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中国铝业股份有限公司
ALUMINUM CORPORATION OF CHINA LIMITED*

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

(Stock Code: 2600)

ANNOUNCEMENT
CONNECTED TRANSACTION
JOINT ESTABLISHMENT OF INDUSTRY INVESTMENT FUND

Reference is made to the announcement of the Company dated 8 May 2017 in relation to the establishment of the Industry Fund by way of limited partnership by the Company and BOCOMMTRUST with Chinalco Jianxin as the manager of the Industry Fund which was considered and approved at the ninth meeting of the sixth session of the Board. On 23 May 2017, the Company entered into the Partnership Agreement with BOCOMMTRUST and Chinalco Jianxin, subject to fulfilment of conditions precedent. Pursuant to the Partnership Agreement, the Company, BOCOMMTRUST and Chinalco Jianxin agreed to establish the Industry Fund with a size of RMB2,000.2 million through cooperation, of which the investment to be made by the Company shall be RMB660 million.

As at the date of this announcement, Chinalco Jianxin is an associate of Chinalco, the controlling shareholder of the Company and hence it is a connected person of the Company under the Hong Kong Listing Rules. As such, the transaction contemplated under the Partnership Agreement constitutes a connected transaction under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) of the transaction contemplated under the Partnership Agreement exceeds 0.1% but is less than 5%, the transaction is subject to the reporting and announcement requirements but is exempted from independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As the transaction contemplated under the Partnership Agreement is required to be proposed at the general meeting for consideration in accordance with relevant requirements of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company will seek approval for the transaction from the Shareholders at the AGM.

1. INTRODUCTION

Reference is made to the announcement of the Company dated 8 May 2017 in relation to the establishment of the Industry Fund by way of limited partnership by the Company and BOCOMMTRUST with Chinalco Jianxin as the manager of the Industry Fund which was considered and approved at the ninth meeting of the sixth session of the Board. On 23 May 2017, the Company entered into the Partnership Agreement with BOCOMMTRUST and Chinalco Jianxin, subject to fulfilment of conditions precedent. Pursuant to the Partnership Agreement, the Company, BOCOMMTRUST and Chinalco Jianxin agreed to establish the Industry Fund with a size of RMB2,000.2 million through cooperation, of which the investment to be made by the Company shall be RMB660 million.

2. PARTNERSHIP AGREEMENT

2.1 Date

23 May 2017

2.2 Parties

- (1) The Company (as the subordinated limited partner of the Industry Fund);
- (2) BOCOMMTRUST (as the preferential limited partner of the Industry Fund); and
- (3) Chinalco Jianxin (as the general partner and manager of the Industry Fund).

2.3 Name of the fund

Beijing Chalco Bocom Size Industry Investment Fund Management Partnership (Limited Partnership) (北京中鋁交銀四則產業投資基金管理合夥企業(有限合夥)) (tentative name, subject to the name approved by the relevant industry and commerce registration authority).

2.4 Scope of business and term of partnership

The business scope of the Industry Fund includes debt investments, subject to the business scope approved by the relevant industry and commerce registration authority. The Industry Fund shall engage in investments with its own assets subject to compliance with applicable laws and regulations and the conditions set out in the Partnership Agreement. With the unanimous consent of all partners, the business scope of the Industry Fund may be changed.

The Industry Fund shall be established on the issue date of its business license with a term of not more than 10 years.

2.5 Contribution

The size of the Industry Fund will be RMB2,000.2 million which will be contributed by the parties as follows:

- (1) The Company shall contribute RMB660 million, representing approximately 33.00% of the size of the Industry Fund;
- (2) BOCOMMTRUST shall contribute RMB1,340 million, representing approximately 67.00% of the size of the Industry Fund;
- (3) Chinalco Jianxin shall contribute RMB0.2 million, representing approximately 0.01% of the size of the Industry Fund.

Contributions to be made by the parties to the Industry Fund are determined by the general partner and limited partners after arm's length negotiations with reference to the capital needs of the Industry Fund.

2.6 Payment

The contributions to be made by all partners will be paid in cash in instalments according to the Partnership Agreement. Pursuant to the Partnership Agreement or its supplemental agreement, or upon unanimous consent of all partners, the partners may increase or reduce their contributions to the Industry Fund.

The contribution to be made by the Company shall be financed by the Group with its own cash.

2.7 Conditions precedent

Conditions precedent to the Partnership Agreement and the transaction contemplated thereunder include:

- (1) the Partnership Agreement shall come into effect upon being duly signed or sealed by the respective legal or authorized representatives of the parties thereto with company seal or special seal for contractual use affixed;
- (2) the transaction contemplated under the Partnership Agreement having been approved at a general meeting of the Company;
- (3) the Partnership Agreement having been approved by the competent authorities of BOCOMMTRUST and Chinalco Jianxin (if necessary).

2.8 Management

The general partner is responsible for the affairs as well as property management and utilisation of the Industry Fund, and is entitled to charge an annual management fee equivalent to 0.05% of the paid-up contributions made by the partners.

The Industry Fund shall set up partners' meetings, which shall be consisted of all partners, to consider amendments to the Partnership Agreement and other important issues.

The Industry Fund will be set up with an investment decision-making committee as the supreme decision-making body in relation to the investments of the partnership.

2.9 Allocation of investment income and principal

Investment income and principal shall be first distributed to the preferential limited partner, and the remaining balance (if any) shall be distributed to the general partner. Upon distribution to the general partner, the remaining balance (if any) shall be allocated to the subordinated limited partner.

3. REASONS FOR AND BENEFITS OF ESTABLISHMENT OF THE INDUSTRY FUND

The establishment of the Industry Fund will help to satisfy the need of construction of major projects and to replenish the working capital required for operation of the Company. Furthermore, the Industry Fund, as an operation platform, will help to provide strong financial support for expediting the Company's structural adjustment, transformation and upgrade.

The Directors (including the independent non-executive Directors) are of the view that the transaction contemplated under the Partnership Agreement is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, but is not in the ordinary or usual course of business of the Group due to the nature of such transaction.

4. IMPLICATIONS UNDER HONG KONG LISTING RULES

As at the date of this announcement, Chinalco Jianxin is an associate of Chinalco, the controlling shareholder of the Company and hence it is a connected person of the Company under the Hong Kong Listing Rules. As such, the transaction contemplated under the Partnership Agreement constitutes a connected transaction under Chapter 14A of the Hong Kong Listing Rules. As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) of the transaction contemplated under the Partnership Agreement exceeds 0.1% but is less than 5%, the transaction is subject to the reporting and announcement requirements but is exempted from independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As the transaction contemplated under the Partnership Agreement is required to be proposed at the general meeting for consideration in accordance with relevant requirements of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Company will seek approval for the transaction from the Shareholders at the AGM.

As Mr. Yu Dehui and Mr. Liu Caiming, the Directors of the Company, concurrently hold positions in Chinalco, they have abstained from voting on the Board resolution with respect to the transaction contemplated under the Partnership Agreement. Saved as disclosed above, none of the Directors has any material interest in the transaction contemplated under the Partnership Agreement and therefore none of the other Directors has abstained from voting on such Board resolution.

5. GENERAL INFORMATION

The Company is a joint stock limited company incorporated in the PRC, whose H Shares and A Shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively, while its ADSs are listed on the New York Stock Exchange. The Group is principally engaged in the mining of bauxite; the production and sales of alumina, primary aluminum and aluminum alloy products; operating of coal and electricity businesses as well as trading and logistics of non-ferrous metal products.

BOCOMMTRUST is a company incorporated in the PRC with limited liability and is principally engaged in trust of funds; trust of movable properties; trust of immovable properties; trust of marketable securities; trust of other properties or property rights; conducting investment businesses as a promoter of investment funds or fund management companies; reorganization, merger and acquisition of corporate assets, and project financing, corporate wealth management and financial advisory businesses; trustee for underwriting business of securities approved by the relevant authority under the State Council; engaging in intermediary, consulting and credit investigation businesses; custodian and safe deposit box businesses; utilization of inherent properties by way of deposits in financial institutions, lending to financial institutions, loans, leasing and investments; providing guarantees with inherent properties; engaging in interbank lending; and other businesses in compliance with the requirements of the laws and regulations or approved by China Banking Regulatory Commission. The businesses above include domestic and foreign currency business.

Chinalco Jianxin is a company incorporated in the PRC with limited liability and is principally engaged in investment management and consulting of non-securities business.

Completion of the Partnership Agreement and the transaction contemplated thereunder is subject to fulfilment of a number of conditions. Shareholders and potential investors are advised to exercise caution in dealing in the shares of the Company.

6. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	the domestic share(s) issued by the Company and subscribed for in Renminbi and which are listed on the Shanghai Stock Exchange;
“A Shareholder(s)”	holder(s) of A Shares;
“ADS(s)”	the American Depository Share(s) issued by the Bank of New York Mellon as the depository bank and listed on the New York Stock Exchange, with each ADS representing 25 H Shares;
“AGM”	the 2016 annual general meeting of the Company to be convened on 28 June 2017 to consider and, if thought fit, among other matters, approve the transaction contemplated under the Partnership Agreement;
“associate”	has the same meaning ascribed thereto under Chapter 14A of the Hong Kong Listing Rules;
“Board”	the board of Directors of the Company;
“BOCOMMTRUST”	Bank of Communications International Trust Co., Ltd.* (交銀國際信託有限公司), a company incorporated in the PRC with limited liability and the preferential limited partner of the Industry Fund;
“Chinalco”	Aluminum Corporation of China* (中國鋁業公司), a wholly state-owned enterprise established in the PRC and the controlling shareholder of the Company holding directly and indirectly approximately 35.77% of the total issued share capital of the Company as at the date of this announcement;

“Chinalco Jianxin”	Chinalco Jianxin Investment Fund Management (Beijing) Company Limited* (中鋁建信投資基金管理(北京)有限公司), a company incorporated in the PRC with limited liability, being the general partner and manager of the Industry Fund and a subsidiary of Chinalco, the controlling shareholder of the Company as at the date of this announcement;
“Company”	Aluminum Corporation of China Limited*(中國鋁業股份有限公司), a joint stock limited company incorporated in the PRC, the A Shares, H Shares and ADS(s) of which are listed on the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the New York Stock Exchange, respectively;
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and subscribed for in Hong Kong dollars;
“H Shareholder(s)”	holder(s) of H Shares;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Industry Fund”	the industry investment fund to be established by the Company, BOCOMMTRUST and Chinalco Jianxin through cooperation;

“Partnership Agreement”	the agreement dated 23 May 2017 entered into among the Company, BOCOMMTRUST and Chinalco Jianxin, pursuant to which the Company, BOCOMMTRUST and Chinalco Jianxin agreed to establish the Industry Fund through cooperation;
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and the Taiwan region;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	A Shares and H Shares;
“Shareholder(s)”	A Shareholders and H Shareholders;
“subsidiary”	has the same meaning ascribed thereto under the Hong Kong Listing Rules; and
“%”	per cent.

By order of the Board
Aluminum Corporation of China Limited*
Zhang Zhankui
Company Secretary

Beijing, the PRC
23 May 2017

As at the date of this announcement, the members of the Board comprise Mr. Ao Hong, Mr. Lu Dongliang and Mr. Jiang Yinggang (Executive Directors); Mr. Yu Dehui, Mr. Liu Caiming and Mr. Wang Jun (Non-executive Directors); Ms. Chen Lijie, Mr. Hu Shihai and Mr. Lie-A-Cheong Tai Chong, David (Independent Non-executive Directors).

* *For identification purpose only*