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五礦建設有限公司*
MINMETALS LAND LIMITED

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

**PLACING OF EXISTING SHARES
AND SUBSCRIPTION FOR NEW SHARES**

Placing Agent



PLACING OF EXISTING SHARES AND SUBSCRIPTION FOR NEW SHARES

On 17 December 2009, the Company entered into the Placing and Subscription Agreement with the Vendor and the Placing Agent, pursuant to which the Vendor has agreed to sell, and the Placing Agent has agreed to place on behalf of the Vendor, on a fully underwritten basis, an aggregate of 430,000,000 existing Shares at a Placing Price of HK\$2.45 per Share. The Placing Shares will be placed to not less than six independent professional, institutional and/or individual investors to be procured by the Placing Agent.

Pursuant to the Placing and Subscription Agreement, the Vendor has also agreed to subscribe for, and the Company has agreed to issue, 390,000,000 new Shares at the same price of HK\$2.45 per Share.

The net proceeds from the Subscription are estimated to be approximately HK\$930,000,000 and are intended to be used for the Company's real estate development business (including acquisitions of land and investments in new real estate development projects) and for general working capital of the Group.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on 17 December 2009 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 18 December 2009.

1. PLACING AND SUBSCRIPTION AGREEMENT DATED 17 DECEMBER 2009

Parties

- (a) the Company;
- (b) the Vendor; and
- (c) the Placing Agent.

To the Directors' best knowledge, information and belief and having made all reasonable enquiries, the Placing Agent is not a connected person of the Company and is independent from and not connected with the directors, the chief executive or the substantial shareholders of the Company or its subsidiaries and/or their respective associates.

THE PLACING

The Placing Shares

Pursuant to the Placing and Subscription Agreement, the Vendor has agreed to sell, and the Placing Agent has agreed to place, on behalf of the Vendor, on a fully underwritten basis, an aggregate of 430,000,000 existing Shares at a Placing Price of HK\$2.45 per Share to the Placees.

The Placing Shares represents approximately 18.35% of the existing issued share capital of the Company and approximately 15.73% of the issued share capital of the Company as enlarged by the Subscription.

The Placing Price

The Placing Price of HK\$2.45 per Share (exclusive of brokerage, Hong Kong stamp duty, Stock Exchange trading fees and SFC transaction levy) represents:

- (i) a discount of approximately 13.12% to the closing price of HK\$2.82 per Share as quoted on the Stock Exchange on 16 December 2009, being the last trading day prior to the entering of the Placing and Subscription Agreement;
- (ii) a discount of approximately 15.52% to the average closing price of HK\$2.90 per Share as quoted on the Stock Exchange for the last 5 trading days up to and including 16 December 2009; and
- (iii) a discount of approximately 11.87% to the average closing price of HK\$2.78 per Share as quoted on the Stock Exchange for the last 10 trading days up to and including 16 December 2009.

The Placing Price was determined after arm's length negotiation between the Company and the Placing Agent which have taken into account recent market price of the Shares and the current market condition. The Directors consider that the Placing Price to be fair and reasonable. The Placing Agent will receive a placing commission of 2.5% on the gross proceeds of the Placing.

Rights of the Placing Shares

The Placing Shares will be sold free from any lien, charge, encumbrance or third party right whatsoever and together with all rights attaching thereto as at the Trade Date, including the right to receive all dividends or other distribution declared, made or paid on the Placing Shares at any time after the Trade Date.

Independence of the Placees

The Placing is expected to be made to not less than six placees who are professional, institutional and/or other investors. To the Directors' best knowledge, information and belief and having made all reasonable enquiries, the Placees (and their respective ultimate beneficial owners), are independent of and not connected with and are not acting in concert with the Vendor and its directors, chief executive or the substantial shareholders of the Company or any of its subsidiaries and their respective associates or parties acting in concert with any of them. To the Directors' best knowledge, information and belief and having made all reasonable enquiries, no Placee will become a substantial shareholder of the Company upon completion of the Placing.

Conditions of the Placing

Completion of the Placing is conditional upon:

- (i) there shall not have occurred prior to the completion of the Placing any breach of, or any event rendering untrue or incorrect, in either case, in any material respect, any of the representations, warranties, undertakings or other provisions of the Placing and Subscription Agreement given by the Vendor; and
- (ii) (a) trading of any securities of the Company not having been suspended on the Stock Exchange for more than three consecutive trading days on the Closing Date other than as a result of the Placing and/or the Subscription, (b) a material disruption in securities settlement, payment or clearance services in Hong Kong not having occurred, (c) any moratorium on commercial banking activities not having been declared by Hong Kong authorities, and (d) there not having occurred any outbreak or escalation of hostilities in Hong Kong.

If any of such conditions shall not have been fulfilled or waived by the Placing Agent by 10:00 a.m. on the Closing Date, the Placing and Subscription Agreement and the obligations of the Placing Agent thereunder shall be terminated at that time and none of the party shall have any liability to any other parties, except in relation to obligations, agreements and liabilities arising prior to such termination.

Undertaking

The Company undertakes to the Placing Agent that (except for (i) the Subscription Shares to be allotted and issued pursuant to the Placing and Subscription Agreement; (ii) any new Shares or options to be issued pursuant to any existing or previous employee share option schemes of the Company; (iii) any bonus or scrip dividend arrangement in accordance with the Bye-laws of the Company; or (iv) any new Shares to be issued in relation to the Target Acquisition) for a period of 90 days from the Closing Date, it will not:

- (i) issue, allot or issue or grant any option, right or warrant to subscribe, either directly or indirectly, any Shares or any interest therein, (including but not limited to any securities convertible into any Shares or any interests therein);
- (ii) enter into any transaction with the same economic effect as any of the transaction described in subparagraph (i) above (excluding any agreements to issue, allot or issue or grant any option, right or warrant to subscribe, either directly or indirectly, any Shares or any interest therein, (including but not limited to any securities convertible into any Shares or any interests therein) after expiry of the period of 90 days from the Closing Date,

or otherwise sell any Shares or any interest therein, unless with the prior written consent of the Placing Agent and such consent shall not be unreasonably withheld or delayed.

THE SUBSCRIPTION

Pursuant to the Placing and Subscription Agreement, the Vendor has agreed to subscribe for and the Company has agreed to issue the Subscription Shares. The actual number of Shares to be subscribed for shall be 390,000,000 new Shares.

The Subscription Shares represents approximately 16.65% of the existing issued share capital of the Company and approximately 14.27% of the issued share capital of the Company as enlarged by the Subscription. The aggregate nominal value of the Subscription Shares is HK\$39,000,000.

The Subscription Price

The Vendor shall subscribe for the Subscription Shares at the Subscription Price of HK\$2.45 per Share. The Subscription Price was determined to be the same as the Placing Price.

In respect of all the costs, expenses and disbursements incurred by the Vendor and itself in connection with the Placing and the Subscription (the “**Expenses**”), the Company shall reimburse the Vendor part of the Expenses, which shall be an amount equal to the total Expenses multiplied by the number of Subscription Shares and divided by the number of the Placing Shares. The amount of Expenses to be reimbursed by the Company is estimated to be approximately HK\$25,000,000. The net proceeds from the Subscription to the Company are estimated to be approximately HK\$930,000,000 and the net subscription price per Share will be approximately HK\$2.39.

Mandate to issue new Subscription Shares

The Subscription Shares will be issued under the 20% general mandate granted to the Directors at the special general meeting of the Company held on 5 November 2009. The number of Shares that the Directors are authorized to allot and issue under such general mandate is 468,557,468 Shares. Such general mandate has not been utilized since the date of grant.

Ranking of the new Shares

The Subscription Shares, when issued and fully paid, will rank equally with the existing Shares in issue as at the date of issue of the Subscription Shares.

Conditions of the Subscription

Completion of the Subscription is conditional upon the fulfilment of the following conditions:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares); and
- (ii) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement.

Completion of the Subscription

Subject to fulfilment of the above conditions, completion of the Subscription shall take place as soon as possible and, in any event, no later than the fifth Business Day after the date upon which the last of the conditions set out above shall have been so satisfied, provided that it shall take place on a date no later than a date falling 14 days after the date of the Placing and Subscription Agreement (or such other time and/or date as the Vendor and the Company may agree in writing).

If the Subscription Conditions are not fulfilled within 14 days after the date of the Placing and Subscription Agreement (or such later date as may be agreed between the Company and the Vendor), the obligations and liabilities of the Vendor and the Company under the Subscription shall be null and void and neither the Company nor the Vendor shall have any claim against the other for costs, damages, compensation or otherwise provided that the Company shall reimburse the Vendor any legal fees and out-of-pocket expenses which the Vendor shall be obliged to pay in connection with the Placing and the Subscription.

The Subscription is not subject to the approval of the Shareholders. However, according to the requirements set out in the Listing Rules, if the Subscription is not completed within 14 days after the date of the Placing and Subscription Agreement, the Subscription would constitute a connected transaction for the Company under the Listing Rules and Shareholders' approval will be required for the Subscription and the relevant provisions of the Listing Rules in relation to connected transaction will apply. Further announcement will be made if this occurs.

Application for listing

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares to be issued pursuant to the Subscription.

2. EFFECT ON THE SHAREHOLDING FOLLOWING COMPLETION OF THE PLACING AND THE SUBSCRIPTION

The shareholdings in the Company before and after the Placing, the Subscription and completion of the Target Acquisition are summarised as follows:

	At present		After completion of the Placing but before the completion of the Subscription and the Target Acquisition ⁽³⁾		Immediately after completion of the Placing and the Subscription but before completion of the Target Acquisition ⁽³⁾		After completion of the Placing, the Subscription and the Target Acquisition ⁽³⁾	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
The Vendor⁽¹⁾	1,504,918,447	64.24	1,074,918,447	45.88	1,464,918,447	53.61	2,066,211,506	61.97
Public Shareholders:								
Placees	0	0.00	430,000,000	18.35	430,000,000	15.73	430,000,000	12.90
Other Shareholders	837,868,896	35.76	837,868,896	35.76	837,868,896	30.66	837,868,896	25.13
	2,342,787,343	100.00	2,342,787,343	99.99 ⁽²⁾	2,732,787,343	100.00	3,334,080,402	100.00

Notes:

1. The Vendor is an indirect wholly-owned subsidiary of China Minmetals held as to 71% directly by Minmetals HK and 29% by Cheemimet Finance Limited, a wholly-owned subsidiary of Minmetals HK. The Vendor has been holding more than 50% of the issued share capital of the Company for more than 12 months.
2. The percentages set out may not add up to 100% due to rounding of figures to 2 decimal places.
3. The Target Acquisition is subject to the fulfilment and/or waiver of the conditions precedent set out in the Target Acquisition Agreement. It may or may not be completed. Details of the Target Acquisition are set out in the Company's circular dated 30 November 2009.

3. REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

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

The net proceeds from the Subscription are intended to be used for the Company's real estate development business (including acquisitions of land and investments in new real estate development projects) and for general working capital of the Group.

The Placing will enlarge the shareholder and capital base of the Company and enhance its financial position which in turn will accelerate the business development of the Group. The Directors are of the view that the terms of the Placing and the Subscription are fair and reasonable and are in the interest of the Company and its Shareholders as a whole.

4. FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

Save for the fund raising activities mentioned below, there has not been any other fund raising activity of the Company in the 12 months preceding the date of this announcement:

- (i) the rights issue of the Company as announced on 18 May 2009 and completed on 30 June 2009. The net proceeds from the said rights issue amounted to approximately HK\$522,000,000 which was intended to be used for the Company's real estate development business (including acquisitions of land and investments in new real estate development projects) and for general working capital of the Group

and, save for forming part of the general working capital of the Group, have not been utilized as at the date of this announcement; and

- (ii) the placing and subscription of Shares pursuant to a share placing and subscription agreement dated 13 August 2009 and completed on 18 August 2009 and 26 August 2009 respectively. The net proceeds from the said subscription amounted to approximately HK\$453,000,000 which was intended to be used for the Company's real estate development business (including acquisitions of land and investments in new real estate development projects) and for general working capital of the Group and, save for forming part of the general working capital of the Group, have not been utilized as at the date of this announcement.

5. SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on 17 December 2009 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 18 December 2009.

6. DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the meanings as set out below:

“acting in concert”	has the meaning as defined in the Takeovers Code;
“associates”	has the meaning as defined in the Listing Rules;
“Board”	the board of directors of the Company;
“Business day”	being any day, excluding Saturdays or Sundays on which banks generally are open for business in Hong Kong;
“China Minmetals”	China Minmetals Corporation, a State-owned enterprise in the People’s Republic of China and the ultimate controlling shareholder of the Company;
“Closing Date”	the date of completion of the Placing which is the second Business Day after the Trade Date i.e. 22 December 2009 (or such other date no later than the third Business Day after the Trade Date as the Placing Agent may notify the Vendor on which completion of the Placing shall take place);
“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 persons”	has the meaning as defined in the Listing Rules;
“controlling shareholder”	has the meaning as defined in the Listing Rules;

“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited, a wholly-owned subsidiary of China Minmetals;
“Placees”	any professional, institutional and/or other investor(s) procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing and Subscription Agreement;
“Placing”	placement of the Placing Shares pursuant to the Placing and Subscription Agreement;
“Placing and Subscription Agreement”	the share placing and subscription agreement dated 17 December 2009 between the Company, the Vendor and the Placing Agent in relation to the Placing and the Subscription;
“Placing Agent”	BOCI Asia Limited, a licensed corporation to carry on type 1 regulated activity (dealing in securities) and type 6 regulated activity (advising on corporate finance) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the placing agent to the Vendor for the placing of the Placing Shares;
“Placing Price”	price payable for the Placing Shares at HK\$2.45 per Share;
“Placing Shares”	an aggregate of 430,000,000 existing Shares available for the Placing;
“SFC”	the Securities and Futures Commission;
“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;

“Subscription”	the conditional subscription by the Vendor pursuant to the Placing and Subscription Agreement of the 390,000,000 new Shares;
“Subscription Price”	price payable for the Subscription Shares at HK\$2.45 per Share;
“Subscription Shares”	the 390,000,000 new Shares to be subscribed for by the Vendor pursuant to the Placing and Subscription Agreement;
“substantial shareholder(s)”	has the meaning as defined in the Listing Rules;
“Target Acquisition”	the proposed acquisition pursuant to the Target Acquisition Agreement, details of which were set out in the circular of the Company dated 30 November 2009;
“Target Acquisition Agreement”	the conditional sale and purchase agreement dated 13 November 2009 entered into between Minmetals Land Investments Limited, Mountain Trend Global Limited and China Minmetals relating to the Target Acquisition (as supplemented from time to time);
“Trade Date”	18 December 2009, being the date on which the sale of the Placing Shares shall be reported by the Placing Agent as a cross-trade to the Stock Exchange;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“Vendor”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of China Minmetals, and the immediate controlling shareholder of the Company; and
“%”	per cent.

By order of the Board
He Jianbo
Managing Director

Hong Kong, 17 December 2009

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. Qian Wenchao, Mr. He Jianbo, Mr. Yin Liang, Mr. Yan Xichuan and Ms. He Xiaoli as 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*