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**五礦建設有限公司\***  
**MINMETALS LAND LIMITED**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 230)**

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS  
IN RESPECT OF 2014 TO 2016**

Reference is made to the 2011 Circular in relation to the 2011 Continuing Connected Transactions between the Company and 23rd Metallurgical. The 2011 Continuing Connected Transactions and the Continuing Connected Transactions involve the appointment of the 23rd Metallurgical Group member(s) as construction contractor for the Group's real estate development projects in the PRC, subject to successful tender.

The agreement in respect of the 2011 Continuing Connected Transactions for the three years ending 31 December 2013 will expire on 31 December 2013. As the Company intends to continue to invite the 23rd Metallurgical Group member(s) to place tenders for and subject to successful tender, to appoint the 23rd Metallurgical Group member(s) as construction contractor for the Group's real estate development projects in the PRC, the Company has entered into the 2013 Agreement with 23rd Metallurgical which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Since 23rd Metallurgical is a subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and a subsidiary of China Minmetals), 23rd Metallurgical is a connected person of the Company under the Listing Rules. Accordingly, members of the 23rd Metallurgical 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.

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; and (iii) the annual review requirements under Rules 14A.37 to 14A.40.

The Proposed Annual Caps for the Continuing Connected Transactions for the three years from 1 January 2014 to 31 December 2016 are RMB946 million (equivalent to approximately HK\$1,197 million), RMB998 million (equivalent to approximately HK\$1,262 million) and RMB743 million (equivalent to approximately HK\$940 million), respectively.

The Independent Board Committee has been formed to advise the Independent Shareholders in connection with the 2013 Agreement and the Continuing Connected Transactions

(including the Proposed Annual Caps). The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

The Company will convene the SGM to seek the Independent Shareholders' approval for the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

A circular containing, among others, (i) details of the 2013 Agreement, the Continuing Connected Transactions and the Proposed Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in respect of the 2013 Agreement and the Continuing Connected Transactions; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2013 Agreement and the Continuing Connected Transactions; and (iv) a notice convening the SGM, will be despatched to the Shareholders on or before 25 November 2013.

### **Background of the Continuing Connected Transactions**

Reference is made to the 2011 Circular in relation to the 2011 Continuing Connected Transactions between the Company and 23rd Metallurgical. The 2011 Continuing Connected Transactions and the Continuing Connected Transactions involve the appointment of the 23rd Metallurgical Group member(s) as construction contractor for the Group's real estate development projects in the PRC, subject to successful tender.

The agreement in respect of the 2011 Continuing Connected Transactions for the three years ending 31 December 2013 will expire on 31 December 2013. As the Company intends to continue to invite the 23rd Metallurgical Group member(s) to place tenders for and subject to successful tender, to appoint the 23rd Metallurgical Group member(s) as construction contractor for the Group's real estate development projects in the PRC, the Company has entered into the 2013 Agreement with 23rd Metallurgical which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Since 23rd Metallurgical is a subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and a subsidiary of China Minmetals), 23rd Metallurgical is a connected person of the Company under the Listing Rules. Accordingly, members of the 23rd Metallurgical 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.

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; and (iii) the annual review requirements under Rules 14A.37 to 14A.40.

The Company will, in accordance with the Listing Rules, comply with the provisions of Chapter 14A of the Listing Rules in relation to the Continuing Connected Transactions for the three years from 1 January 2014 to 31 December 2016, including disclosing in the circular

further information thereof, seeking Independent Shareholders' approval for the Continuing Connected Transactions and the Proposed Annual Caps.

### **The Continuing Connected Transactions**

Pursuant to Rule 14A.35 of the Listing Rules, the term of the 2013 Agreement shall not exceed three years, and therefore the 2013 Agreement entered into between the Company and 23rd Metallurgical in respect of the Continuing Connected Transactions is proposed to be effective from 1 January 2014 to 31 December 2016. The 2013 Agreement is conditional upon the obtaining of the approval of the Independent Shareholders at the SGM in respect of the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

### ***The 2013 Agreement***

Date: 4 November 2013

Parties: (i) Principal : the Company  
(ii) Contractor : 23rd Metallurgical

Subject matter: The Group may from time to time invite the 23rd Metallurgical Group member(s) to tender for construction contract(s) in accordance with the Group's tender procedure and general conditions offered to independent bidders (including general provisions for adjusting construction amounts due to, for example, changes to projects). Subject to successful tender, the Group shall engage the 23rd Metallurgical Group member(s) as construction contractor(s) in respect of 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 sums of the construction contract(s) to be awarded by the Group to the 23rd Metallurgical Group member(s) during each of the three years from 1 January 2014 to 31 December 2016 shall not exceed the Proposed Annual Caps.

Termination: The 2013 Agreement shall expire on 31 December 2016 unless it is early terminated under any of the following circumstances:

- (i) mutual agreement between the parties;
- (ii) if a party to the 2013 Agreement has breached or failed to comply with the 2013 Agreement or any construction agreement in connection therewith and fails to rectify such breach or non-compliance within the prescribed period, the non-defaulting party may terminate the 2013 Agreement by written notice; or
- (iii) if a party to the 2013 Agreement has committed a material breach of the 2013 Agreement or any construction agreement in connection therewith, the non-defaulting party may terminate the 2013 Agreement.

Further assurance: The parties to the 2013 Agreement shall do such acts and execute such further documents as may be required under relevant laws or the Listing Rules or as may be necessary or reasonable for the purposes of implementing the 2013 Agreement and the transactions contemplated

thereunder.

The obligations of the Company under the 2013 Agreement are subject to full compliance by the Company with all requirements under the Listing Rules applicable to continuing connected transactions. The Company may suspend performance of its obligations under the 2013 Agreement until such relevant requirements are complied with.

Undertakings by 23rd Metallurgical: Pursuant to the 2013 Agreement, 23rd Metallurgical undertook in favour of the Company that it shall allow the Company's auditors access to its records and assist the Company to comply with the relevant requirements under Chapter 14A of the Listing Rules.

### ***The annual caps***

As disclosed in the 2011 Circular, the historical annual caps of the 2011 Continuing Connected Transactions for the three years ending 31 December 2013 were RMB1,817 million (equivalent to approximately HK\$2,299 million), RMB1,399 million (equivalent to approximately HK\$1,770 million) and RMB1,136 million (equivalent to approximately HK\$1,437 million), respectively.

For the period from 29 March 2011 to 31 December 2011, 1 January 2012 to 31 December 2012 and 1 January 2013 to the date of this announcement, the Group's construction contracts awarded to the 23rd Metallurgical Group member(s) amounted to approximately RMB134 million (equivalent to approximately HK\$170 million), RMB37 million (equivalent to approximately HK\$47 million) and RMB12 million (equivalent to approximately HK\$15 million), respectively.

Having considered the relevant factors, including the likelihood of the 23rd Metallurgical Group member(s) to participate in the project tender, 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 Company estimates that the total contract sums of the Group's construction contracts which may be awarded to the 23rd Metallurgical Group member(s) under the Continuing Connected Transactions for the three years from 1 January 2014 to 31 December 2014, from 1 January 2015 to 31 December 2015 and from 1 January 2016 to 31 December 2016 will not exceed RMB946 million (equivalent to approximately HK\$1,197 million), RMB998 million (equivalent to approximately HK\$1,262 million) and RMB743 million (equivalent to approximately HK\$940 million), respectively, and such amounts have accordingly been set as the Proposed Annual Caps for the Continuing Connected Transactions.

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 for the Group's existing real estate development projects in the PRC and should not be construed as the actual amount of construction contracts that the Group may award to the 23rd Metallurgical Group member(s) during each of the three years from 1 January 2014 to 31 December 2016. 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 the 23rd Metallurgical Group member(s) 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.

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.

### **Listing Rules implications**

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

Established in 1953, 23rd Metallurgical is principally engaged in the business of 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, 23rd Metallurgical became a subsidiary of China Minmetals. 23rd Metallurgical 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 23rd Metallurgical, it has completed over 200 construction projects in the past three years.

Since 23rd Metallurgical is a subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and a subsidiary of China Minmetals), 23rd Metallurgical is a connected person of the Company under the Listing Rules. Accordingly, members of the 23rd Metallurgical 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.

Since July 2007, 23rd Metallurgical has been appointed, based on successful tender, as construction contractor for the Group's real estate development projects in the PRC. On 10 September 2008 and 29 March 2011, respectively, the Company and 23rd Metallurgical entered into an agreement in connection with the engagement of the 23rd Metallurgical Group member(s) as construction contractor (subject to successful tender) in respect of the real estate development projects of the Group in the PRC for the three financial years ended 31 December 2010 and the three financial years ending 31 December 2013, respectively, details of which are set out in the circulars of the Company dated 30 September 2008 and 20 April 2011. The agreement in respect of the 2011 Continuing Connected Transactions for the three years ending 31 December 2013 will expire on 31 December 2013. Based on the working relationship since July 2007, the Group is satisfied with the competence of 23rd Metallurgical as construction contractor for the Group's real estate development projects in the PRC. The main purpose of the 2013 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. Further, the appointment of the 23rd Metallurgical Group member(s) as a construction contractor for the Group's projects is subject to a successful tender in a competitive tendering process governed by the relevant rules and regulations in the PRC.

The Directors (other than the independent non-executive Directors whose view will be formed after considering the advice from the Independent Financial Adviser) consider that the terms and conditions of the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

If there is a material change to the terms of the 2013 Agreement, or if any of the Proposed Annual Caps is exceeded, the Company will re-comply with Rule 14A.35 of the Listing Rules.

## SGM

An Independent Board Committee comprising all the independent non-executive Directors has been formed to consider the terms of the 2013 Agreement, the Continuing Connected Transactions and the Proposed Annual Caps. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders, inter alia, whether Independent Shareholders should vote in favour of the resolution regarding the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

A circular containing, among others, (i) details of the 2013 Agreement, the Continuing Connected Transactions and the Proposed Annual Caps, (ii) a letter from the Independent Board Committee to the Independent Shareholders in respect of the 2013 Agreement and the Continuing Connected Transactions, (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2013 Agreement and the Continuing Connected Transactions and (iv) a notice convening the SGM, will be despatched to the Shareholders on or before 25 November 2013.

## DEFINITIONS

In this announcement, the following expressions shall have the respective meanings set opposite thereto:

“2011 Circular”	the circular dated 20 April 2011 issued by the Company in respect of the 2011 Continuing Connected Transactions
“2011 Continuing Connected Transactions”	the continuing connected transactions entered into between the Company and 23rd Metallurgical in connection with the engagement of the 23rd Metallurgical Group member(s) as a construction contractor (subject to successful tender) in respect of the existing and future real estate development projects of the Group in the PRC for the three financial years ending 31 December 2013
“2013 Agreement”	the agreement dated 4 November 2013 between the Company and 23rd Metallurgical in relation to the engagement of the 23rd Metallurgical Group member(s) as a construction contractor (subject to successful tender) in respect of the existing and future real estate development projects of the Group in the PRC for the three financial years from 1 January 2014 to 31 December 2016
“23rd Metallurgical”	五礦二十三冶建設集團有限公司 The 23rd Metallurgical Construction Group Co., Ltd. of Minmetals* (formerly known as 二十三冶建設集團有限公司 Ershisanye Construction Group Co., Limited*), an enterprise established under the laws of the PRC with limited liability and a 88.5%-owned subsidiary of China Minmetals
“23rd Metallurgical Group”	23rd Metallurgical and its subsidiaries
“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 88.5% equity interest in China Minmetals Corporation Limited, which in turn owns the entire equity interest in China Minmetals H.K. (Holdings) Limited, which in turn owns the entire equity interest in June Glory, the controlling shareholder of the Company
“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 referred to in the section headed “Background of the Continuing Connected Transactions” in this announcement, and the details of which are referred to under the section headed “The Continuing Connected Transactions” in this announcement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, which has been formed by the Board to advise the Independent Shareholders in respect of the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
“Independent Financial Adviser”	Altus Capital Limited, a licensed corporation to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the 2013 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
“Independent Shareholder(s)”	Shareholder(s) other than June Glory and its associates, and any Shareholder who has a material interest in the Continuing Connected Transaction
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of China Minmetals H.K. (Holdings) Limited, and is the controlling shareholder of

	the Company holding approximately 62.05% of the issued share capital of the Company as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China and, for the purpose of this announcement, 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 from 1 January 2014 to 31 December 2016 as set out in the section headed “The Continuing Connected Transactions” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	a special general meeting of the Company to be convened to approve the 2013 Agreement and the Continuing Connected Transaction (including the Proposed Annual Caps)
“Shares”	Share(s) of par value of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holders of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	percentage

By order of the Board

**He Jianbo**

*Deputy Chairman and Managing Director*

Hong Kong, 4 November 2013

*As at the date of this announcement, the Board comprises nine Directors, namely Mr. Sun Xiaomin as the Chairman and a non-executive Director, Mr. He Jianbo as the Deputy Chairman, Managing Director and an executive Director, Mr. Yin Liang and Ms. He Xiaoli as executive Directors, 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 exchange rate of RMB1.00 toHK\$1.265 used in this announcement for translation of RMB to HK\$ is for illustrative purpose only.*

*\* For identification purpose only*