

1. DIRECTORS' RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations

As at the Latest Practicable Date, the interests and short positions of each of the Directors and the chief executive officer of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules were as follows:

Long position in the Shares and underlying Shares

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares held	Approximate percentage of total number of issued Shares as at the Latest Practicable Date (Note 1)
Andrew Gordon Michelmore	Personal	891,000	28,150,200 (Note 2)	0.55%
David Mark Lamont	Personal	450,000	6,240,582 (Note 2)	0.13%
Xu Jiqing	Personal	—	1,000,000 (Note 3)	0.02%
Jiao Jian	Personal	—	1,200,000 (Note 3)	0.02%

Notes

1. The calculation is based on the number of shares as a percentage of the total number of issued Shares (i.e. 5,289,607,889 Shares) as at the Latest Practicable Date.
2. The Directors' interests in the underlying Shares are through share options granted by the Company pursuant to the share option scheme adopted by the Company on 26 March 2013.
3. The Directors' interests in the underlying Shares are through share options granted by the Company pursuant to the share option scheme adopted by the Company on 28 May 2004.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive officer of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial Shareholders' interests and short positions in the Shares and underlying Shares

So far as is known to the Directors and chief executive officer of the Company, as at the Latest Practicable Date, the following persons had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in the Shares

Name of Shareholder	Capacity	Number of Shares held	Approximate percentage of total number of issued Shares as at the Latest Practicable Date <i>(Note 1)</i>
CMC	Interest of controlled corporation <i>(Notes 2 and 3)</i>	3,898,110,916	73.69%
CMCL	Interest of controlled corporation <i>(Notes 2 and 3)</i>	3,898,110,916	73.69%

Name of Shareholder	Capacity	Number of Shares held	Approximate percentage of total number of issued Shares as at the Latest Practicable Date <i>(Note 1)</i>
CMNH	Interest of controlled corporation <i>(Notes 2 and 3)</i>	3,898,110,916	73.69%
CMN	Interest of controlled corporation <i>(Notes 2 and 3)</i>	3,898,110,916	73.69%
Album Enterprises	Beneficial Owner <i>(Note 3)</i>	2,276,800,860	43.04%
Top Create	Beneficial Owner <i>(Note 2)</i>	1,621,310,056	30.65%

Notes

1. The calculation is based on the number of Shares which each person is interested in (whether directly/indirectly interested or deemed to be interested) as a percentage of the total number of issued Share (i.e. 5,289,607,889 shares) as at the Latest Practicable Date.
2. Top Create is a wholly owned subsidiary of CMN, which in turn is owned as to approximately 99.999% by CMNH and approximately 0.001% by CMCL. CMNH is a wholly owned subsidiary of CMCL. CMCL is owned as to approximately 87.5% by CMC and approximately 0.8% by China National Metal Products Co. Ltd., which in turn is a wholly owned subsidiary of CMC. Accordingly, CMN, CMNH, CMCL and CMC were, by virtue of the SFO, deemed to be interested in the Shares held by Top Create as at the Latest Practicable Date.
3. Album Enterprises is a wholly owned subsidiary of CMN. Accordingly, CMN, CMNH, CMCL and CMC were by virtue of the SFO deemed to be interested in the Shares held by Album Enterprises as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, there were no other persons who were recorded in the register of the Company as having an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Save as disclosed below, no other Directors are directors or employees of CMC, CMCL, CMNH, CMN, Album Enterprises and/or Top Create.

Name of Director	Title	Company
Xu Jiqing	director	CMNH
Jiao Jian	President and a director	CMNH and CMN
	director	Album Enterprises
	director	Top Create
Gao Xiaoyu	Vice president	CMNH and CMN
	director	Top Create

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Enlarged Group which will not expire or be determinable by the relevant member of the Enlarged Group within one year without payment of compensation (other than statutory compensation).

4. LITIGATION

As at the Latest Practicable Date, none of the members of the Enlarged Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Enlarged Group. Further, as at the Latest Practicable Date, the Company was not aware of any legal claims or proceedings that may have an influence on the Target Group's rights to explore or mine.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective associates had any interest in a business which competes or may compete with the businesses of the Group (which would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling shareholder of the Company) save as disclosed below:

- Xu Jiqing, an executive Director, is:**
 - a director of CMNH.
- Wang Lixin, a non-executive Director and Chairman, is:**
 - an independent Director of Maikemetal International Limited ("MMIL").
- Jiao Jian, a non-executive Director, is:**
 - the President and a director of CMN;

- the President and a director of CMNH;
- a director of Album Enterprises;
- a director of Top Create;
- a director of Hunan Nonferrous Metals Holdings Group Company Limited (“HNG”); and
- a director of Copper Partners Investment Co., Ltd (“Copper Partners Investment”).

4. **Gao Xiaoyu, a non-executive Director, is:**

- a Vice President of CMNH;
- a Vice President of CMN; and
- a director of Top Create.

Although the Group together with its jointly controlled entities and the above companies are involved in businesses in the same industry, they are separate companies operated by separate and independent management. The Company is therefore capable of carrying on its business independently of, and at arm’s length from the CMC Group, HNG, Copper Partners Investment and MMIL.

6. INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect in any assets which have been, since 31 December 2013 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Enlarged Group, or are proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

There is no contract or arrangement subsisting as at the date of this circular, in which any of the Directors are materially interested and which is significant to the business of the Enlarged Group.

7. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the experts who have provided advice for inclusion in this circular:

Name	Qualification
Deloitte LLP	Member of the Institute of Chartered Accountants in England and Wales
PricewaterhouseCoopers	Certified Public Accountants, Hong Kong

Somerley Capital Limited	Licensed corporation under the SFO for carrying out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities
RPM	Independent technical advisor
Jones Lang LaSalle	Independent valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or reference to its name or opinion in the form and context in which it appears.

As at the Latest Practicable Date, the above experts were not beneficially interested in the share capital of any member of the Group nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the above experts had any direct or indirect interest in any assets which had since 31 December 2013 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL CONTRACTS OF THE GROUP AND THE TARGET GROUP

The Enlarged Group entered into the following material contracts (not being contracts entered into in the ordinary course of business of the Enlarged Group) within two years immediately preceding the Latest Practicable Date:

- (a) Share Purchase Agreement; and
- (b) Shareholders' Agreement.

9. GENERAL

- (a) Registered office and corporate office. The registered office and corporate office of the Company is located at Units 8501-8503, Level 85, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.
- (b) Corporate office and principal place of business. The corporate office and principal place of business of the Company is located at Level 23, 28 Freshwater Place, Southbank, Victoria 3006, Australia.
- (c) Corporate Secretary. The company secretary of the Company is Ms. LEUNG Suet Kam, Lucia, a fellow of The Institute of Chartered Secretaries and Administrators in the United Kingdom and a fellow of the Hong Kong Institute of Chartered Secretaries.

- (d) The share registrar and the transfer office of the Company is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (e) In case of inconsistency, the English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection during business hours at the registered office of the Company at Units 8501-8503, Level 85, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong from the date of this circular until 14 July 2014:

- (a) the articles of association of the Company;
- (b) the written consents from the experts referred to in the paragraph headed "Qualifications and consents of experts" in this appendix;
- (c) each of the material contracts referred to under the paragraph headed "Material contracts of the Group and the Target Group" in this appendix;
- (d) the IFA Letter;
- (e) the published annual reports of the Company for each of the financial years ended 31 December 2011, 2012 and 2013;
- (f) the accountants' reports of the Target Company and the Project Company as set out in Appendix IA and Appendix IB to this circular, respectively;
- (g) the report on unaudited pro forma financial information of the Enlarged Group as set out in Appendix III to this circular;
- (h) the Competent Person's Report as set out in Appendix IV to this circular;
- (i) the Valuation Report as set out in Appendix V to this circular;
- (j) the MMG Framework Offtake Agreement;
- (k) the CMN Framework Offtake Agreement;
- (l) the circular issued by the Company dated 10 April 2014; and
- (m) this circular.