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五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

EXERCISE OF FIRST INTERIM EXIT OPTION

The Board announces that on 22 June 2011, MLLSPV (an indirect wholly-owned subsidiary of the Company) received and is bound to accept a First Interim Exit Option notice from the Fund for the exercise of the First Interim Exit Option to assign 85.33% of the Fund Shareholder's Loan, at an agreed consideration equivalent to approximately RMB307,188,000 (approximately HK\$368,626,000).

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

Reference is made to the announcement and circular (the "**Circular**") of Minmetals Land Limited (the "**Company**") dated 16 September 2008 and 14 November 2008, respectively, in relation to, among others, the entering into of:

- (a) the Subscription Agreement by the Fund, MLLSPV (an indirect wholly-owned subsidiary of the Company) and Holdco in relation to the subscription by the Fund and MLLSPV for certain shares in Holdco and the provision of certain shareholders' loans by the Fund and MLLSPV to Holdco, for the purpose of raising capital for the participation of Holdco (through its wholly-owned subsidiary, HKCo) in the capital expansion of the PRC JV, which will become a joint venture between HKCo and CMID to jointly develop the Property Project; and
- (b) the Shareholders' Agreement by the Fund, MLLSPV and Holdco in relation to the management and operations of the Holdco Group on and after Completion,

which given the various options granted under the Shareholders' Agreement and the connection with the Company's controlling shareholders, China Minmetals and June Glory, via CMID, constituted a very substantial disposal and acquisition as well as a connected transaction of the Company under the Listing Rules. Unless the context otherwise requires, the terms used herein shall have the same meanings as defined in the Circular.

Interim Exit

As disclosed in the Circular, subject to and on condition that the PRC JV (1) has received a certain amount of pre-sale proceeds with respect to the sale of property units of the Property Project and (2) has certain amount of cash balance (collectively, the “**Interim Exit Triggering Conditions**”), MLLSPV will irrevocably grant to the Fund an option to assign the Fund Shareholder’s Loan to MLLSPV for a consideration equivalent to the original amount (without interest) of shareholder’s loan to be provided by the Fund to Holdco, being the Fund Shareholder’s Loan Amount of RMB360,000,000 (approximately HK\$432,000,000) (the “**Interim Exit Price**”), provided that the Fund shall execute a share charge in respect of the Fund Shares in favour of MLLSPV. Such share charge and the deed of assignment of the loan shall be in the form and substance reasonably satisfactory to MLLSPV.

In case the Interim Exit Triggering Conditions are all fulfilled, MLLSPV in effect has to grant an option (the “**Interim Exit Option**”) to the Fund to assign the Fund Shareholder’s Loan to MLLSPV, the exercise of which is not at MLLSPV’s discretion. The Interim Exit Option shall be exercised by the Fund by serving a written notice to MLLSPV of not less than 5 Business Days from the date on which all Interim Exit Triggering Conditions are fulfilled.

Supplemental agreement to the Shareholders’ Agreement

On 22 June 2011, the Fund, MLLSPV and Holdco entered into an agreement supplemental to the Shareholders’ Agreement (the “**Supplemental Agreement**”), pursuant to which the parties have agreed that the Interim Exit Option will be split into two such that the Fund may assign:

- (a) 85.33% of the Fund Shareholder’s Loan (equivalent to approximately RMB307,188,000 (approximately HK\$368,626,000) (the “**First Interim Exit Price**”)) to MLLSPV if PRC JV shall have received 80% of the amount of pre-sale proceeds with respect to the sale of property units of the Property Project previously agreed for the satisfaction of the Interim Exit Triggering Conditions and attained 85.33% of the amount of cash balance previously agreed for the satisfaction of the Interim Exit Triggering Conditions (the “**First Interim Exit Option**”); and
- (b) the remaining balance of the Fund Shareholder’s Loan (equivalent to approximately RMB52,812,000 (approximately HK\$63,374,000) (the “**Second Interim Exit Price**”)) to MLLSPV if the Interim Exit Triggering Conditions are satisfied (the “**Second Interim Exit Option**”).

Exercise of First Interim Exit Option

Pursuant to the Shareholders’ Agreement as amended by the Supplemental Agreement (the “**Amended Shareholders’ Agreement**”), MLLSPV received and is bound to accept the First Interim Exit Option notice from the Fund on 22 June 2011 notifying that the Fund exercised the First Interim Exit Option. As agreed by the parties, completion of the assignment of 85.33% of the Fund Shareholder’s Loan pursuant to

the First Interim Exit Option shall take place on 29 June 2011 whereupon the Fund shall execute:-

(a) a share charge (the “**Share Charge**”) in favour of MLLSPV to charge the Fund Shares to MLLSPV as security for the Fund’s obligation (the “**Secured Obligations**”) to pay (i) any distribution or payment made by PRC JV with an agreed amount of cash balance received by the Fund to MLLSPV until the full repayment of the shareholders’ loans owing by Holdco to the Fund and MLLSPV in an aggregate sum equivalent to RMB741,800,000 (approximately HK\$890,160,000) and (ii) any damages (determined by the Hong Kong International Arbitration Centre in accordance with the Amended Shareholders’ Agreement) or any settlement sum(s) agreed by the parties to the Amended Shareholders’ Agreement to MLLSPV which arises as a result of or in connection with any breach by the Fund of its obligations regarding or in respect of the transfer of the Fund Shares to MLLSPV pursuant to the Amended Shareholders’ Agreement. The Share Charge shall be released upon the earlier of:

- (1) the full repayment of the shareholders’ loans owing by Holdco to the Fund and MLLSPV in an aggregate sum equivalent to RMB741,800,000 (approximately HK\$890,160,000); and
- (2) the completion of the transfer of all the Fund Shares by the Fund to MLLSPV under the Final Exit,

unless:

- the Amended Shareholders’ Agreement is otherwise terminated in accordance with its terms whereby the Share Charge shall be released upon such terminated, provided that if any Secured Obligations have accrued but not discharged then the release shall only take place when such accrued Secured Obligations are fully discharged;
- the Fund shall transfer the Fund Shares to any third party pursuant to the Amended Shareholders’ Agreement whereby the Share Charge shall be released upon completion of such transfer;
- the Fund has exercised the Final Exit Option but the transfer of the Fund Shares is not completed solely and directly due to MLLSPV’s failure to pay for the Final Exit Price whereby the Share Charge shall be released when the Fund is required to transfer the Fund Shares but for MLLSPV’s failure; or
- the Default Sell Option is triggered due to MLLSPV’s default whereby the Share Charge shall be released upon the deemed service of the transfer notice relating to the Default Sell Option; and

(b) a deed of assignment (the “**Assignment Deed**”) in favour of MLLSPV to effect the assignment of 85.33% of the Fund Shareholder’s Loan pursuant to the First Interim Exit Option.

Subject to the Fund's execution and delivery to MLLSPV of the Share Charge and the Assignment Deed in the form and substance reasonably satisfactory to MLLSPV, MLLSPV shall pay to the Fund the First Interim Exit Price upon the completion of the assignment of loan pursuant to the First Interim Exit Option.

The existing shareholding percentages of the Fund and MLLSPV in Holdco, being approximately 48.53% and approximately 51.47%, respectively, shall remain unchanged immediately after the assignment of loan pursuant to the First Interim Exit Option.

General

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

For the purpose of illustration only and unless otherwise stated, conversion of RMB into HK\$ in this announcement is based on the exchange rate of RMB1.00 to HK\$1.20 and rounded off to the nearest thousand. 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
He Jianbo
Managing Director

Hong Kong, 22 June 2011

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, 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.

** For identification purpose only*