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五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

CONNECTED TRANSACTION

ACQUISITION OF ADDITIONAL LAND BY JOINT VENTURE COMPANIES

Reference is made to the Announcements and the Circular issued by the Company on 8, 13 and 29 January 2010, 21 June 2010 and 12 March 2010 respectively relating to, among other things, the Co-operation Agreement in relation to the Land.

The Board is pleased to announce that on 28 January 2011, the JV Companies entered into the Second Co-operation Agreement with the Co-organiser and the Owner in relation to the preparation of the Additional Land adjacent to the Land for delivery to the JV Companies for development, mainly for greening purpose.

The total Consideration payable by the JV Companies in obtaining the Additional Land is approximately RMB100 million (equivalent to approximately HK\$118 million) subject to adjustment. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Co-organiser and the Owner are third parties independent of the Company and connected persons of the Company.

The JV Partner is the substantial shareholder of JV Co A which is a subsidiary of the Company, and accordingly is a connected person of the Company. Transactions between the Group and JV Co B which is owned as to 50% of its equity interest by the JV Partner, constitute connected transactions for the Company. As the applicable percentage ratios in respect of the Second Co-operation Agreement are more than 1% but less than 5%, the Transaction constitutes a connected transaction for the Company exempt from the independent shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

The completion of the Transaction contemplated under the Second Co-operation Agreement is subject to, among other things, the finalisation of various legal documentation and the obtaining of various consents as set out in the Second Co-operation Agreement. Accordingly, the Transaction may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the Announcements and the Circular issued by the Company on 8, 13 and 29 January 2010, 21 June 2010 and 12 March 2010 respectively relating to, among other things, the Co-operation Agreement in relation to the Land. Terms used in this announcement shall, unless otherwise defined, have the same meaning as used in the Announcements and the Circular.

THE SECOND CO-OPERATION AGREEMENT

Date

28 January 2011

Parties

- (1) the Co-organiser;
- (2) JV Co A and JV Co B; and
- (3) the Owner.

The Co-organiser is an entity established in the PRC and designated by the local government of Hebei Province to organise the relocation and other preparation of the Additional Land for development. The Owner, which is engaged in land development, infrastructure construction and realty development, owns the land use rights pertaining to the Additional Land. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Co-organiser and the Owner, their respective holding companies and the substantial shareholders of such holding companies are third parties independent of the Company and connected persons of the Company.

Assets involved

The Co-organiser and the Owner will organise the preparation of the Additional Land for delivery to the JV Companies ready for development.

The Additional Land is situated adjacent to the Land. It is expected that the Additional Land will be used by the JV Companies mainly for greening purposes.

It is expected that the Additional Land will be made available to the JV Companies before the second quarter of 2011.

Consideration

The total Consideration payable by the JV Companies in obtaining the Additional Land is approximately RMB100 million (equivalent to approximately HK\$118 million) subject to adjustment and will be payable in cash. JV Co A will bear 50% of the Consideration.

The Consideration will be paid in stages and the final payment will be paid depending on the timing of delivery of the Additional Land. Adjustment will be made to the Consideration by applying the contracted rate as set out in the Second Co-operation Agreement.

It is expected that the maximum consideration payable by the JV Companies in obtaining the Additional Land after adjustments (if any) would not render any of the applicable percentage ratios in respect of the Second Co-operation Agreement to be more than 5%. The Company will comply with the applicable requirements under the Listing Rules as and when necessary.

The Group intends to finance its share of the Consideration payable by the JV Companies with internal resources of the Group or external borrowings.

The Consideration was determined based on arms' length negotiations among the parties to the Second Co-operation Agreement with reference to the land prices in the district.

The completion of the Transaction contemplated under the Second Co-operation Agreement is subject to, among other things, the finalisation of various legal documentation and the obtaining of various consents as set out in the Second Co-operation Agreement. Accordingly, the Transaction may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Group is principally engaged in the business of real estate development and project management, specialised construction and property investment.

The Group intends to develop the Land into commodity houses which mainly comprise residential properties and the Directors believe that development of the Additional Land situated next to the Land for greening purposes will complement the residential development on the Land. The Directors (including the independent non-executive Directors) consider that the Second Co-operation Agreement was entered into on normal commercial terms, and the terms and conditions therein are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

None of the Directors has a material interest in the Transaction. Accordingly, none of them is required to abstain from voting on the relevant Board resolution to approve the entering into of the Second Co-operation Agreement and the transactions contemplated thereunder.

IMPLICATIONS UNDER THE LISTING RULES

The JV Partner is the substantial shareholder of JV Co A which is a subsidiary of the Company, and accordingly is a connected person of the Company. Transactions between the Group and JV Co B which is owned as to 50% of its equity interest by the JV Partner, constitute connected transactions for the Company. As the applicable percentage ratios in respect of the Second Co-operation Agreement are more than 1% but less than 5%, the Transaction constitutes a connected transaction for the Company exempt from the independent shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

DEFINITIONS

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

“Additional Land”	a piece of land adjacent to the Land situated in Hebei Province, the PRC with an expected site area of around 6.7 hectares
“Announcements”	the announcements made by the Company on 8, 13 and 29 January 2010 and 21 June 2010 relating to, among other things, the Co-operation Agreement in relation to the Land
“Circular”	the circular issued by the Company on 12 March 2010 relating to, among other things, the Co-operation Agreement in relation to the Land
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person” and “substantial shareholder”	has the meaning as defined in the Listing Rules
“Consideration”	the consideration payable by the JV Companies under the Second Co-operation Agreement for obtaining the Additional Land, subject to adjustment
“Co-operation Agreement”	the co-operation agreement dated 8 January 2010 entered into among the Company and the JV Partner as joint partners and the Co-organiser to develop the Land
“Co-organiser”	a company established in the PRC and designated by the local government of Hebei Province to organise the relocation and other preparation of the Land and the Additional Land for development
“Director(s)”	directors (including independent non-executive Directors) of the Company
“Group”	the Company and its subsidiaries
“JV Co A”	Langfang Kuangshi Jiye Property Development Co., Limited (廊坊曠世基業房地產開發有限公司) (formerly Langfang Wuyuan Kesheng Corporate Management Limited (廊坊五園科勝企業管理有限公司)), a company incorporated in the PRC and accounted for as a non-wholly owned subsidiary of the Company established pursuant to the Co-operation Agreement

“JV Co B”	Langfang Wanheng Shengye Property Development Co., Limited (廊坊萬恒盛業房地產開發有限公司) (formerly Langfang Wanheng Kuangshi Investment Management Limited (廊坊萬恒曠世投資管理有限公司)), a company incorporated in the PRC and an associate of the Company established pursuant to the Co-operation Agreement
“JV Companies”	collectively, JV Co A and JV Co B
“JV Partner”	a company established in the PRC which entered into the Co-operation Agreement as disclosed in the Announcements and the Circular
“Land”	the piece of land situated in Hebei Province, the PRC with a site area of up to approximately 534 hectares for development
“Owner”	a company incorporated in the PRC and the owner of the land use rights pertaining to the Additional Land
“Second Co-operation Agreement”	the agreement dated 28 January 2011 entered into between the Co-organiser, the JV Companies and the Owner for the development of the Additional Land
“Transaction”	the transactions contemplated under the Second Co-operation Agreement

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\$1.1752. 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, 28 January 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 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.

* *For identification purpose only*