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If you have sold or transferred all your shares in Minmetals Land Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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五礦建設有限公司*
MINMETALS LAND LIMITED
(Incorporated in the Bermuda with limited liability)
(Stock Code: 230)

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
IN RESPECT OF 2011 TO 2013**

**Independent financial adviser to the Independent Board Committee
and the Independent Shareholders**



A letter from the Board is set out on pages 5 to 12 of this circular.

A letter from the Independent Board Committee is set out on pages 13 to 14 of this circular.

A letter from Access Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 27 of this circular.

A notice convening the SGM to be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 26 May 2011 at 11:15 a.m. is set out on pages 34 to 35 of this circular. A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, 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 return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

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DEFINITIONS

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

“2008 Circular”	the circular dated 30 September 2008 issued by the Company in respect of, among others, the 2008 Continuing Connected Transactions
“2008 Continuing Connected Transactions”	the continuing connected transactions entered into between the Group and the Ershisanye Group in connection with the engagement of the Ershisanye Group member(s) as construction contractor (subject to successful tender) in respect of the real estate development projects of the Group for the three financial years ended 31 December 2010
“2011 Agreement”	the conditional agreement dated 29 March 2011 between the Company and Ershisanye in relation to the engagement of the Ershisanye Group member(s) as construction contractor (subject to successful tender) in respect of the existing and future real estate development projects of the Group for the three financial years ending 31 December 2013
“Access Capital” or “Independent Financial Adviser”	Access Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps), a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“China Minmetals”	China Minmetals Corporation, a State-owned enterprise in the PRC, which owns 100% equity interest in Minmetals HK which in turn owns the entire equity interest in June Glory, the controlling shareholder of the Company

DEFINITIONS

“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Continuing Connected Transactions”	the continuing connected transactions between the Group and the Ershisanye Group under the 2011 Agreement
“controlling shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Ershisanye”	二十三冶建設集團有限公司 (Ershisanye Construction Group Co., Ltd.), an enterprise established under the laws of the PRC with limited liability, which is owned as to 73.19%, 20.00%, and 6.81% by China Minmetals, 湖南省人民政府國有資產監督管理委員會 (State-owned Assets Supervision & Administration Commission of Hunan Provincial People’s Government) and 二十三冶建設集團有限公司工會 (Labour Union of Ershisanye Construction Group Co., Ltd.) respectively
“Ershisanye Group”	Ershisanye and its subsidiaries
“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 Board Committee”	an independent committee of the Board comprising Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria, being all the independent non-executive Directors, which has been formed by the Board to advise the Independent Shareholders in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)

DEFINITIONS

“Independent Shareholders”	Shareholder(s) other than June Glory and its associates, and any Shareholder who has a material interest in the Continuing Connected Transactions
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of Minmetals HK, and is the controlling shareholder of the Company holding approximately 61.91% of the issued share capital of the Company as at the Latest Practicable Date
“Latest Practicable Date”	18 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of China Minmetals
“PRC”	the People’s Republic of China, and for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Annual Cap(s)”	the proposed annual caps for the Continuing Connected Transactions for the three financial years ending 31 December 2013 as listed in the sub-section headed “The Continuing Connected Transactions” in the section headed “Letter from the Board” contained in this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGM”	the special general meeting of the Company to be convened and held at Garden Rooms, 2/F, The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 26 May 2011 at 11:15 a.m. for the Independent Shareholders to consider and, if thought fit, to approve the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)

DEFINITIONS

“Shareholder(s)”	holders of the Share(s)
“Shares”	the share(s) of par value of HK\$0.1 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“sq.m.”	square metres
“%”	percentage

For the purpose of illustration only, conversion of RMB into Hong Kong dollars in this circular is based on the exchange rate of RMB0.8509 to HK\$1.00. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.

LETTER FROM THE BOARD



五礦建設有限公司*

MINMETALS LAND LIMITED

(Incorporated in the Bermuda with limited liability)

(Stock Code: 230)

Non-executive Directors:

Mr. Sun Xiaomin, *Chairman*

Mr. Pan Zhongyi

Mr. Tian Jingqi

Mr. Liu Zeping

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Executive Directors:

Mr. Qian Wenchao, *Deputy Chairman*

Mr. He Jianbo, *Managing Director*

Mr. Yin Liang, *Senior Deputy Managing Director*

Ms. He Xiaoli, *Deputy Managing Director*

Mr. Yang Lu, *Deputy Managing Director*

Principal place of

business in Hong Kong:

18th Floor

China Minmetals Tower

79 Chatham Road South

Tsimshatsui

Kowloon

Hong Kong

Independent Non-executive Directors:

Mr. Lam Chun, Daniel

Mr. Selwyn Mar

Ms. Tam Wai Chu, Maria

20 April 2011

To the Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF 2011 TO 2013

BACKGROUND OF THE CONTINUING CONNECTED TRANSACTIONS

Since September 2007, Ershisanye has been appointed, based on successful tender, as construction contractor for the Group's real estate development projects in the PRC. Based on the working relationship since September 2007, the Group is satisfied with the competence of Ershisanye as construction contractor for the Group's real estate development projects in the PRC. On 10 September 2008, the Company and Ershisanye

* *For identification purpose only*

LETTER FROM THE BOARD

entered into an agreement in respect of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010, details of which are set out in the 2008 Circular. The agreement in respect of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010 has expired. As the Company wishes to continue to invite Ershisanye Group member(s) to place tenders for and subject to successful tender, to appoint Ershisanye Group member(s) as construction contractor for the Group's real estate development projects in the PRC, the Company has entered into the 2011 Agreement with Ershisanye which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Since Ershisanye is a subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and an indirect wholly-owned subsidiary of China Minmetals), Ershisanye is a connected person of the Company under the Listing Rules. Accordingly, members of the Ershisanye Group are connected persons of the Company and the Continuing Connected Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

In view that the estimated annual consideration of the Continuing Connected Transactions is more than HK\$10,000,000 and all of the relevant percentage ratios (under Rule 14.07 of the Listing Rules) are, on an annual basis, more than 5%, such transactions constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules and are subject to (i) the Independent Shareholders' approval requirement under Rule 14A.48 of the Listing Rules; (ii) the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules; and (iii) the annual review requirements under Rules 14A.37 to 14A.40 of the Listing Rules.

The purpose of this circular is to (i) provide the Shareholders with further information regarding the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); (ii) set out the recommendation of the Independent Board Committee to the Independent Shareholders and the advice of Access Capital to the Independent Board Committee and the Independent Shareholders in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); and (iii) give the Shareholders the notice of the SGM and other information as required under the Listing Rules.

THE CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rule 14A.35 of the Listing Rules, the term of the 2011 Agreement shall not exceed three years, and therefore the 2011 Agreement entered into between the Company and Ershisanye in respect of the Continuing Connected Transactions is proposed to expire on 31 December 2013. The 2011 Agreement is conditional upon the obtaining of the approval of the Independent Shareholders at the SGM in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

LETTER FROM THE BOARD

The 2011 Agreement

- Date : 29 March 2011
- Parties : (i) Principal : the Company
(ii) Contractor : Ershisanye
- Subject matter : The Group may from time to time invite Ershisanye Group to tender and award construction contract(s), subject to successful tender, to engage Ershisanye Group member(s) as construction contractor in respect of the existing and future real estate development projects (excluding the portions of the existing projects that had been tendered) of the Group in the PRC provided that the total contract sum of the construction contract(s) to be awarded by the Group to Ershisanye Group during the periods from 29 March 2011 to 31 December 2011, from 1 January 2012 to 31 December 2012 and from 1 January 2013 to 31 December 2013 shall not exceed the Proposed Annual Caps.
- Proposed Annual Caps : It is proposed that for the total contract sums of the Group's construction contracts awarded to the Ershisanye Group under the Continuing Connected Transactions for the three years ending 31 December 2013 will not exceed RMB1,817 million (equivalent to approximately HK\$2,135 million), RMB1,399 million (equivalent to approximately HK\$1,644 million) and RMB1,136 million (equivalent to approximately HK\$1,335 million), respectively.

None of the Directors has any interest in the 2011 Agreement and the Continuing Connected Transactions.

BASIS FOR DETERMINING THE PROPOSED ANNUAL CAPS

As disclosed in the 2008 Circular, the historical annual caps of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010 were RMB371 million (equivalent to approximately HK\$424 million), RMB1,189 million (equivalent to approximately HK\$1,358 million) and RMB714 million (equivalent to approximately HK\$815 million), respectively.

For the three years ended 31 December 2010, the Group's construction contracts awarded to the Ershisanye Group amounted to approximately RMB Nil (equivalent to approximately HK\$ Nil), RMB93 million (equivalent to approximately HK\$109 million) and RMB239 million (equivalent to approximately HK\$281 million), respectively.

It is expected that there will be more construction works in the coming years. The total number of real estate development projects has increased from 3 projects in 2008 to 10 projects in 2011 of which 5 projects will commence construction works from 2011. Additionally, the LOHAS International Community is a large-scale development that has only completed the first phase out of the total five phases.

LETTER FROM THE BOARD

Reference is made to the announcement of the Company dated 29 March 2011 in relation to the Continuing Connected Transactions (the “Announcement”). Amendments have been made to the proposed annual caps as contained in the Announcement due to the recent revision of the Group’s development schedule including the construction work for the newly acquired sites. As such, the proposed annual caps as contained in this circular shall prevail over the proposed annual caps as contained in the Announcement.

Having considered the relevant factors, including the estimated scope of construction works in respect of the Group’s real estate development projects, the estimated relevant construction price on a per square metre basis and the expected progress of the construction works, the Group proposes to set the Proposed Annual Caps for the three years ending 31 December 2013 at RMB1,817 million (equivalent to approximately HK\$2,135 million), RMB1,399 million (equivalent to approximately HK\$1,644 million) and RMB1,136 million (equivalent to approximately HK\$1,335 million), respectively.

In particular, the table below sets out the estimated amount of construction contracts, by project, that may be awarded by the Group during the term of the 2011 Agreement:

	From 29 March 2011 to 31 December 2011 RMB’000	From 1 January 2012 to 31 December 2012 RMB’000	From 1 January 2013 to 31 December 2013 RMB’000
LOHAS International			
Community	391,200	534,820	330,400
Scotland Town	570,000	–	–
Yingkou Project	109,800	200,140	259,300
Beijing Celebration City	269,500	238,320	238,400
Beijing Xibeiwang Project	476,500	207,320	89,400
Fongshan Project	–	218,400	218,500
	<hr/>	<hr/>	<hr/>
Total	1,817,000	1,399,000	1,136,000

The significant amount of the Proposed Annual Caps for the period from 29 March 2011 to 31 December 2013 is due to the increase in value of construction contracts that may be awarded in connection with the anticipated construction progress of the Group’s existing real estate development projects. The decrease in Proposed Annual Cap for the year ending 31 December 2012 to approximately RMB1,399 million (equivalent to approximately HK\$1,644 million) is attributable to the reduction in the expected construction work to be tendered for the existing projects of the Company, in particular, following the scheduled completion of construction work for Scotland Town.

LETTER FROM THE BOARD

The Proposed Annual Cap for the year ending 31 December 2013 is expected to further reduce to approximately RMB1,136 million (equivalent to approximately HK\$1,335 million), which is largely attributable to less construction work scheduled for tender in relation to LOHAS International Community and the Beijing Xibeiwang Project during the said financial year. The Shareholders should note that the Proposed Annual Caps represent the best estimates by the Group based on the information currently available (including types of the property to be constructed, development schedule and prevailing market conditions) and, in particular, the estimated amount of construction contracts by projects as shown in the table above should not be constructed as the maximum amount of construction contracts of a particular project that the Group may award to Ershisanye Group during each of the periods from 29 March 2011 to 31 December 2011, from 1 January 2012 to 31 December 2012 and from 1 January 2013 to 31 December 2013. The Proposed Annual Caps have no direct relationship to, nor should be taken to have any direct bearing on, the Group's financial or potential financial performance. The Group may or may not appoint Ershisanye Group as construction contractor in relation to future tenders for the Group's real estate development projects in the PRC, or if appointed, to take up construction works up to the level of the Proposed Annual Caps.

FURTHER INFORMATION ON THE APPOINTMENT OF CONSTRUCTION CONTRACTORS BY THE GROUP

The process of selecting construction contractors for the real estate development projects of the Group in the PRC shall be conducted in accordance with the applicable rules and regulations in the PRC and of the locations where the projects situated. According to the information currently available and the size of the projects, construction contracts relating to the Group's real estate development projects will have to be awarded through a regulated tender process governed by the relevant measures and regulations in the PRC. Notwithstanding that there might be slightly different measures and regulations in different cities and provinces in the PRC, a tender evaluation committee has to be established to, amongst other matters, evaluate tenders based on an appropriate tender assessment method and recommend the successful tender in a manner as stipulated in the applicable rules and regulations in the PRC. The tender evaluation committee shall comprise a majority of qualified experts randomly selected from a list of qualified experts for tender evaluation as approved by the relevant government authorities in the PRC. The tender assessment method shall be selected in accordance with the applicable measures and regulations with reference to, inter alia, the size of the construction contract. Although there are a number of tender assessment methods, the major criteria of all of them are unit tender rates, total tender sum, technical competency and track record.

The key events in chronological orders of a typical tender process for the Group's real estate development projects are as follows:

- (i) the Group invites tender for the construction contract;
- (ii) tenderers submit tenders within the required time frame;
- (iii) tender evaluation committee, formed in accordance with the rules and regulations in the PRC, reviews and evaluates the tenders submitted;
- (iv) after assessing the qualified tenders in accordance with a prescribed tender assessment method, the tender evaluation committee issues its recommendation for award of tender to the successful tenderer; and

LETTER FROM THE BOARD

- (v) based on such recommendation from the tender evaluation committee, the Group proceeds forward to appoint the successful tenderer by entering into the construction contract.

As part of the qualification evaluation of the tender procedures, the Company would evaluate, among other criteria, background, financial capabilities, operational capacity and experience of the contractors involved in a given tender.

Based on the above and given the independence of the tender evaluation committee, in the event that Ershisanye participates in tendering for any construction contracts in respect of the Group's existing and future real estate development projects, its tender will be reviewed and evaluated by the relevant tender evaluation committee by applying a prescribed tender assessment method in a manner no different from any other qualified tenders. In particular, the Group will not be involved in the tender evaluation part of the tender process except that representative(s) from the Group may be a minority member(s) of the relevant tender evaluation committee formed in accordance with the rules and regulations in the PRC.

The construction contract sum will be payable with respect to specific work stages/milestones achieved in various aspects of work. In general, an aggregate of 85% of the total construction contract sum will be paid up by the time of completion of works, and the remaining 15% of the total construction contract sum will be payable according to a payment schedule and will be fully paid up in one month after the expiry of the defect liability period.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Company is principally engaged in the business of real estate development, specialised construction, property investment and securities investment. The Ershisanye Group is principally engaged in the business of mining development and operations, construction engineering and real estate development.

As the Group's real estate development business continues to grow, it expects that in the coming few financial years it will actively invite tenders for construction works relating to its real estate development projects. In addition, the contract sum of each of these tenders is expected to be over HK\$10,000,000. Given its qualifications and experiences, Ershisanye Group is capable and suitable to tender for construction contracts of the Group's real estate development projects. The Group may therefore from time to time invite Ershisanye Group to tender for construction contracts for the Group's real estate development projects and award construction contract(s) to Ershisanye Group, subject to successful tender. Given Ershisanye is a subsidiary of China Minmetals, the Company has no reason to doubt the financial resources available to Ershisanye and its subsidiaries for them to satisfy their contractual obligations under construction contracts which may be awarded under the 2011 Agreement, subject to successful tender. The Directors (including all independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) consider that the Continuing Connected Transactions are in the ordinary and usual course of business of the Company, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. The main purpose of the 2011 Agreement and the Continuing Connected Transactions is to avoid undue delay in the construction progress of the relevant projects which will otherwise have to seek the approval of independent shareholders in a special general meeting for each specific instance.

LETTER FROM THE BOARD

INFORMATION ON ERSHISANYE

Established in 1953, Ershisanye and its subsidiaries are principally engaged in mining development and operations, construction engineering, and real estate development. Since 2001, it has been assigned under the administration of Hunan Province, the PRC, and became one of the 20 large-sized enterprises supported by the Hunan Provincial Government. In 2006, Ershisanye became a subsidiary of China Minmetals. Ershisanye is classified as main contractor Class I in various aspects including, without limitation, the Building Construction Main Contractor Class I (房屋建設工程施工總承包一級) by the relevant government authorities in the PRC. According to Ershisanye, it has completed over 50 construction projects in the past few years.

LISTING RULES IMPLICATION

Since Ershisanye is a subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and an indirect wholly-owned subsidiary of China Minmetals), Ershisanye is a connected person of the Company under the Listing Rules. Accordingly, members of the Ershisanye Group are connected persons of the Company and the Continuing Connected Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

In view that the estimated annual consideration of the Continuing Connected Transactions is more than HK\$10,000,000 and all of the relevant percentage ratios (under Rule 14.07 of the Listing Rules) are, on an annual basis, more than 5%, such transactions constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules and are subject to (i) the Independent Shareholders' approval requirement under Rule 14A.48 of the Listing Rules; (ii) the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules; and (iii) the annual review requirements under Rules 14A.37 to 14A.40 of the Listing Rules.

SGM

A notice of the SGM to be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 26 May 2011 at 11:15 a.m. is set out on pages 34 to 35 of this circular. At the SGM, an ordinary resolution will be proposed and, if thought fit, passed to approve the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps). In view of the connection between Ershisanye and June Glory, June Glory and its associates are required to abstain from voting on the resolution approving the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) at the SGM in accordance with Rule 14A.18 of the Listing Rules. As at the Latest Practicable Date, June Glory and its associates controlled 2,066,211,506 Shares (representing approximately 61.91% of the issued share capital of the Company). To the best of the Directors' knowledge and belief having made all reasonable enquiries, as at the Latest Practicable Date, save for June Glory, no other Shareholder was required to abstain from voting on the resolution for approving the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) at the SGM.

LETTER FROM THE BOARD

A form of proxy for use at the SGM is attached. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of 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 SGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of the Independent Shareholders at the SGM will be taken by poll and the announcement on the results of which will be published on the websites of the Company and of the Stock Exchange following the SGM.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee which is set out on pages 13 to 14 of this circular containing the recommendation of the Independent Board Committee to the Independent Shareholders regarding the 2011 Agreement and the Continuing Connected Transactions (including the Annual Cap Amounts); and (ii) the letter from the Independent Financial Adviser which is set out on pages 15 to 27 of this circular containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

The Directors (including all the independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) are of the view that the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and the transactions contemplated thereunder are in the ordinary and usual course of business of the Company, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution at the SGM in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

ADDITIONAL INFORMATION

Your attention is also drawn to the general information set out in the appendix to this circular.

Yours faithfully,
For and on behalf of the Board of
Minmetals Land Limited
He Jianbo
Managing Director



五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in the Bermuda with limited liability)

(Stock Code: 230)

20 April 2011

To the Independent Shareholders

Dear Sir or Madam,

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
IN RESPECT OF 2011 TO 2013**

We refer to the circular dated 20 April 2011 of the Company (“Circular”) of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider and to advise the Independent Shareholders whether the terms of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and whether the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole, taking into account the recommendations of the Independent Financial Adviser appointed to advise us and the Independent Shareholders in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Access Capital has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in the abovementioned context.

Your attention is drawn to the “Letter from the Board” and the “Letter from Access Capital” in the Circular, which contain, inter alia, information about the 2011 Agreement and the Continuing Connected Transactions, and the advice from Access Capital in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taking into account the reasons for and benefits of the Continuing Connected Transactions, the principal factors and reasons considered by Access Capital in arriving at its opinion regarding the Continuing Connected Transactions as set out in the “Letter from Access Capital” on pages 15 to 27 of the Circular, we consider that the entering into of the 2011 Agreement and the Continuing Connected Transactions are in the usual and ordinary course of business of the Company and that the terms of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) and transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolution as set out in the notice of the SGM to be convened and held on Thursday, 26 May 2011 and thereby approve the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Yours faithfully,
For and on behalf of
Independent Board Committee

Lam Chun, Daniel
*Independent non-executive
Director*

Selwyn Mar
*Independent non-executive
Director*

Tam Wai Chu, Maria
*Independent non-executive
Director*

LETTER FROM ACCESS CAPITAL

Set out below is the text of the letter of advice from Access Capital to the Independent Board Committee and the Independent Shareholders prepared for inclusion in this Circular.



Suite 606, 6th Floor
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

20 April 2011

*To the Independent Board Committee and
the Independent Shareholders*

Dear Sirs,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF 2011 TO 2013

I. INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the renewal of annual caps for the continuing connected transactions with Ershisanye Group member(s), details of which are set out in the “Letter from the Board” contained in the circular dated 20 April 2011 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Unless otherwise stated, terms defined in the Circular shall have the same meanings in this letter.

The Company announced that on 29 March 2011, the agreement in respect of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010 has expired. As the Company wishes to continue to invite Ershisanye Group member(s) to place tenders for and subject to successful tender, to appoint Ershisanye Group member(s) as construction contractor for the Group’s real estate development projects in the PRC, the Company has entered into the 2011 Agreement with Ershisanye which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Since Ershisanye is a subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and an indirect wholly-owned subsidiary of China Minmetals), Ershisanye is a connected person of the Company under the Listing Rules. Accordingly, members of the Ershisanye Group are connected persons of the Company and the Continuing Connected Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

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Since the estimated annual consideration of the Continuing Connected Transactions is more than HK\$10,000,000 and all of the relevant percentage ratios are, on an annual basis, more than 5%, the Continuing Connected Transactions constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules and are subject to (i) the Independent Shareholders' approval requirement under Rule 14A.48 of the Listing Rules; (ii) the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules; and (iii) the annual review requirements under Rules 14A.37 to 14A.40.

II. THE INDEPENDENT BOARD COMMITTEE

The Board comprises twelve Directors, namely Mr. Sun Xiaomin as the Chairman and a non-executive Director, Mr. Qian Wenchao, Mr. He Jianbo, Mr. Yin Liang, Ms. He Xiaoli and Mr. Yang Lu as executive Directors, Mr. Pan Zhongyi, Mr. Tian Jingqi and Mr. Liu Zeping as non-executive Directors, and Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria as independent non-executive Directors.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria, has been established to advise the Independent Shareholders as to whether the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) were entered into on normal commercial terms and in the interests of the Company and the Shareholders as a whole and whether the terms of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable so far as the Independent Shareholders are concerned.

We have been appointed to advise the Independent Board Committee and the Independent Shareholders in this respect and to give our opinion in relation to the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) for the Independent Board Committee's consideration when making its recommendation to the Independent Shareholders.

III. BASIS AND ASSUMPTIONS

In formulating our advice, we have relied solely on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company and/or its senior management staff (the "**Management**") and/or the Directors (save for the independent non-executive Directors). We have assumed that all such statements, information, opinions and representations contained or referred to in the Circular or otherwise provided or made or given by the Company and/or the Management and/or the Directors (save for the independent non-executive Directors) and for which it is/they are solely responsible were true and accurate and valid at the time they were made and given and continue to be true and valid as at the date of the Circular. We have assumed that all the opinions and representations made or provided by the Directors (save for the independent non-executive Directors) and/or the Management contained in the Circular have been reasonably made after due and careful enquiry. We have also sought and obtained confirmation from the Company and/or the Management and/or the Directors (save for the independent non-executive Directors) that no material facts have been omitted from the information provided and referred to in the Circular.

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We consider that we have reviewed all currently available information and documents which are made available to us to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Company and/or the Management and/or the Directors (save for the independent non-executive Directors) and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents. We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Company or any of its subsidiaries.

IV. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion regarding the Continuing Connected Transactions and the Proposed Annual Caps, we have taken into consideration the following principal factors and reasons:

1. Principal activities and business strategy of the Group

The Group is principally engaged in the businesses of real estate development, specialised construction, property investment and securities investment.

Set out below are the operating results of the Group for the two years ended 31 December 2010 as extracted from the Company's 2009 annual report and results announcement (the "2010 Results Announcement") for the year ended 31 December 2009 and 2010, respectively:

	For the year ended 31 December	
	2009	2010
	HK\$'000	HK\$'000
	(audited)	(audited)
Revenue		
– Real estate development	728.4	1,182.2
– Specialised construction	469.2	427.6
– Property investment	46.6	49.0
	<hr/>	<hr/>
Total Revenue	<u>1,244.2</u>	<u>1,658.8</u>
	<hr/>	<hr/>
Profit for the year/period	<u>155.4</u>	<u>608.8</u>
	<hr/>	<hr/>

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As set out in the 2010 Results Announcement, the Group's revenue and profit for the year ended 31 December 2010 increased by approximately 33.3% and 291.8%, respectively, as compared to 2009. The increase in revenue is primarily attributable to the strong contribution from the operating segment of real estate development, in particular, the recognition of revenue from Phase II and Phase III of Laguna Bay and Parts I and II of Phase I of LOHAS International Community. The significant increase in the profit for the year is attributable to, among other things, the increase in revenue and a fair value gain of approximately HK\$332.3 million in relation to the acquisition of interests in subsidiaries.

Details and status of the Group's real estate development portfolio

Following the acquisitions made during the year ended 31 December 2010, the Group's portfolio of real estate development increases to nine projects in seven cities in the PRC as at 31 December 2010. As set out in the 2010 Results Announcement, the Group's real estate development portfolio expanded in terms of footage as well as diversification and geographical spread, and the Group has also participated in a commercial development for the first time during the year ended 31 December 2010.

Details of each of the Group's real estate development projects, as extracted from the 2010 Results Announcement, are set out below:

Location / Project	Site area (sq.m.)	Approximately gross floor area (sq.m.)	Attributable interest to the Group
Nanjing, Jiangsu Province			
– Laguna Bay	310,000	316,000	71.00%
– Riveria Royale	73,000	219,000	50.89%
Changsha, Hunan Province			
– LOHAS International Community	633,000	1,049,000	100.00%
– Scotland Town	311,000	450,000	100.00%
Tianjin			
– Minmetals International	21,000	184,000	100.00%
Langfang, Hebei Province			
– Beijing Celebration City	281,000	225,000	50.00%
Yingkou, Liaoning Province			
– Yingkou Project	396,000	581,000	100.00%
Huizhou, Guangdong Province			
– Huizhou Project	578,000	578,000	65.00%
Haidian District, Beijing			
– Beijing Xibeiwang Project	139,000	355,000	51.00%

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Laguna Bay Project

Laguna Bay is developed under three phases comprising villas and apartment units. For the year ended 31 December 2010, a total of 590 units had been completed and delivered to purchasers.

It has been noted that the pre-sale of high rise apartments of Phase III of this project was launched in 2010 and the Group will closely monitor the market developments with a view to launch the next phase of the pre-sale programme.

Riveria Royale

This project comprises condominium units and villas, as well as a portion of commercial space. A proportion of villas and high rises had been pre-sold and delivery is expected to be in 2011 and onwards, as such no revenue has been recognised during the year ended 31 December 2010.

LOHAS International Community Project

This large-scale residential project will be developed in five phases with ancillary facilities including clubhouse, shops, car parking spaces, schools, kindergarten and landscaped garden. The Group earmarked Phase II of this project for pre-sale during 2011. The entire project is expected to be completed in 2013.

Scotland Town

The first phase of development is planned for villas. The pre-sale programme commenced in 2009. Construction works for the second phase are scheduled to begin in the first half of 2011 with ancillary commercial and club house and basement car parks.

Minmetals International

Minmetals International is an office cum residential apartment project and pre-sale of this project has commenced.

Beijing Celebration City

This is a residential project and owned as to 50% by the Group. As at 31 December 2010, land with an aggregate site area of approximately 281,000 sq.m. has been acquired which may be further increased to 5,340,000 sq.m., subject to relevant laws and regulations. Pre-sale of Phase I of this project is expected to be launched in the second quarter of 2011.

Yingkou Project

The project is expected to provide a total gross floor area of approximately 581,000 sq.m. upon completion. This project has commenced foundation work and pre-sale is expected to be launched in the last quarter of 2011.

Huizhou Project

The 65% equity interest of this project company was acquired by the Group in December 2010. Planning for this site is underway and pre-sale of the first phase is scheduled to be in the last quarter of 2011.

Beijing Xibeiwang Project

This project comprises two sites that were newly acquired by the Group together with a joint partner in 2010 for a consideration of HK\$6,142.8 million. It is the Group's first project in the capital city of the PRC. This project is currently under planning and design. It is scheduled for pre-sale in 2011.

Fongshan Project

In addition to the aforesaid nine real estate development projects, the Group acquired a parcel of land in Jiangning District of Nanjing City after year end through an auction held on 28 January 2011. The aforesaid 179,000 sq.m. residential land was auctioned at RMB1 billion (approximately HK\$1.2 billion) with the maximum gross floor area of approximately 182,000 sq.m.. The Group considers the location of the land ideally suited for a low-density, high-end residential community development.

Business strategies of the Group

As stated in the 2010 Results Announcement, with the Group's own financial resources coupled with support from China Minmetals, it is well positioned for further expansion in its real estate operating segment going forward.

2. PRC property market and influential factors

Monetary and property related policies in the PRC

Throughout 2010 and the first quarter of 2011, the PRC government imposed series of policies with a view to prevent the PRC real estate market from being overheated. Such include but not limited to, (i) increase in the one year deposit rate for financial institutions* (金融機構一年期存款基準利率); (ii) increase in the required reserve ratios* (法定存款準備金率) for banks; (iii) various measures to tighten the lending policies in relation to the purchase of residential properties; (iv) introduction of various property related taxes; and (v) plans to increase in the supply of residential properties.

We noted from the 2010 Results Announcement that the Group will continue to monitor the developments of the relevant PRC government policies closely and take necessary steps in adjusting its own pace of development to synchronise with the prevailing PRC policies. Furthermore, the Group is of the view that the adjustment measures are likely to be beneficial, in a longer term, for the sustainable development of the real estate industry in the PRC as a whole.

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Property related statistics on major PRC cities

As per data published by the National Bureau of Statistics of the PRC in relation to the year ended 31 December 2010, area of commodity houses sold* (商品房銷售面積) in 70 major PRC cities totalled to approximately 1,043.5 million sq.m., representing a year-on-year increase of approximately 10.1%, while the commodity houses sales* (商品房銷售額) totalled to approximately RMB5,247.8 billion, representing a year-on-year increase of approximately 18.3%. We also noted that investment by property developers* (房地產開發企業完成投資) in relation to residential properties* (住宅) totalled to approximately RMB4,826.7 billion, representing an increase of approximately 32.9% when compared to 2009.

3. Information on Ershisanye

As stated in the "Letter from the Board", Ershisanye and its subsidiaries are principally engaged in mining development and operations, construction engineering, and real estate development. Since 2001, it has been assigned under the administration of Hunan Province, the PRC, and became one of the 20 large-sized enterprises supported by the Hunan Provincial Government. In 2006, Ershisanye became a subsidiary of China Minmetals. Ershisanye is classified as main contractor Class I in various aspects including, without limitation, the Building Construction Main Contractor Class I* (房屋建設工程施工總承包一級) by the relevant government authorities in the PRC. According to Ershisanye, it has completed over 50 construction projects in the past few years.

As set out in the website of Ershisanye (www.23ye.com), Ershisanye Group was ranked 60 in the top 500 construction enterprises in the PRC in 2006.

Given the track record of Ershisanye on property construction works, we believe that it possesses the requisite skill and experience to perform the construction works, subject to successful tender, under the 2011 Agreement.

Recent working relationship between members of the Ershisanye Group and the Group

Based on information provided by the Management, members of the Ershisanye Group were awarded with certain construction contracts during the two financial years ended 31 December 2010. No material complaint on the work performed by these members of the Ershisanye Group under these construction contracts was noted by the Group. We have been advised by the Management that member of the Ershisanye Group participated in the tender of certain construction contracts in relation to the Yingkou Project in the first quarter of 2011. However, after assessing tenders submitted, the Group awarded the aforesaid contracts to other construction companies.

4. The 2011 Agreement

4.1 Basis and reasons for the 2011 Agreement

As set out in the “Letter from the Board”, since September 2007, Ershisanye has been appointed, based on successful tender, as the construction contractor for the Group’s real estate development projects in the PRC. Based on the working relationship since September 2007, the Group is satisfied with the competence of Ershisanye as the construction contractor for the Group’s real estate development projects in the PRC. On 10 September 2008, the Company and Ershisanye entered into an agreement in respect of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010, details of which are set out in the 2008 Circular. The agreement in respect of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010 has expired. As the Company wishes to continue to invite Ershisanye Group member(s) to place tenders for and, subject to successful tender, to appoint Ershisanye Group member(s) as construction contractor for the Group’s real estate development projects in the PRC, the Company has entered into the 2011 Agreement with Ershisanye which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2011 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

We noted from the “Letter from the Board” that as the Group’s real estate development business continues to grow, the Group expects that in the coming few financial years it will actively invite tenders for construction works relating to its real estate development projects. In addition, the contract sum of each of these tenders is expected to be over HK\$10,000,000. Given its qualifications and experiences, Ershisanye Group is capable and suitable to tender for construction contracts of the Group’s real estate development projects. The Group may therefore from time to time invite Ershisanye Group to tender for construction contracts for the Group’s real estate development projects and award construction contract(s) to Ershisanye Group, subject to successful tender.

Furthermore, we noted from information provided by the Management, the Group has nine real estate development projects as at 31 December 2010, details of which are set out in the paragraph headed “1. Principal activities and business strategy of the Group”, majority of which will have construction contracts scheduled for tendering during the three years ending 31 December 2013. Based on the aforesaid information, among others, the Company derived the Proposed Annual Caps, details of which are set out under paragraph headed “4.4 Basis of the Proposed Annual Caps” below.

4.2 Principal terms of the 2011 Agreement

Pursuant to the 2011 Agreement, the Group may from time to time invite Ershisanye Group to tender and award construction contract(s), subject to successful tender, to engage Ershisanye Group member(s) as a construction contractor in respect of the existing and future real estate development projects (excluding the portions of the existing projects that had been tendered) of the Group in the PRC provided that the total contract sum of the construction contract(s) to be awarded by the Group to Ershisanye Group during each

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of the periods from 29 March 2011 to 31 December 2011 from 1 January 2012 to 31 December 2012 and from 1 January 2013 to 31 December 2013 shall not exceed the Proposed Annual Caps.

4.3 Proposed Annual Caps

Historical annual caps of the 2008 Continuing Connected Transactions

As disclosed in the 2008 Circular, the historical annual caps of the 2008 Continuing Connected Transactions for the three years ended 31 December 2010 were RMB371 million (equivalent to approximately HK\$424 million), RMB1,189 million (equivalent to approximately HK\$1,358 million) and RMB714 million (equivalent to approximately HK\$815 million), respectively (the “**Historical Annual Caps**”).

As set out in the “Letter from the Board”, for the three years ended 31 December 2010, the Group’s construction contracts awarded to the Ershisanye Group amounted to approximately RMB Nil, RMB93 million (equivalent to approximately HK\$109 million) and RMB239 million (equivalent to approximately HK\$281 million), respectively. We have discussed with the Management and noted that the notable under-utilisation of the Historical Annual Caps was due to, (i) the Historical Annual Caps represented the Group’s estimated value of construction contracts available for the Ershisanye Group to tender for, however, the Ershisanye Group was not awarded with the construction contracts in all occasions where a tender was submitted; and (ii) the Historical Annual Caps were made with reference to development plans and progress of each of the projects of the Group at the time, however certain development plans and progress of projects have subsequently been amended which affected the value of construction contracts available for tender during the three years ended 31 December 2010.

Proposed Annual Caps

The table below sets forth the Proposed Annual Caps for the three years ending 31 December 2013:

Year ending 31 December 2011	RMB1,817 million (approximately HK\$2,135 million)
Year ending 31 December 2012	RMB1,399 million (approximately HK\$1,644 million)
Year ending 31 December 2013	RMB1,136 million (approximately HK\$1,335 million)

4.4 Basis of the Proposed Annual Caps

According to the “Letter from the Board”, the Proposed Annual Caps were based on (i) the expected construction contract values of the existing projects under development; and (ii) the expected tender award schedule in its construction work for the three years ending 31 December 2013.

Based on the information provided by the Company, the estimated value of construction contracts that may be awarded by the Group, being approximately the

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Proposed Annual Caps, was derived by multiplying the expected gross floor area to be tendered during each of the three years ending 31 December 2013 with the estimated unit construction price for the relevant projects.

The expected gross floor area to be constructed are related to projects including, LOHAS International Community (Phase II – V), Yingkou Project (Phase I – IV), Scotland Town, Beijing Celebration City (Phase I-B), Beijing Xibeiwang Project (Phases I – III of C1 and Phase I of C3) as well as Fongshan Project. (the “**Projects**”)

In relation to the basis for determining the estimated unit construction price, the Management informed that since the construction work to be tendered under the Proposed Annual Caps will primarily be related to the Projects, they have made reference to the prevailing market prices (including labour cost and materials cost) on construction works with similar quality and scopes of work for such types of development. We have discussed with the Management that in determining the estimated unit construction price for each of the Projects for the purpose of calculating the Proposed Annual Caps, the Management has adopted the prevailing market price on construction work as the basis and without taking into account other factors, such as inflation, increase in material costs, etc. Accordingly, we concur with the Management’s view that the basis of determining the estimated unit construction price which is made with reference to the prevailing market price to be prudent.

We have discussed with the Management and noted that, reference is made to the development plans and progress of each of the Projects when estimating the expected gross floor area. Based on information provided by the Management, the gross floor area to be tendered during the period from 29 March 2011 to 31 December 2011 will be related to all of the Projects save for the Fongshan Project. Given the scale and number of projects scheduled for construction work during the period from 29 March 2011 to 31 December 2011 together with the estimated unit construction price for each of the Projects save for the Fongshan Project, the Proposed Annual Cap for the corresponding financial year was estimated to be approximately RMB1,817 million (equivalent to approximately HK\$2,135 million), which is in line with the estimated construction contract value for the period from 29 March 2011 to 31 December 2011.

The basis for determining the Proposed Annual Caps for the two years ending 31 December 2013 are also made with reference to (i) an estimation of the expected gross floor area to be constructed; and (ii) the estimated unit construction price for each of the Projects save for Scotland Town during the respective year as discussed above.

The decrease in Proposed Annual Cap for the year ending 31 December 2012 to approximately RMB1,399 million (equivalent to approximately HK\$1,644 million) relates to the reduction in the expected construction work to be tendered for the Projects, in particular, following the scheduled completion of construction work for Scotland Town.

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The Proposed Annual Cap for the year ending 31 December 2013 is expected to further reduce to approximately RMB1,136 million (equivalent to approximately HK\$1,335 million). Such is largely attributable to less construction work scheduled for tender in relation to LOHAS International Community and the Beijing Xibeiwang Project during the said financial year.

Shareholders should be aware that the actual utilization and sufficiency of the Proposed Annual Caps would depend on a host of factors, including but not limited to, the relevant tenders which will be awarded through a regulated tender process governed by the relevant measures and regulations in the PRC and may or may not be granted to Ershisanye, the progress of the real estate development projects in question and the scope of work. In this regard, we understand from the Management that the Company will actively monitor the progress and utilization of the Proposed Annual Caps to ensure compliance with the Listing Rules from time to time.

Taking into account (i) the estimated total value of construction works to be tendered by the Group are based on the expected progress of the construction works on the relevant projects; (ii) the prevailing market price on construction works was used as the basis to calculate the Proposed Annual Caps; and (iii) the Company will actively monitor the utilization of the Proposed Annual Caps in the future, we consider that the basis for the Proposed Annual Caps to be fair and reasonable.

4.5 Tender and appointment procedures

We noted from the Management that the Company has a tender management manual* (招標管理辦法) in place governing the tender procedures of the Company and its project companies, setting out guidelines for, among other things, tender strategy* (招標策劃), qualification evaluation* (資格審查), tender documentation* (招標文件), tender procedures* (投標). As set out in the "Letter from the Board", as part of the qualification evaluation of the tender procedures, the Company would evaluate, among other criteria, background, financial capabilities, operational capacity and experience of the contractors involved in a given tender. We also noted from the "Letter from the Board" that, given Ershisanye is a subsidiary of China Minmetals, the Company has no reason to doubt the financial resources available to Ershisanye and its subsidiaries for them to satisfy their contractual obligations under construction contracts which may be awarded under the 2011 Agreement, subject to successful tender.

As set out in the "Letter from the Board", the process of selecting construction contractors for the real estate development projects of the Group in the PRC shall be conducted in accordance with the applicable rules and regulations in the PRC and of the locations where the projects situated. According to the information currently available and the size of the projects, construction contracts relating to the Group's real estate development projects will have to be awarded through a regulated tender process governed by the relevant measures and regulations in the PRC. We also understand from the Management that no material amendments to the PRC governmental tender regulations have been noted and project companies of the Company have been complying with the relevant PRC governmental tender regulations since the signing of the previous agreement in respect of the 2008 Continuing Connected Transactions.

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Further information in relation to the tender process for the Group's real estate development projects are set out in the "Letter from the Board" under paragraph headed "Further information on the appointment of construction contractors by the Group".

4.6 Settlement of construction contract sums

As set out in the "Letter from the Board", the construction contract sum will be payable with respect to specific work stages/milestones achieved in various aspects of work. In general, an aggregate of 85% of the total construction contract sum will be paid up by the time of completion of works, and the remaining 15% of the total construction contract sum will be payable according to a payment schedule and will be fully paid up in one month after the expiry of the defect liability period.

We have discussed with the Management and reviewed samples of the settlement terms for construction contracts with independent third parties to the Group and with Ershisanye Group and noted that the settlement terms for construction contracts with Ershisanye Group to be consistent with those for independent third parties to the Group. Accordingly, we are of the view that the settlement terms of the Continuing Connected Transactions to be reasonable.

4.7 Our view

Given (i) the appointment of Ershisanye Group as main contractor to carry out the construction works of the Group's existing real estate development projects is a furtherance of the Group's core businesses; (ii) the Group's past experience with Ershisanye Group on its real estate development projects; and (iii) the basis for calculating the Proposed Annual Caps as mentioned above, we consider that the entering into of the 2011 Agreement is in the ordinary and usual course of business of the Group and the terms of the 2011 Agreement (including the Proposed Annual Caps) are on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

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V. RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that the terms of the 2011 Agreement (including the Proposed Annual Caps) are on normal commercial terms, in the ordinary and usual course of business and in the interests of the Group and the Shareholders as a whole. We also consider that the terms of the 2011 Agreement (including the Proposed Annual Caps) are fair and reasonable so far as the Independent Shareholders are concerned. Therefore, we would advise the Independent Board Committee and the Independent Shareholders that the Independent Shareholders to vote in favour for the ordinary resolution to approve the 2011 Agreement (including the Proposed Annual Caps) at the SGM.

Yours faithfully,
For and on behalf of
Access Capital Limited
Jimmy Chung
Principal Director

* *For identification purpose only*

1. 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 Group. 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

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short position of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, or as recorded in the register kept by the Company pursuant to section 352 of the SFO, were as follows:

Long Position in Shares

Name of Director	Type of interests	Number of Shares held	Percentage of total issued Shares
Mr. Qian Wenchao	Personal	442,000	0.013%
Mr. He Jianbo	Personal	612,000	0.018%
Mr. Yin Liang	Personal	408,000	0.012%
Ms. He Xiaoli	Personal	370,000	0.011%
Mr. Yang Lu	Personal	204,000	0.006%

Interests in underlying Shares*Interests in share options of the Company*

As at the Latest Practicable Date, the following Directors had interests in the share options granted by the Company under the share option scheme of the Company adopted on 29 May 2003:

Name of Director	Date of grant	Vesting period (both days inclusive)	Exercisable Period (both days inclusive)	Exercise price per Share (HK\$)	Number of share options outstanding
Mr. Qian Wenchao	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	1,031,333
Mr. He Jianbo	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	1,428,000
Mr. Yin Liang	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	952,000
Ms. He Xiaoli	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	793,333
Mr. Yang Lu	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	476,000

Note: These share options are exercisable in three tranches: the maximum percentage of share options of each tranche exercisable within the periods commencing from 1 December 2010 to 30 November 2018, from 1 December 2011 to 30 November 2018 and from 1 December 2012 to 30 November 2018 are 30%, 30% and 40% respectively.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company hold any interest or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

Save as disclosed in this circular, so far as was known to the Directors, none of the Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons (other than Directors and chief executive of the Company) had interests or short positions in Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital:

Name of Shareholder	Interest in Shares	Approximate percentage of total issued Shares
China Minmetals	2,066,211,506 <i>(Note 1)</i>	61.91%
Minmetals HK	2,066,211,506 <i>(Note 1)</i>	61.91%
June Glory	2,066,211,506 <i>(Note 1)</i>	61.91%
Mr. Osbert Lyman	170,139,862 <i>(Note 2)</i>	5.10%
Strategic Power International Limited	170,139,862 <i>(Note 2)</i>	5.10%

Notes:

1. The interests disclosed herein are held by June Glory, a wholly-owned subsidiary of Minmetals HK, and Minmetals HK is wholly owned by China Minmetals.
2. Strategic Power International Limited ("SPI") is owned as to 70% by Mr. Osbert Lyman. In view that SPI had direct and indirect interests in 19,290,000 Shares and 150,849,862 Shares respectively, each of SPI and Mr. Osbert Lyman is deemed to have interest in 170,139,862 Shares.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into, a service contract with any member of the Group which is not terminable by the Group within one year without payment of compensation, other than statutory compensation.

5. COMPETING BUSINESS

Mr. Pan Zhongyi, a non-executive Director of the Company, is also a director and the general manager of Minmetals (Yingkou) Industrial Park Development Co., Ltd., an enterprise established under the laws of the PRC which is engaged in the development of Minmetals (Yingkou) Industrial Park. Mr. Tian Jingqi, a non-executive Director of the Company, is also a director and the general manager of Minmetals Real Estate Co., Ltd., an enterprise established under the laws of the PRC which is engaged in real estate development and operation, construction, property management, real estate agency, real estate advertising and exhibition and other real estate related business. Mr. Liu Zeping, a non-executive Director of the Company, is also a director and the president of Ershisanye, an enterprise established under the laws of the PRC which is engaged in construction engineering, mining development and operations and real estate development business. In case the Board decides that there are any issues of conflict between the Group and the aforementioned companies, conflicting Directors will abstain from voting on the relevant resolutions.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates had any competing interests in a business which competes or is likely to compete with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder).

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2010 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

There is no contract or arrangement subsisting at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group, except that Mr. Tsui Ki Ting, who is a director of a subsidiary of the Company — 龍建(南京)置業有限公司 (Dragon Construction (Nanjing) Property Co., Ltd.) (“DCNP”), was interested in the shareholders’ agreement in respect of Oriental Dragon Construction Limited (“ODCL”) (the immediate holding company of DCNP) dated 11 April 2006 entered into amongst Karman Industries Limited (“KIL”), Stillpower Limited (both being indirect wholly-owned subsidiaries of the Company), World Ocean Development Limited (“WODL”) and ODCL in respect of the transfer of a 29% equity interest in ODCL from KIL to WODL at a total consideration of HK\$2,900 and the major terms in respect of the management and operations of ODCL which is the joint venture company of the Laguna Bay Project. As at the Latest Practicable Date, Mr. Tsui Ki Ting had an effective interest of approximately 22.96% in WODL which in turns owned 29% equity interest in ODCL, and the remaining 71% equity interest in ODCL was owned indirectly by the Company.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2010, the date to which the latest published audited financial statements of the Company were made up.

8. EXPERT

- (a) Access Capital is a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.
- (b) Access Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, reports and references to its name in the form and context in which they are included. The letter and recommendations therein given by Access Capital are given as of the date of this circular for incorporation herein.
- (c) As at the Latest Practicable Date, Access Capital did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (d) As at the Latest Practicable Date, Access Capital did not have any interest, directly or indirectly, in any asset which had since 31 December 2010, being the date to which the latest published audited financial statements of the Company were made up, been acquired or disposed of by, or leased to, any member of the Group, or was proposed to be acquired or disposed of by, or leased to, any member of the Group.

9. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at 18th Floor, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, during normal business hours on any weekday (except public holidays), from the date of this circular up to the date of the SGM:

- (a) the 2011 Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out in the section headed "Letter from the Independent Board Committee" of this circular;
- (c) the letter from Access Capital, the text of which is set out in the section headed "Letter from Access Capital" of this circular; and
- (d) the written consent referred to in paragraph 8 in this appendix.

NOTICE OF SGM



五礦建設有限公司*

MINMETALS LAND LIMITED

(Incorporated in the Bermuda with limited liability)

(Stock Code: 230)

NOTICE IS HEREBY GIVEN that a special general meeting of the shareholders of Minmetals Land Limited (the "Company") will be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 26 May 2011 at 11:15 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as an ordinary resolution:

ORDINARY RESOLUTION

"THAT:

- (a) the conditional agreement dated 29 March 2011 between the Company and 二十三冶建設集團有限公司 (Ershisanye Construction Group Co., Ltd.) ("Ershisanye") in relation to the engagement of Ershisanye and/or its subsidiaries as construction contractor (subject to successful tender) in respect of the existing and future real estate development projects of the Company and its subsidiaries for the three financial years ending 31 December 2013 (the "Agreement") and the transactions contemplated thereunder including the proposed annual caps for the three years ending 31 December 2013 (details of which are described in the circular of the Company dated 20 April 2011 and a copy of which has been produced to this meeting marked "A" and signed by the Chairman of this meeting for the purpose of identification) be and are hereby approved, confirmed and ratified; and
- (b) any one of the directors of the Company be and is hereby authorised to do all such further acts and things and execute such further documents and take all steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the Agreement and the transactions contemplated thereunder."

By order of the Board
Minmetals Land Limited
He Jianbo
Managing Director

Hong Kong, 20 April 2011

* For identification purpose only

NOTICE OF SGM

Notes:

1. A member entitled to attend and vote at the abovementioned meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting or any adjournment thereof should they so wish.
3. The register of members of the Company will be closed from Tuesday, 24 May 2011 to Thursday, 26 May 2011, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending the above mentioned meeting, all share certificates with completed transfer forms must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 23 May 2011.
4. The votes at the above mentioned meeting will be taken by poll.