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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 13 August 2009, the Company entered into the Share Placing and Subscription Agreement with the Vendor and the Placing Agent, pursuant to which the Vendor agreed to sell, and the Placing Agent agreed to place on behalf of the Vendor, on a fully underwritten basis, an aggregate of 170,000,000 existing Shares at a Placing Price of HK\$2.10 per Share, and the Vendor has granted the Option to the Placing Agent to require the Vendor to sell an additional of up to 52,000,000 existing Shares at the Placing Price. On 13 August 2009, the Placing Agent has exercised the Option in full. The Placing Shares will be placed to not less than 6 independent professional, institutional and/or individual investors procured by the Placing Agent.

Pursuant to the Share Placing and Subscription Agreement, the Vendor also agreed to subscribe for, and the Company agreed to issue, for such number of new Shares as is equal to the number of the Placing Shares placed by the Placing Agent pursuant to the Share Placing and Subscription Agreement at the same price of HK\$2.10 per Share.

The net proceeds from the Subscription are estimated to be approximately HK\$453,000,000 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.

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.

1. **SHARE PLACING AND SUBSCRIPTION AGREEMENT DATED 13 AUGUST 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 (as defined in the Listing Rules) 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 is arranged by the Placing Agent on a fully underwritten basis.

THE PLACING

The Placing Shares

Pursuant to the Share Placing and Subscription Agreement, the Vendor agreed to sell, and the Placing Agent agreed to place, on behalf of the Vendor, on a fully underwritten basis, an aggregate of 170,000,000 existing Shares at a Placing Price of HK\$2.10 per Share to the Placees.

The Vendor has granted the Option to the Placing Agent to require the Vendor to sell an additional of up to 52,000,000 existing Shares at the Placing Price. On 13 August 2009, the Placing Agent has exercised the Option in full.

The number of the Placing Shares represents approximately 13.29% of the existing issued share capital of the Company and approximately 11.73% of the issued share capital of the Company as enlarged by the Subscription. The existing aggregate nominal value of 222,000,000 existing Shares is HK\$22,200,000.

The Placing Price

The Placing Price of HK\$2.10 per Share (exclusive of Hong Kong stamp duty, Stock Exchange trading fees and SFC transaction levy) represents:

- (i) a discount of approximately 9.0% to the closing price of HK\$2.31 per Share as quoted on the Stock Exchange on 13 August 2009, being the last trading day prior to the entering of the Share Placing and Subscription Agreement;
- (ii) a discount of approximately 12.1% to the average closing price of HK\$2.39 per Share as quoted on the Stock Exchange for the last 5 trading days up to and including 13 August 2009; and

- (iii) a discount of approximately 12.5% to the average closing price of HK\$2.40 per Share as quoted on the Stock Exchange for the last 10 trading days up to and including 13 August 2009.

After deduction of the placing commission and other related expenses of approximately HK\$13,000,000 in aggregate, the net proceeds of the Placing will be approximately HK\$453,000,000 and the net Placing Price will be approximately HK\$2.04 per Share.

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. The Directors are of the view that the placing commission is fair and reasonable.

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 Shares will be placed to not less than six Placees who are professional, institutional and/or individual investors procured by the Placing Agent. 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 (as those terms are defined in the Listing Rules or Takeovers Code (as the case may be)). 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 Share 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 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 Share Placing and Subscription Agreement and the obligations of the Placing Agent thereunder shall *ipso facto* cease and terminate at that time and no party shall be under any liability to any other for costs, damages, charges, compensation or otherwise under the Share Placing and Subscription Agreement, except in relation to obligations, agreements and liabilities arising prior to such termination.

Non-disposal undertaking

The Company undertakes to the Placing Agent that (except for (i) the Subscription Shares to be allotted and issued pursuant to the Share 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 three months 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 three months 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 Share Placing and Subscription Agreement, the Vendor agreed to subscribed for and the Company agreed to issue the Subscription Shares. The actual number of Shares to be subscribed for shall be the same as the actual number of Placing Shares placed by the Placing Agent pursuant to the Share Placing and Subscription Agreement.

The number of the Subscription Shares represents approximately 13.29% of the existing issued share capital of the Company and approximately 11.73% of the issued share capital of the Company as enlarged by the Subscription. The existing aggregate nominal value of 222,000,000 new Shares is HK\$22,200,000.

The Subscription Price

The Vendor shall subscribe for the Subscription Shares at the Subscription Price of HK\$2.10 per Share. The Subscription Price was determined after arm's length negotiation between the Company and the Vendor with reference to the Placing Price of the Placing Shares.

The total subscription monies receivable by the Company will be the subscription price per Share multiplied by the number of new Shares subscribed less the placing commission and other expenses borne or incurred by the Vendor in relation to the Placing and the Subscription. The net proceeds from the Subscription to the Company are estimated to be approximately HK\$453,000,000 and the net Subscription Price per Share will be approximately HK\$2.04.

Mandate to issue new Subscription Shares

The Subscription Shares will be issued under the 20% general mandate granted to the Directors at the annual general meeting of the Company held on 26 May 2009. The number of Shares that the Directors are authorized to allot and issue under such general mandate is 222,766,356 Shares of HK\$0.10 each. Such general mandate has not been utilized since the date of grant.

As set out in the Company's circular dated 12 August 2009, the Company intends to refresh the said general mandate based on the issued share capital of the Company as enlarged following the rights issue conducted by the Company in June 2009. The refreshment proposal was made on the basis that no part of such general mandate has been utilised and accordingly the Company is only required to obtain Shareholders' approval (in lieu of independent Shareholders' approval) for the refreshment of the said general mandate. In the event the Subscription Shares are issued under such general mandate, the Company will, among other things, be required to obtain independent Shareholders' approval for refreshing this general mandate. Further announcement and details of the revised refreshment proposal for such general mandate will be made as and when appropriate.

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 Share 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 second 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 Share Placing and Subscription Agreement (or such other time and/or date as the Vendor and the Company may agree in writing).

If the conditions of the Subscription are not fulfilled within 14 days after the date of the Share 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 Share 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 and the Subscription are summarised as follows:

	At present		After completion of the Placing but before the Subscription		Immediately after completion of the Placing and the Subscription		After completion of the Placing, the Subscription and the Target Acquisition (assuming the minimum no. of Target Consideration Shares will be issued pursuant to the Target Acquisition Agreement ⁽³⁾)		After completion of the Placing, the Subscription and the Target Acquisition (assuming the maximum no. of Target Consideration Shares will be issued pursuant to the Target Acquisition Agreement ⁽³⁾)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
The Vendor ⁽¹⁾	1,054,878,778	63.14	832,878,778	49.85	1,054,878,778	55.73	1,054,878,778	46.07	1,054,878,778	39.06
Mountain Trend ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	396,854,302	17.33	808,022,919	29.92
Sub-total:	1,054,878,778	63.14	832,878,778	49.85	1,054,878,778	55.73	1,451,733,080	63.40	1,862,901,697	68.98
Public Shareholders:										
Places	Nil	Nil	222,000,000	13.29	222,000,000	11.73	222,000,000	9.70	222,000,000	8.22
Other shareholders	615,868,896	36.86	615,868,896	36.86	615,868,896	32.54	615,868,896	26.90	615,868,896	22.80
	1,670,747,674	100.00	1,670,747,674	100.00	1,892,747,674	100.00	2,289,601,976	100.00	2,700,770,593	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. Mountain Trend is an indirect wholly-owned subsidiary of China Minmetals.
3. The Target Acquisition is subject to, among other things, the approval of the independent Shareholders at the special general meeting of the Company convened to be held on 1 September 2009. It may or may not be completed. Details of the Target Acquisition are set out in the Company's circulars dated 28 November 2008 and 12 August 2009 respectively.

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

- (i) the issue of Shares pursuant to the acquisition agreement dated 5 June 2008 relating to the acquisition of Texion Development Limited;
- (ii) 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 million which were 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 have not been utilized as at the date of this announcement; and
- (iii) the proposed issue of Shares pursuant to the Target Acquisition Agreement which is pending the approval of the independent Shareholders.

5. 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. 18 August 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;
“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;
“Mountain Trend”	Mountain Trend Global Limited, a wholly-owned subsidiary of Minmetals HK;
“Option”	the option granted by the Vendor to the Placing Agent pursuant to the Share Placing and Subscription Agreement to require the Vendor to sell an additional of up to 52,000,000 existing Shares;
“Placees”	any professional, institutional and/or individual investor(s) procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Share Placing and Subscription Agreement;
“Placing”	placement of the Placing Shares pursuant to the Share Placing and Subscription Agreement;
“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\$2.10 per Share;
“Placing Shares”	222,000,000 existing Shares, being the aggregate of (i) 170,000,000 existing Shares available for the Placing which are fully underwritten by the Placing Agent and (ii)

	52,000,000 existing shares available for the Placing pursuant to the exercise of the Option by the Placing Agent;
“SFC”	the Securities and Futures Commission;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Placing and Subscription Agreement”	the share placing and subscription agreement dated 13 August 2009 between the Company, the Vendor and the Placing Agent in relation to the Placing and the Subscription;
“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 Share Placing and Subscription Agreement of the number of new Shares equal to the actual number of Placing Shares placed by the Placing Agent;
“Subscription Price”	price payable for the Subscription Shares at HK\$2.10 per Share;
“Subscription Shares”	the new Shares for such number as is equal to the number of Placing Shares to be subscribed for by the Vendor pursuant to the Share Placing and Subscription Agreement;
“Target Acquisition”	the proposed acquisition of the entire issued share capital of Luck Achieve Limited pursuant to the Target Acquisition Agreement, details of which were set out in the circulars of the Company dated 28 November 2008 and 12 August 2009 respectively;
“Target Acquisition Agreement”	the conditional sale and purchase agreement dated 7 November 2008 entered into between Minmetals Land Investments Limited, Mountain Trend and Minmetals HK relating to the Target Acquisition (as supplemented from time to time, including, for the avoidance of doubt, by three supplemental agreements dated 31 March 2009, 18 May 2009 and 23 July 2009 respectively);
“Target Consideration Shares”	such number of Shares to be allotted and issued by the Company pursuant to the terms and conditions of the Target Acquisition Agreement;

“Trade Date”	14 August 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, 13 August 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*