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五礦建設有限公司* **MINMETALS LAND LIMITED**

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

CONTINUING CONNECTED TRANSACTIONS

Appointment of property management company

The Board announces that on 20 August 2012, Jiahe Risheng and Zhongrun Chengzhen entered into Service Contract I and Service Contract II with Jiasheng Properties for the provision of property management services by Jiasheng Properties to LOHAS International Community and Scotland Town respectively.

Jiasheng Properties is an indirect non wholly-owned subsidiary of China Minmetals, which is the ultimate controlling shareholder of the Company indirectly interested in approximately 62.05% of the issued share capital of the Company as at the date of this announcement. Accordingly, Jiasheng Properties is a connected person of the Company and the Transactions constitute continuing connected transactions for the Company.

Based on the applicable size tests performed with respect to the Annual Cap Amounts under the Service Contracts, each of the relevant percentage ratios are less than 5%. Pursuant to Rule 14A.34(1) of the Listing Rules, the Transactions are subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirement.

SERVICE CONTRACT I

The principal terms of Service Contract I are as follows:

Date : 20 August 2012

Parties : (i) Jiahe Risheng; and
(ii) Jiasheng Properties

Subject matter : the provision of property management services by Jiasheng Properties to Jiahe Risheng for the management of the sales office, show flats and unsold residential units of LOHAS International Community

Term of the contract : From 20 August 2012 up to and including 31 December 2014

Annual Cap Amounts : (i) For the period from 20 August 2012 to 31 December 2012:
RMB5,014,000 (approximately HK\$6,151,000)

(ii) For the period from 1 January 2013 to 31 December 2013:
RMB6,694,000 (approximately HK\$8,212,000)

(iii) For the period from 1 January 2014 to 31 December 2014:
RMB7,231,000 (approximately HK\$8,870,000)

The service fees will be payable in cash with respect to the service provided by Jiasheng Properties upon receipt of the relevant mutually agreed invoice from Jiasheng Properties. The annual fees payable by Jiahe Risheng in respect of Service Contract I shall not exceed the respective Annual Cap Amounts.

The terms of Service Contract I have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amount for the period from 20 August 2012 to 31 December 2012 and the years ending 31 December 2013 and 2014 are determined with reference to the services as stipulated in Service Contract I.

SERVICE CONTRACT II

The principal terms of Service Contract II are as follows:

Date : 20 August 2012

Parties : (i) Zhongrun Chengzhen; and
(ii) Jiasheng Properties

Subject matter : the provision of property management services by Jiasheng Properties to Zhongrun Chengzhen for the management of the sales office, show flats and unsold residential units of Scotland Town

Term of the contract : From 20 August 2012 up to and including 31 December 2014

Annual Cap Amounts : (i) For the period from 20 August 2012 to 31 December 2012:
RMB6,083,000 (approximately HK\$7,462,000)

(ii) For the period from 1 January 2013 to 31 December 2013:
approximately RMB6,060,000 (approximately HK\$7,434,000)

(iii) For the period from 1 January 2014 to 31 December 2014:
approximately RMB4,418,000 (approximately HK\$5,420,000)

The service fees will be payable in cash with respect to the service provided by Jiasheng Properties upon receipt of the relevant mutually agreed invoice from Jiasheng Properties. The annual fees payable by Zhongrun Chengzhen in respect of Service Contract II shall

not exceed the respective Annual Cap Amounts.

The terms of Service Contract II have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amount for the period from 20 August 2012 to 31 December 2012 and the years ending 31 December 2013 and 2014 are determined with reference to the services as stipulated in Service Contract II.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SERVICE CONTRACTS

Jiasheng Properties is classified as Class I property management corporation by the relevant government authority in the PRC and has obtained ISO 9001 certification in 2009. Jiasheng Properties has provided management services for high-rise residential units, villas, commercial and office buildings and clubhouses in various cities in Hunan Province and Kunming. Given the qualifications and experience of Jiasheng Properties, it is competent in providing property management services to LOHAS International Community and Scotland Town which situated in Changsha, Hunan Province, the PRC. The Directors (including independent non-executive Directors) consider that the terms of the Service Contracts are fair and reasonable, on normal commercial terms and in the interest of the Company and its shareholders as a whole. No Director has a material interest in the Transactions nor is required to abstain from voting on the board resolution approving the Transactions.

INFORMATION ON THE GROUP, JIAHE RISHENG, ZHONGRUN CHENGZHEN AND JIASHENG PROPERTIES

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

Jiahe Risheng and Zhongrun Chengzhen are wholly-owned subsidiaries of the Company and are principally engaged in development of LOHAS International Community and Scotland Town respectively, in Changsha, Hunan Province, the PRC.

Jiasheng Properties is an indirect non wholly-owned subsidiary of China Minmetals and is principally engaged in property management and consultation, property agency service, property leasing, cleaning service, and sale of hotel supplies, construction materials and daily supplies.

LISTING RULES IMPLICATIONS

Jiasheng Properties is an indirect non wholly-owned subsidiary of China Minmetals, which is the ultimate controlling shareholder of the Company indirectly interested in approximately 62.05% of the issued share capital of the Company as at the date of this announcement. Accordingly, Jiasheng Properties is a connected person of the Company and the Transactions constitute continuing connected transactions for the Company.

Based on the applicable size tests performed with respect to the Annual Cap Amounts under the Service Contracts, each of the relevant percentage ratios are less than 5%.

Pursuant to Rule 14A.34(1) of the Listing Rules, the Transactions are subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirement.

Pursuant to Rule 14A.46 of the Listing Rules, details of the Service Contracts will be included in the subsequently published annual reports and financial statements of the Company for each of the relevant financial years.

GENERAL

As at the date of this announcement, 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.

DEFINITIONS

“Annual Cap Amount(s)”	the maximum value of service fees to be paid by each of Jiahe Risheng and Zhongrun Chengzhen to Jiasheng Properties under the Service Contracts for each of the periods from 20 August 2012 to 31 December 2012, from 1 January 2013 to 31 December 2013 and from 1 January 2014 to 31 December 2014;
“Board”	the board of Directors;
“China Minmetals”	China Minmetals Corporation, a State-owned enterprises incorporated under the laws of the PRC and the ultimate controlling shareholder of the Company which is indirectly interested in approximately 62.05% of the issued share capital of the Company as at the date of this announcement;
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited;
“connected person”	has the same meaning as ascribed to it under the Listing Rules;
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules;
“Directors”	the directors (including independent non-executive directors) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;

“Jiahe Risheng”	五礦建設(湖南)嘉和日盛房地產開發有限公司(Minmetals Land Hunan Jiahe Risheng Real Estate Development Co., Ltd.*), a company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company;
“Jiasheng Properties”	湖南嘉盛物業服務有限公司(Hunan Jiasheng Properties Service Co., Ltd.*), a company incorporated under the laws of the PRC and an indirect non wholly-owned subsidiary of China Minmetals;
“LOHAS International Community”	LOHAS International Community, a real estate development project undertaken by Jiahe Risheng, situated in Changsha, Hunan Province, the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan for the purpose of this announcement;
“Scotland Town”	Scotland Town, a real estate development project undertaken by Zhongrun Chengzhen, situated in Changsha, Hunan Province, the PRC;
“Service Contract I”	the property management service contract entered into between Jiahe Risheng and Jiasheng Properties on 20 August 2012;
“Service Contract II”	the property management service contract entered into between Zhongrun Chengzhen and Jiasheng Properties on 20 August 2012;
“Service Contracts”	Service Contract I and Service Contract II;
“Transactions”	the provision of property management services by Jiasheng Properties to Jiahe Risheng and Zhongrun Chengzhen as contemplated under the Service Contracts;
“Zhongrun Chengzhen”	湖南中潤城鎮置業有限公司(Hunan Zhongrun Chengzhen Real Estate Co., Ltd.*), a company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“RMB”	Renminbi, the lawful currency of the PRC; and
“%”	per cent.

For the purpose of illustration only, conversion of Renminbi into Hong Kong dollars in this announcement is based on the exchange rate of RMB1.00 to HK\$1.2267. Such conversion should not be construed as a representation that any amounts have been, could have been, or may be, exchanged at this or any other rate.

By order of the Board

He Jianbo

Managing Director

Hong Kong, 20 August 2012

**For identification purpose only*