	—	—	4,000,000,000	23.65
Public Shareholders	<u>9,614,972,211</u>	<u>74.45</u>	<u>9,614,972,211</u>	<u>56.84</u>
Total	<u><u>12,914,972,211</u></u>	<u><u>100.00</u></u>	<u><u>16,914,972,211</u></u>	<u><u>100.00</u></u>

SPECIFIC MANDATE

The Placing Shares shall be allotted and issued under the Specific Mandate. The Company will seek the grant of the Specific Mandate at the SGM.

THE SGM

The SGM will be convened and held at Room 1306, 13th Floor, Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong on Thursday, 24 December 2015 at 10:30am for the purpose of considering and, if thought fit, passing the requisite resolution(s) to approve the Placing Agreement and the transactions contemplated thereunder including the allotment and issue of the Placing Shares under the Specific Mandate.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors after having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the resolution(s) regarding the Placing at the SGM.

LETTER FROM THE BOARD

A form of proxy for use by the Shareholders at the SGM is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and returned, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's branch share registrar in Hong Kong, Union Registrars Limited of A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof if you so wish.

RECOMMENDATION

Having taken into account of the information set out above, the Board considers that the terms of the Placing Agreement are on normal commercial terms and were negotiated on an arm's length basis between the parties involved and are fair and reasonable so far as the Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution(s) relating to the Placing Agreement and the transactions contemplated thereunder at the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

As completion of the Placing is subject to the fulfillment of the conditions precedent in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

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

NOTICE OF SPECIAL GENERAL MEETING



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: 00340)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of China Mining Resources Group Limited (the “Company”) will be held at Room 1306, 13th Floor, Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong on Thursday, 24 December 2015 at 10:30 am for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolution as ordinary resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) the conditional placing agreement (the “**Placing Agreement**”) entered into between the Company and Guoyuan Capital (Hong Kong) Limited as placing agent dated 11 August 2015 (as varied and supplemented by an agreement dated 11 November 2015) in relation to the placing of a maximum of 4,000,000,000 new shares of the Company (the “**Placing Shares**”) at a price of HK\$0.10 each on a best effort basis (a copy of the Placing Agreement has been produced to the SGM marked “A” and signed by the chairman of the SGM for the purpose of identification) and all the transactions contemplated thereunder (including the allotment and issue of the Placing Shares pursuant thereto) be and are hereby approved;
- (b) the directors of the Company be and are hereby specifically authorised to allot and issue the Placing Shares in accordance with the terms of the Placing Agreement; and
- (c) any one director of the Company be and is hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things, as the case may be in his discretion consider necessary, desirable or expedient to give effect to the Placing Agreement and all the transactions contemplated thereunder (including

* *For identification purposes only*

NOTICE OF SPECIAL GENERAL MEETING

the allotment and issue of the Placing Shares pursuant thereto) and to agree to such variation, amendment or waiver as are, in the opinion of such director of the Company, in the interest of the Company provided that such variation, amendment or waiver shall not be fundamentally different from the terms as provided in the Placing Agreement.”

By Order of the Board
China Mining Resources Group Limited
Leung Lai Ming
Company Secretary

Hong Kong, 8 December 2015

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal
place of business:*
Room 1306, 13th Floor,
Bank of America Tower,
12 Harcourt Road, Admiralty,
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or if he holds two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited of A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney, not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for this purpose be deemed joint holders thereof.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF SPECIAL GENERAL MEETING

5. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 8:30 a.m. on the date of the special general meeting, the meeting will be postponed. The Company will post an announcement on the website of Company at www.chinaminingresources.com and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.

As at the date of this notice, the board of directors of the Company 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.