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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)

COMPLETION OF MAJOR DISPOSAL AND UPDATES

COMPLETION OF MAJOR DISPOSAL

Reference is made to the announcement of China Mining Resources Group Limited (the “**Company**”) dated 3 September 2014 and the circular of the Company dated 22 September 2014 (“**Circular**”) in relation to the disposal of the 75.08% equity interests in 哈爾濱松江銅業(集團)有限公司 (Harbin Songjiang Copper (Group) Company Limited*). Unless otherwise defined, capitalized terms used in this section have the same meanings as those defined in the Circular.

The Board is pleased to announce that all conditions precedent under the Disposal Agreement have been fulfilled and the completion of the Disposal as well as the relevant registration procedures with the local regulatory authorities have recently been completed in accordance with the terms and conditions of the Disposal Agreement.

Following the completion of the Disposal, Harbin Songjiang has ceased to be a subsidiary of the Company, and the assets and liabilities and profit and loss of the Harbin Songjiang Group will no longer be consolidated into the consolidated financial statements of the Group.

UPDATE

As disclosed in the 2013 annual report of the Company, the Company and its subsidiaries (the “**Group**”) had incurred loss of approximately HK\$344,900,000 during the financial year ended 31 December 2013 and, as at the same date, the Group’s current liabilities exceeded its current assets by HK\$21,594,000. As at 30 June 2014, the Group’s current liabilities still exceeded its current assets by HK\$45,787,000. The Group’s ability to continue as a going concern is highly dependent on the ongoing availability of finance to the Group. Following the disposal of 75.08% equity interests in 哈爾濱松江銅業(集團)有限公司 (Harbin Songjiang Copper (Group) Company Limited*) as referred to in the circular of the Company dated 22 September 2014, the board of directors of the Company (the “**Board**”) has been reviewing the financial positions and the business strategy of the Group.

* *For identification purpose only*

The Board has carefully assessed the online video broadcasting business (“**iTV Business**”) operation and appraised the current market situation. According to the published financial statements of the Group, the segment profit (loss) of the iTV Business for the year ended 31 December 2011, 2012 and 2013 were HK\$42,543,000 (*Note*), HK\$(13,836,000) and HK\$(18,731,000) respectively and the net asset value of the iTV Business segment was HK\$1.8 million as at 30 June 2014. The Board observes that the competition within the iTV business is fierce and it is difficult for the Group to develop client networks as a startup business and generate positive cashflow. The Board believes that substantial capital injection is required if the Company is to boost the client network of iTV Business. In light of the above, the Board is of the view that the iTV Business operation is not going to improve unless substantial capital is injected. As such, the Board proposes to cease the iTV Business so as to re-focus the business of the Group on the tea and other businesses sector. As a result of cessation of iTV Business, certain operating expenses such as labour costs and other administrative costs will be reduced and the Company would then be able to redirect its resources to the tea and other businesses of the Group. The Board considers that it is in the best interests of the Company and its shareholders as a whole to cease the iTV Business.

The Company has also sought opportunity to dispose the iTV Business and did not identify any such opportunity.

The proposed cessation of the iTV Business does not constitute a notifiable transaction for the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

UPDATE

Reference is made to the announcements of the Company dated 7 February 2012 and 25 March 2013 (the “**Announcements**”). Unless otherwise defined herein, capitalized terms used in this section shall have the same meanings as those defined in the Announcements.

It has come to the attention of the Board that in respect of the First Investigation, of which Mr. Yeung was under investigation by the ICAC, is now completed. No charge has been made against Mr. Yeung and the ICAC confirmed that no further investigation is required.

This announcement is made by the order of the Board, of which the directors individually and collectively accept responsibility for the accuracy of the information contained in this announcement.

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

Note: Segment profit for the year ended 31 December 2011 included a reversal of impairment losses on other receivables of approximately HK\$50,449,000, the segment loss would be HK\$7,906,000 on exclusion of the above reversal of impairment.

Hong Kong, 27 November 2014

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Hui and Mr. Fang Yi Quan as executive directors, Mr. Chong Cha Hwa, Mr. Chu Kang Nam and Mr. Ngai Sai Chuen as independent non-executive directors.