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China Nonferrous Mining Corporation Limited **中國有色礦業有限公司**

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 1258)

DISCLOSEABLE TRANSACTION **ESTABLISHMENT OF JOINT VENTURE**

The Board is pleased to announce that on 14 January 2015, SML entered into the Joint Venture Agreement with PIMA, an Independent Third Party, in respect of the proposed joint investment in and establishment of the Joint Venture in Likasi of Province du Katanga (加丹加省利卡西市) in DRC, to construct and operate a leach plant with an annual production capacity of 20,000 tonnes of copper cathode products. Upon its establishment, the Joint Venture will become the third enterprise invested by the Company in DRC following CNMC Huachin Metals Leach SPRL and CNMC Huachin Mabende Mining SPRL.

As one of the applicable percentage ratios in respect of the Joint Venture Agreement exceeds 5% but is less than 25%, the Joint Venture Agreement constitutes a discloseable transaction of the Company, which is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

JOINT VENTURE AGREEMENT

BACKGROUND

On 14 January 2015, SML entered into the Joint Venture Agreement with PIMA, an Independent Third Party, in respect of the proposed joint investment in and establishment of the Joint Venture in Likasi of Province du Katanga (加丹加省利卡西市) in DRC, to construct and operate a leach plant with an annual production capacity of 20,000 tonnes of copper cathode products. The registered capital of the Joint Venture will be US\$10,000, of which 60% will be contributed by SML and 40% by PIMA. Upon its establishment, the Joint Venture will become the third enterprise invested by the Company in DRC following CNMC Huachin Metals Leach SPRL and CNMC Huachin Mabende Mining SPRL. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, PIMA and its ultimate beneficial owners are Independent Third Parties.

Particulars and details of the Joint Venture Agreement are set out below:

Date

14 January 2015

Parties

(1) SML

(2) PIMA

The Registered Capital of the Joint Venture and Capital Contribution of Each Party

The registered capital of the Joint Venture will be US\$10,000, of which SML and PIMA will contribute US\$6,000 and US\$4,000 respectively, accounting for 60% and 40% of the shareholding in the Joint Venture respectively.

The total investment in the leach plant to be operated by the Joint Venture will be approximately US\$110 million (the final amount shall be subject to the relevant feasibility study report), of which the irrevocable paid-in capital of US\$20 million will be contributed by SML and PIMA in proportion to their respective shareholding, and the remaining investment amount will be financed from bank borrowing for which SML will be responsible for arranging, and such amount will be used for construction of the leach plant. Such bank borrowing will be secured by PIMA with the shareholdings in the Joint Venture and the mining right of PIMA.

Business of the Joint Venture

The principal activity of the Joint Venture is processing, mining, ore purchase and sale of the final products.

Management of the Joint Venture

The management committee of the Joint Venture will comprise three members, of which SML will appoint two members (including the chairman) and PIMA will appoint one member. One representative from PIMA should attend the meeting of the management committee in order to form the quorum. The chairman, general director and chief technical officer of the Joint Venture shall be appointed by SML, while the chief financial officer shall be appointed by PIMA.

The quorum of the general meeting of the Joint Venture will be formed when shareholders who hold 61% or more shareholding in the Joint Venture attend the meeting.

Share Transfer

Shareholders of the Joint Venture are entitled to transfer their shareholdings to de facto controllers or subsidiaries. The shareholders are also entitled to the pre-emptive right under the relevant laws of DRC.

Conditions Precedent

The conditions precedent of the Joint Venture Agreement are: (i) SML shall provide supplemental information on the feasibility study report within two months from the date of the Joint Venture Agreement and (ii) the Joint Venture shall be established within four months from the date of the Joint Venture Agreement.

REASONS FOR AND BENEFITS OF THE JOINT VENTURE AGREEMENT

The Board is of the view that the establishment of the Joint Venture to construct and operate the leach plant for production of copper cathode products is in line with the Company's development strategy to increase its leaching capacity, which will facilitate the Company's sustainable expansion and development in the mining market of DRC.

The Joint Venture Agreement has been arrived after arm's length negotiations between the Company and PIMA. The Directors consider that the Joint Venture Agreement was entered into in the ordinary and usual course of business on normal commercial terms, the terms of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Joint Venture Agreement exceeds 5% but is less than 25%, the Joint Venture Agreement constitutes a discloseable transaction of the Company, which is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

GENERAL

The Company is an investment holding company. The Group is principally engaged in exploration, mining, ore processing, leaching, smelting and sale of copper cathodes, blister copper and sulfuric acid in Zambia and DRC.

The principal business activity of the PIMA is prospecting, mining, processing and sale of ore in DRC.

DEFINITIONS

“Board”	the board of Directors of the Company
“Company”	China Nonferrous Mining Corporation Limited (中國有色礦業有限公司), a company incorporated in Hong Kong with limited liability, whose shares are listed on the Stock Exchange

“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“DRC”	the Democratic Republic of Congo
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) not connected with any of the Directors, chief executive, substantial shareholders of the Company or any of its subsidiaries or any of their respective associates
“PIMA”	PIMA MINING SPRL, a company incorporated in Province du Katanga of DRC, and an Independent Third Party of the Company
“Joint Venture Agreement”	the joint venture agreement dated 14 January 2015 entered into between SML and PIMA in relation to the establishment of the Joint Venture
“Joint Venture”	CNMCL-PIMA, a company to be incorporated in Province du Katanga of DRC which will be held as to 60% by SML and 40% by PIMA
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Shareholders”	holder(s) of the shares of the Company

“SML”	Sino-Metals Leach Zambia Limited (贊比亞謙比希濕法冶煉有限公司), a company incorporated under the laws of Zambia and a subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed thereto in the Listing Rules
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States

By Order of the Board
China Nonferrous Mining Corporation Limited
Tao LUO
Chairman

Beijing, 15 January 2015

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Xinghu Tao, Mr. Chunlai Wang, Mr. Xingeng Luo, Mr. Xinguo Yang and Mr. Kaishou Xie as executive Directors; Mr. Tao Luo (Chairman) as non-executive Director; and Mr. Chuanyao Sun, Mr. Jingwei Liu and Mr. Huanfei Guan as independent non-executive Directors.