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五礦建設有限公司*
MINMETALS LAND LIMITED

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

**FURTHER ANNOUNCEMENT ON THE
FORMATION OF JOINT VENTURE FOR THE
ACQUISITION AND DEVELOPMENT OF
LAND IN HAIDIAN DISTRICT, BEIJING**

MAJOR AND CONNECTED TRANSACTION

Reference is made to the announcement of the Company dated 22 November 2010.

The Board is pleased to announce that on 29 December 2010, the Subsidiary and the JV Partner entered into the articles of association of JVCoA and JVCoB, which will be established in the PRC for the development of Site A and Site B, respectively.

The Subsidiary and the JV Partner agreed that their total capital contribution to JVCoA and JVCoB at this stage will be approximately RMB3,969.3 million (approximately HK\$4,662.4 million) and approximately RMB1,588.5 million (approximately HK\$1,865.9 million) respectively, both of which will be contributed as to 51% by the Subsidiary and 49% by the JV Partner. Each of JVCoA and JVCoB will have a registered capital of RMB50 million (approximately HK\$58.7 million). The remaining part of the capital contribution will be made by way of shareholders' loans to JVCoA and JVCoB.

Only JVCoA will be accounted for as a subsidiary of the Company while JVCoB will be accounted for as an associate in the accounts of the Company.

The total capital commitment of the Subsidiary to JVCoA and JVCoB amounted to approximately RMB2,834.4 million (approximately HK\$3,329.3 million). The JV Formation constitutes a major and connected transaction for the Company under Chapters 14 and 14A of the Listing Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder had a material interest in the Transactions and thus no Shareholder would be required to abstain from voting on the Transactions if a general meeting were to be held. June Glory, which owned 2,066,211,506 Shares representing approximately 61.95% of the issued share capital of the Company as at the date of this announcement, has granted its written approval to the Company for the purpose of approving the Transactions. The Company has applied for, and the Stock Exchange has granted to the Company, a waiver of Shareholders' meeting under Rule 14A.43 and accordingly, no Shareholders' meeting will be convened for the purpose of obtaining independent shareholders' approval for the Transactions.

The joint venture arrangements of JVCoA and JVCoB described in this announcement will be included in the same circular as mentioned in the Previous Announcement, which will contain, among other things, further particulars of the Transactions, the views of the independent non-executive Directors and the independent financial adviser of the Company to be despatched to the Shareholders on or before 24 January 2011.

INTRODUCTION

Reference is made to the announcement of the Company dated 22 November 2010 (the "**Previous Announcement**"). Terms used in this announcement shall, unless otherwise defined, have the same meaning as used in the Previous Announcement.

The Subsidiary and the JV Partner have entered into the Land Transfer Contracts with 北京市國土資源局 (Beijing Municipal Bureau of Land and Resources) and the Development Compensation Contracts with 北京市土地整理儲備中心海淀區分中心 (Haidian District Branch of Beijing Land Consolidation and Reserve Center) in respect of the Sites on 9 and 13 December 2010, respectively. The consideration for acquisition of the Sites have been fully paid by the Subsidiary and the JV Partner on a 51:49 basis on 29 December 2010.

JOINT VENTURE ARRANGEMENTS

It was disclosed in the Previous Announcement that it was intended that the Subsidiary and the JV Partner will form a joint venture company for the development of the Sites into residential blocks for sale. However, the Subsidiary and the JV Partner decided that it would be more convenient to form one joint venture company for the development of each Site. The Board is pleased to announce that on 29 December 2010, the Subsidiary and the JV Partner entered into the articles of association of two joint venture companies (identified as "**JVCoA**" and "**JVCoB**" in this announcement) which will be established in the PRC for the development of Site A and Site B, respectively.

The major terms of the joint venture arrangement in respect of JVCoA and JVCoB pursuant to the articles of association of JVCoA and JVCoB or otherwise agreed between the Subsidiary and the JV Partner are set out below:-

Term of operation

The term of operation of each of JVCoA and JVCoB shall be 30 years from the date of issue of its business licence.

Scope of business

The scope of business of JVCoA and JVCoB is real estate development. It is expected that JVCoA and JVCoB will be engaged in the development of Site A and Site B respectively into residential blocks for sale. Upon establishment of JVCoA and JVCoB, the Subsidiary and the JV Partner will procure that the land use right certificates of Site A and Site B be issued in the name of JVCoA and JVCoB respectively.

Capital Commitment

The Subsidiary and the JV Partner agreed that their total capital contribution to JVCoA and JVCoB at this stage will be approximately RMB3,969.3 million (approximately HK\$4,662.4 million) and approximately RMB1,588.5 million (approximately HK\$1,865.9 million)

respectively, both of which will be contributed as to 51% by the Subsidiary and 49% by the JV Partner as follows:-

In respect of JVCoA:

	Amount of registered capital	Amount of shareholders' loans <i>(Note)</i>
<i>Subsidiary</i>	RMB25.5 million (approximately HK\$29.9 million)	RMB1,998.8 million (approximately HK\$2,347.8 million)
<i>JV Partner</i>	RMB24.5 million (approximately HK\$28.8 million)	RMB1,920.5 million (approximately HK\$2,255.9 million)

In respect of JVCoB:

	Amount of registered capital	Amount of shareholders' loans <i>(Note)</i>
<i>Subsidiary</i>	RMB25.5 million (approximately HK\$29.9 million)	RMB784.6 million (approximately HK\$921.6 million)
<i>JV Partner</i>	RMB24.5 million (approximately HK\$28.8 million)	RMB753.9 million (approximately HK\$885.6 million)

Note:

The consideration for the acquisition of the Sites already paid by the Subsidiary and the JV Partner will form the shareholders' loans by the Subsidiary and the JV Partner to JVCoA and JVCoB.

The total capital contribution to be made to JVCoA and JVCoB was arrived at after arm's length negotiation between the Subsidiary and the JV Partner after taking into account the costs of acquisition of the Sites and the estimated operating costs at this stage.

The Subsidiary's capital commitment to JVCoA and JVCoB in the amount of approximately RMB2,834.4 million (approximately HK\$3,329.3 million) will be financed by the Group's internal resources and external financing.

Shareholders' meeting

For each of JVCoA and JVCoB, unanimous consent of all shareholders are required for approving the following matters:-

- profit distribution and loss recovery plans
- increase or reduction of registered capital
- merger, demerger, dissolution or liquidation
- formulation and amendment of the articles of association
- transfer or pledge of equity interests by existing shareholder(s)

Other matters in respect of JVCoA and JVCoB shall be approved by shareholder(s) holding more than 50% of voting power. In respect of JVCoA, the Subsidiary holds 51% voting power while the JV Partner holds 49% voting power. In respect of JVCoB, the Subsidiary holds 49% voting power while the JV Partner holds 51% voting power.

Board composition

The board of directors of JVCoA will consist of five directors, among which three directors shall be nominated by the Subsidiary and two directors shall be nominated by the JV Partner. The chairman of the board of directors of JVCoA will be nominated by the Subsidiary.

The board of directors of JVCoB will consist of five directors, among which three directors shall be nominated by the JV Partner and two directors shall be nominated by the Subsidiary. The chairman of the board of directors of JVCoB will be nominated by the JV Partner.

Board resolutions of each of JVCoA and JVCoB shall be passed by a majority number of its respective directors.

INFORMATION ON THE JV PARTNER

The JV Partner is engaged in real estate business and is a wholly-owned subsidiary of China Vanke Co., Ltd. engaged in real estate business across 20 cities in Pearl River Delta, Yangtze River Delta and Bohai-Rim Region whose shares are listed on the Shenzhen Stock Exchange.

The JV Partner is the joint venture partner of the Company as disclosed in the circular of the Company dated 12 March 2010. As a result of the formation of the joint venture as disclosed in the said circular, the JV Partner became a substantial shareholder of a non wholly-owned subsidiary of the Company and therefore a connected person of the Company.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

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

The Directors believe that the Transactions will bring various commercial benefits to the Company, including increasing and strengthening the Group's land bank in the PRC, and is in conformity with the aligned interests of the Company and its Shareholders as a whole.

The Directors consider that the Transactions have been entered into on normal commercial terms, and the terms and conditions thereof (including the terms under the articles of association of JVCoA and JVCoB) are fair and reasonable and in the interest of the Company and the Shareholders as a whole. Given the size of the Sites, and the branding and expertise of the JV Partner, the Board believes that it is in the interest of the Group to cooperate by way of the Joint Venture with the JV Partner in the development of the Sites.

Only JVCoA will be accounted for as a subsidiary of the Company while JVCoB will be accounted for as an associate of the Company.

LISTING RULES IMPLICATIONS

The JV Formation constitutes a major and connected transaction for the Company under Chapters 14 and 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder had a material interest in the Transactions and thus no Shareholder would be required to abstain from voting on the Transactions if a general meeting were to be held. June Glory, which owned 2,066,211,506 Shares representing approximately 61.95% of

the issued share capital of the Company as at the date of this announcement, has granted its written approval to the Company for the purpose of approving the Transactions. The Company has applied for, and the Stock Exchange has granted to the Company, a waiver of Shareholders' meeting under Rule 14A.43 and accordingly, no Shareholders' meeting will be convened for the purpose of obtaining independent shareholders' approval for the Transactions.

The joint venture arrangements of JVCoA and JVCoB described in this announcement will be included in the same circular as mentioned in the Previous Announcement, which will contain, among other things, further particulars of the Transactions, the views of the independent non-executive Directors and the independent financial adviser of the Company to be despatched to the Shareholders on or before 24 January 2011.

For the purpose of illustration only, conversion of RMB into Hong Kong dollars in this announcement is based on the exchange rate of RMB0.85134 to HK\$1.00. 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, 30 December 2010

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*