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China National Materials Company Limited

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 01893)

ANNOUNCEMENT INSIDE INFORMATION

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Sinoma International Engineering Co., Ltd. ("**Sinoma International**") is a subsidiary of China National Materials Company Limited (the "**Company**") and its A shares are listed and traded on the Shanghai Stock Exchange (stock code: 600970).

Reference is made to the inside information announcement (the "**Announcement**") and the relevant overseas regulatory announcement dated 27 August 2015 published by the Company on the website of The Stock Exchange of Hong Kong Limited. Terms used in this announcement shall have the same meanings as the Announcement unless the context otherwise requires.

On 30 August 2015, local time (after trading hours of 1 September 2015, Beijing time), consensus has been reached between Sinoma International and the Owners regarding provisions including method of payment, fixed prices, time span of projects, liabilities of delay damages and performance damages, contract of which has been executed. The major contents thereof are as follows:

I. Method of Payment under the Contracts and the Fixed Prices

The onshore parts of each of the projects account for 20% of the consideration under the contracts, totalling US\$297,460,108.60, which will be denominated in US dollars and paid in local currencies or US dollars as required by the contractor, being Sinoma International, at the time of payment. The remaining are offshore

parts, accounting for 80% of the consideration under the contracts and totalling US\$1,189,840,434.40, which will be denominated and paid in US dollars.

The price of the cement used for construction has been fixed at US\$200 per ton. The price of the pile foundation project to be implemented according to the site investigation (geotechnical) report will be calculated separately, with the unit price being US\$750 per cubic meter.

II. Time Span of the Projects

In terms of the time span of the projects, the provisional acceptance of projects in Cameroon and Mali shall both be conducted after twenty months from the effective dates of the contracts, and the provisional acceptance of the remaining projects shall be conducted after thirty months from the effective dates of the contracts.

III. Major Liabilities under the Contracts

As provided in the contracts, the aggregate liabilities for delay damages and performance damages will not exceed 8% of the consideration under the corresponding contracts.

Investors shall be reminded of the investment risks.

For details of the matters set out above, please refer to the relevant overseas regulatory announcement dated 1 September 2015 published by the Company on the website of The Stock Exchange of Hong Kong Limited.

By order of the Board

CHINA NATIONAL MATERIALS COMPANY LIMITED

Liu Zhijiang

Chairman of the Board

Beijing, China

1 September 2015

As at the date of this announcement, the executive directors of the Company are Mr. Liu Zhijiang and Mr. Peng Jianxin, the non-executive directors of the Company are Mr. Yu Shiliang, Mr. Li Xinhua, Mr. Li Jianlun, Mr. Yu Guobo and Mr. Tang Baoqi, and the independent non-executive

directors of the Company are Mr. Leung Chong Shun, Mr. Lu Zhengfei, Mr. Wang Shimin and Mr. Zhou Zude.

Please also refer to the published version of this announcement on the Company's website.