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## **CHINA PRECIOUS METAL RESOURCES HOLDINGS CO., LTD.**

### **中國貴金屬資源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 1194)

#### **VOLUNTARY ANNOUNCEMENT**

#### **EXPIRY OF WARRANTS, MINING LICENSE RENEWAL AND ISSUE OF BONDS**

This is a voluntary announcement made by the board (the “Board”) of directors (the “Directors”) of China Precious Metal Resources Holdings Co., Ltd. (the “Company”, together with its subsidiaries, the “Group”) to provide the shareholders of the Company and investors with updates on the Company.

#### **1. EXPIRY OF WARRANTS**

As disclosed in the announcement of the Company dated 22 August 2011 (the “Warrant Announcement”), the Company issued warrants with an aggregate face value of HK\$93,480,000 (the “2011 Warrants”) to Raiffeisen Bank International AG Labuan Branch (“RBI”) pursuant to the instrument constituting the 2011 Warrants dated 22 August 2011 (the “Warrants Instrument”) in consideration of certain banking facility made available by RBI. The 2011 Warrants entitle the holder thereof to subscribe for new ordinary shares of the Company at the subscription price of HK\$2.1 per share during the period from 22 August 2011 to 22 August 2014 (the “Subscription Period”). The Subscription Period expired on 22 August 2014 and no subscription right attached to the 2011 Warrants has been exercised. The Company has previously placed a bank deposit of US\$4,603,000 as security for a voluntary surrender premium to the holders of the 2011 Warrants, provided that any of the 2011 Warrants would not be exercised at maturity date. Such sum has been released to the holder of the 2011 Warrants upon expiry of the Subscription Period in accordance with the terms of the Warrant Instrument. The Company does not have any outstanding warrants upon the expiry of the 2011 Warrants and as at the date of this Announcement.

#### **2. JINXING MINING LICENSE RENEWAL**

欒川縣金興礦業有限責任公司 (Luanchuan County Jinxing Mining Co. Ltd.) (“Jinxing”), a wholly-owned subsidiary of the Company located in Henan Province in the People’s Republic of China, holds a mining license for gold mines production and is engaged in mining and processing of gold ores and sales of gold products. On 4 July 2014, Jinxing obtained a renewal of its mining license with a renewed validity period from July 2014 to December 2020 and an increase in the permitted annual mining production capacity from 84,000 tons to 270,000 tons. With the renewed mining license, Jinxing will be able to significantly enlarge the scale of its gold production operations in the next five years.

### 3. ISSUE OF BONDS

During the period from 16 June 2014 to 19 September 2014, the Company, through placing agents (the “Placing Agents”) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are licensed corporations under the Securities and Futures Ordinances (the “SFO”) to carry on Type 1 regulated activity (as defined in the SFO), has placed bonds in the aggregate principal amount of approximately HK\$200 million (the “Bonds”) to less than thirty private investors (the “Subscribers”) (the “Bond Issue”). The proceeds from the Bond Issue will be used as general working capital of the Group.

The Bonds bear interest from 6% to 6.5% per annum, are unsecured and transferrable and with maturity dates ranging from 7 years to 7.5 years from the respective dates of issue of the Bonds. Neither the Company nor the holders of the Bonds may redeem the Bonds before their respective maturity dates.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Placing Agents, the Subscribers and their respective beneficial owners are independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

The terms of the Bonds were determined after arm’s length negotiations between the Company and the Placing Agents with reference to the prevailing market conditions. The Board is of the view that the Bond Issue is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

By order of the Board of  
**China Precious Metal Resources Holdings Co., Ltd.**  
**LAM Cham**  
*Chairman*

Hong Kong, 19 September 2014

*As at the date of this announcement, the executive Directors are Mr. Lam Cham, Mr. Zhang Shuguang, Mr. Zhang Liwei, Mr. Chang Yim Yang and Mr. Deng Guoli and the independent non-executive Directors are Professor Wong Lung Tak Patrick, BBS, PhD, J.P., Mr. Chan Kin Sang and Professor Xiao Rong Ge.*