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五礦建設有限公司*
MINMETALS LAND LIMITED

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

MAJOR TRANSACTION

**FORMATION OF JOINT VENTURE FOR THE DEVELOPMENT OF LAND IN
JIANYE DISTRICT, NANJING, THE PRC**

DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

On 28 October 2013, Ample Leading (a wholly-owned subsidiary of the Company), the JV Company and the Investor entered into the Capital Injection Agreement, pursuant to which the Investor will inject RMB1.8 billion (approximately HK\$2.28 billion) into the registered capital of the JV Company. At Completion, the Investor will hold approximately 33.33% of the enlarged registered capital of the JV Company and Ample Leading's equity interest in the JV Company will reduce from 100% to approximately 66.67%. Following the Capital Injection, the JV Company will change from a wholly foreign owned enterprise to a Sino-foreign equity joint venture, and will remain a subsidiary of the Company.

The Capital Injection constitutes a deemed disposal for the Company under Rule 14.29 of the Listing Rules. As one of the applicable percentage ratios for the Capital Injection under Rule 14.07 of the Listing Rules exceeds 25% but all applicable percentage ratios are below 75%, the Capital Injection constitutes a major transaction for the Company subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Capital Injection. Written approval of the Capital Injection has been obtained from June Glory, the controlling Shareholder holding 2,071,095,506 Shares representing approximately 62.05% of the issued share capital of the Company as at the date of this announcement. Therefore, pursuant to Rule 14.44, no general meeting will be convened to consider and approve the Capital Injection.

A circular containing, among other things, further particulars of the Capital Injection and a valuation report on the JV Company's interest in the Land, will be despatched to the Shareholders as soon as practicable, which is currently expected to be on or about 18 November 2013.

INTRODUCTION

In March 2013, Ample Leading acquired the land use rights of the Land situated at Jianye District, Nanjing City, Jiangsu Province, the PRC with a site area of approximately 131,000 square meters at the consideration of RMB3.86 billion (approximately HK\$4.88 billion). The JV Company was set up by Ample Leading in May 2013 for the development of the Land. On 28 October 2013, Ample Leading, the JV Company and the Investor entered into the Capital Injection Agreement, pursuant to which the Investor agreed to inject cash capital of RMB1.8 billion (approximately HK\$2.28 billion) into the JV Company. At Completion, the Investor will hold approximately 33.33% of the enlarged registered capital of the JV Company and Ample Leading's equity interest in the JV Company will reduce from 100% to approximately 66.67%.

PRINCIPAL TERMS OF THE CAPITAL INJECTION AGREEMENT

Date

28 October 2013

Parties

- (1) Ample Leading, a wholly-owned subsidiary of the Company;
- (2) the JV Company, a wholly-owned subsidiary of Ample Leading; and
- (3) the Investor (as trustee of the Trust Scheme).

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Investor and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company. Further details of the Trust Scheme are set out in the paragraph headed "Information on the Investor and the Trust Scheme" below.

Capital Injection

Pursuant to the Capital Injection Agreement, the Investor will inject cash capital of RMB1.8 billion (approximately HK\$2.28 billion) into the JV Company. As at the date of this announcement, the total registered capital of the JV Company amounted to RMB3.6 billion (approximately HK\$4.55 billion). Following the Capital Injection, the total registered capital of the JV Company will increase to RMB5.4 billion (approximately HK\$6.83 billion), of which RMB3.6 billion (approximately HK\$4.55 billion, representing approximately 66.67% equity interest in the JV Company) are contributed by Ample Leading and RMB1.8 billion (approximately HK\$2.28 billion, representing approximately 33.33% equity interest in the JV Company) will be contributed by the Investor.

The capital injection amount was arrived at after arm's length negotiations between the Company and the Investor after taking into account the initial funding needs of the JV Company.

Conditions Precedent

Completion is conditional upon the fulfillment or (where applicable) waiver of the following conditions within 45 business days after signing of the Capital Injection Agreement (or such longer period as the parties may agree):

- (1) the Capital Injection has been approved by the relevant branch office of the Ministry of Commerce of the PRC at the residence of the JV Company and the filing procedures in relation to the JV Company as a foreign-invested real estate enterprise have been completed;
- (2) the Capital Injection Agreement, the JV Agreement, the amended articles of association of the JV Company and ancillary documents have been duly signed by the parties thereto;
- (3) the portion of the premium due payable under the land use right transfer contract in respect of the Land has been duly paid by the JV Company, and there has been no breach of the terms of such contract;
- (4) a valuation report in respect of the assets of the JV Company has been delivered to the Investor;
- (5) the Trust Scheme has been duly set up by the Investor, and an agreement in respect of the holding of the Capital Injection amount has been entered into by the JV Company, the Investor and the licensed bank in the PRC at which the account designated for holding such amount is maintained;
- (6) there has been no breach of any agreements, covenants, conditions or obligations contained in the Capital Injection Agreement and ancillary documents;
- (7) no material adverse change has occurred in respect of the JV Company or Ample Leading, and there has been no current or threatened litigation or judicial or similar procedure nor any change in laws and regulations which prohibits or restricts the performance of the Capital Injection Agreement by the parties thereto;
- (8) Ample Leading has duly paid RMB3.6 billion (approximately HK\$4.55 billion) into the registered capital of the JV Company and the relevant capital inspection and industrial and commercial registration procedures have been duly completed;
- (9) the representations and warranties made in the Capital Injection Agreement and ancillary documents are true, accurate and complete; and
- (10) none of the JV Company or Ample Leading has been involved in any material litigation, dispute or administrative penalty.

Completion

Completion will take place within three business days after the Investor has confirmed in writing that all conditions precedent have been fulfilled or (where applicable) waived by the Investor.

Use of funds

The cash capital to be contributed by the Investor under the Capital Injection Agreement shall be applied by the JV Company towards the Development Project and related operational activities.

Other major terms

If on the date of Completion, the funds raised by the Investor through the Trust Scheme are less than RMB1.8 billion (approximately HK\$2.28 billion), the Investor shall notify the JV Company and Ample Leading in writing and the JV Company and/or Ample Leading shall have the right to terminate the Capital Injection Agreement. If the JV Company and Ample Leading agree not to terminate the Capital Injection Agreement and to proceed to complete the transaction, the percentage equity interest held by the Investor in the JV Company after Completion shall be calculated by the amount of cash capital actually paid by the Investor and the then total registered capital of the JV Company.

INFORMATION ON THE LAND

The Land is a parcel of land numbered 2013G05 located at Jianye District, Nanjing City, Jiangsu Province, the PRC (中國江蘇省南京市建鄴區NO.2013G05地塊). The site area of the Land is approximately 131,000 square meters, with a plot ratio of 1.0 to 2.75. The Land is permitted for residential use and the term of grant is 70 years.

Ample Leading acquired, through a public auction, the land use rights of the Land at the purchase price of RMB3.86 billion (approximately HK\$4.88 billion) in March 2013. As at the date of this announcement, 96% of the purchase price has been paid and the remaining balance will be due payable in December 2013.

INFORMATION ON THE INVESTOR AND THE TRUST SCHEME

The Investor is engaged in the financial business offering a range of services and products including equity investment, structured finance, trust service and risk management. The Investor is owned as to 51% by China Resources Co., Limited (華潤股份有限公司) and 49% by Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission (深圳市人民政府國有資產監督管理委員會).

The Investor will establish and launch the Trust Scheme for raising funds (through subscription of the trust units in cash by public investor(s)) necessary for making the capital contribution required under the Capital Injection Agreement. It is expected that the total size of the Trust Scheme would be RMB1.8 billion (approximately HK\$2.28 billion). Shareholders should note that if the Trust Scheme has not been established and launched by the Investor within 45 business days after signing of the Capital Injection Agreement (or such longer period as the parties may agree), the Capital Injection Agreement will not become unconditional and the Capital Injection will not proceed.

As at the date of this announcement, none of the Company, the Directors or the controlling Shareholder has any intention to subscribe any units in the Trust Scheme. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the subscribers of units of the Trust Scheme will be third parties independent of the Company and the connected persons of the Company.

PRINCIPAL TERMS OF THE JV AGREEMENT

On 28 October 2013, Ample Leading and the Investor also entered into the JV Agreement which sets out their respective rights and obligations in relation to the JV Company. The JV Agreement will come into effect on the day when the Capital Injection and the conversion of the JV Company from a wholly foreign owned enterprise into a Sino-foreign equity joint venture have been approved by the relevant PRC authorities. Principal terms of the JV Agreement are summarised as follows:

Date

28 October 2013

Parties

- (1) Ample Leading, a wholly-owned subsidiary of the Company; and
- (2) the Investor.

Term of operation

30 years from the date of incorporation of the JV Company, subject to any extension as approved by the board of the JV Company and relevant authorities.

Scope of business

The JV Company shall engage in real estate development, construction, operation, sales, leasing of properties, property management and management of car parking spaces on the Land.

Capital structure and future funding

The total investment of the JV Company shall be RMB5.4 billion (approximately HK\$6.83 billion) and the registered capital of the JV Company shall be RMB5.4 billion (approximately HK\$6.83 billion), of which RMB3.6 billion (approximately HK\$4.55 billion) has been contributed by Ample Leading, and RMB1.8 billion (approximately HK\$2.28 billion) will be contributed by the Investor.

Any increase or reduction of registered capital of the JV Company shall be subject to mutual agreement between Ample Leading and the Investor and approval by the board of the JV Company, provided that Ample Leading may (but is not obliged to) inject additional cash capital of RMB260 million (approximately HK\$328.90 million) to the registered capital of the JV Company without obtaining consent from the Investor. If and when such further capital injection by Ample Leading takes place, the percentage equity interest held by Ample Leading and the Investor in the JV Company shall be adjusted by reference to the amount of capital actually paid by each of them into the registered capital of the JV Company.

Assuming that the Investor has contributed RMB1.8 billion (approximately HK\$2.28 billion) under the Capital Injection Agreement, and Ample Leading further contributes RMB260 million (approximately HK\$328.90 million), the total registered capital of the JV Company

will increase to RMB5.66 billion (approximately HK\$7.16 billion), of which RMB3.86 billion (approximately HK\$4.88 billion, representing approximately 68.20% equity interest in the JV Company) will be contributed by Ample Leading and RMB1.8 billion (approximately HK\$2.28 billion, representing approximately 31.80% equity interest in the JV Company) will be contributed by the Investor.

Management of the JV Company

The board of directors of the JV Company shall comprise three directors, two of whom shall be nominated by Ample Leading and one by the Investor. The board of directors of the JV Company shall be responsible for the management and operation of the JV Company, including (among other things) formulating the operation plans of the JV Company, approving the annual budgets and accounts of the JV Company and formulating dividend proposals.

The JV Company shall have one supervisor, who shall be nominated by the Investor. The supervisor of the JV Company shall be responsible for supervising the management and operation of the JV Company, including (among other things) reviewing the financial performance of the JV Company, monitoring the performances of the directors and senior management of the JV Company and making proposals to the board of the JV Company.

FURTHER INFORMATION ON THE JV COMPANY

The JV Company was established in May 2013 by Ample Leading to hold the Land and to carry out the Development Project. As at the date of this announcement, the registered capital of the JV Company amounted to RMB3.6 billion (approximately HK\$4.55 billion), of which RMB1.8 billion (approximately HK\$2.28 billion) has been paid by Ample Leading and the industrial and commercial registration procedures thereof have been duly completed. In October 2013, Ample Leading further contributed RMB1.8 billion (approximately HK\$2.28 billion) to the registered capital of the JV Company, the industrial and commercial registration procedures of which are currently in progress.

Based on the management accounts of the JV Company prepared in accordance with generally accepted accounting principles in the PRC, the unaudited net asset value of the JV Company as at 30 September 2013 was approximately RMB1.79 billion (approximately HK\$2.26 billion).

Following the Capital Injection, the JV Company will change from a wholly foreign owned enterprise to a Sino-foreign equity joint venture, and will remain a subsidiary of the Company. It is expected that no material gain or loss will accrue to the Group as a result of the Capital Injection.

REASONS FOR AND BENEFITS OF THE CAPITAL INJECTION

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

The Directors are optimistic about the residential property market in Nanjing, the PRC. Apart from the Development Project, the Group has already undertaken three real estate development projects in Nanjing so far and the pre-sale results of which are good. The Company is of the view that the business connection, the local knowledge and the experience

gained by the management of the Group from the development of those three real estate development projects will contribute to the successful development of the Development Project. As such, it is envisaged that the Development Project will contribute positively to the future revenue and income growth of the Group. The Capital Injection that provides additional working capital would enhance the financial position of the Development Project.

The Directors (including the independent non-executive Directors) considered that the Capital Injection Agreement, which has been entered into after arm's length negotiation between the parties, is on normal commercial terms, and the terms thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transactions contemplated under the Capital Injection Agreement and none of them is required to abstain, or has abstained, from voting on the relevant board resolutions approving the Capital Injection and matters ancillary thereto.

LISTING RULES IMPLICATIONS

The Capital Injection constitutes a deemed disposal for the Company under Rule 14.29 of the Listing Rules. As one of the applicable percentage ratios for the Capital Injection under Rule 14.07 of the Listing Rules exceeds 25% but all applicable percentage ratios are below 75%, the Capital Injection constitutes a major transaction for the Company subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Capital Injection. Written approval of the Capital Injection has been obtained from June Glory, the controlling Shareholder holding 2,071,095,506 Shares representing approximately 62.05% of the issued share capital of the Company as at the date of this announcement. Therefore, pursuant to Rule 14.44, no general meeting will be convened to consider and approve the Capital Injection.

A circular containing, among other things, further particulars of the Capital Injection and a valuation report on the JV Company's interest in the Land, will be despatched to the Shareholders as soon as practicable, which is currently expected to be on or about 18 November 2013.

DEFINITIONS

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

“Ample Leading”	Ample Leading Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company;
“Board”	the board of Directors;
“Capital Injection”	the cash injection of RMB1.8 billion (approximately HK\$2.28 billion) into the registered capital of the JV Company by the Investor in accordance with the terms of the Capital Injection Agreement;

“Capital Injection Agreement”	the capital injection agreement entered into by and amongst Ample Leading, the JV Company and the Investor dated 28 October 2013;
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange;
“Completion”	the completion of the Capital Injection in accordance with the terms of the Capital Injection Agreement;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“controlling Shareholder”	June Glory and its holding companies, namely China Minmetals H.K. (Holdings) Limited, China Minmetals Corporation Limited and China Minmetals Corporation;
“Development Project”	the real estate development project in respect of residential development to be constructed on the Land;
“Director(s)”	directors (including independent non-executive directors) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Investor”	China Resources Sztic Trust Co., Ltd. (華潤深國投信托有限公司), a company established under the laws of the PRC with limited liability;
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands, holding 2,071,095,506 Shares representing approximately 62.05% of the issued share capital of the Company as at the date of this announcement;
“JV Agreement”	the joint venture agreement in respect of the JV Company entered into by Ample Leading and the Investor on 28 October 2013;
“JV Company”	礦濟地產(南京)有限公司 (Kuangji Properties (Nanjing) Co., Ltd.*), an enterprise established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement;

“ Land ”	the land parcel numbered 2013G05 situated in Jianye District, Nanjing City, Jiangsu Province, the PRC;
“ Listing Rules ”	the Rules Governing the Listing of Securities on the Stock Exchange;
“ PRC ”	the People's Republic of China;
“ RMB ”	Renminbi, the lawful currency of the PRC;
“ Share(s) ”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“ Shareholder(s) ”	holder(s) of the Shares;
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited;
“ Trust Scheme ”	a scheme of trust to be established and launched by the Investor for the purpose of raising funds for the Capital Injection; and
“ % ”	per cent.

For the purpose of illustration only and unless otherwise stated, conversion of RMB into Hong Kong dollars in this announcement is based on the exchange rate of RMB1.00 to HK\$1.265. 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.

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

Hong Kong, 28 October 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.

* *For identification purpose only*