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ERA Mining Machinery Limited
年代煤礦機電設備制造有限公司

(formerly known as “ERA Holdings Global Limited 年代國際控股有限公司”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8043)

**ANNOUNCEMENT PURSUANT TO RULE 3.8 OF
THE HONG KONG CODE ON TAKEOVERS AND MERGERS
IN RESPECT OF THE
PRE-CONDITIONAL VOLUNTARY OFFER BY
CATERPILLAR (LUXEMBOURG) INVESTMENT CO. S.A.,
AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF
CATERPILLAR INC., TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE SHARE CAPITAL OF ERA MINING MACHINERY LIMITED
AND
FOR THE CANCELLATION OF ALL THE OUTSTANDING
SHARE OPTIONS OF ERA MINING MACHINERY LIMITED
UPDATE OF NUMBER OF THE RELEVANT SECURITIES OF
ERA MINING MACHINERY LIMITED**

This announcement is made pursuant to Rule 3.8 of the Takeovers Code.

Reference is made to the announcement jointly issued by Caterpillar (Luxembourg) Investment Co. S.A. (the “**Offeror**”, an indirect wholly-owned subsidiary of Caterpillar Inc.), Caterpillar Inc. and ERA Mining Machinery Limited (“**ERA**”) dated 10 November 2011 (the “**Joint Announcement**”) in relation to, among the other things, the pre-conditional voluntary offer by the Offeror to acquire all of the issued shares in the share capital of ERA and for the cancellation of all the outstanding share options of ERA. Capitalised terms used in this announcement have the same meanings as those defined in the Joint Announcement unless otherwise specified.

The Board announces that on 2 December 2011, ERA has issued 4,300,000 Shares to certain ERA Optionholders (including directors) pursuant to the exercise of outstanding Options granted to them on 10 July 2008 under the share option scheme of ERA adopted on 5 June 2001 with an exercise price of HK\$0.40 per Share.

As a result, the total number of Shares in issue has been increased from 5,683,974,395 Shares as at 10 November 2011 to 5,688,274,395 Shares as at the date of this announcement, and the number of outstanding Options granted under the share option schemes of ERA adopted on 5 June 2001 and 14 July 2011, respectively has reduced from 303,098,718 as at 10 November 2011 to 298,798,718 as at the date of this announcement.

In accordance with Rule 3.8 of the Takeovers Code, associates of ERA and the Offeror (including persons holding 5% or more of a class of relevant securities of ERA and the Offeror) are reminded to disclose their dealings in the securities of ERA pursuant to the Takeovers Code.

WARNING:

The ERA Shareholders, ERA Optionholders and/or potential investors of ERA should be aware that the Offer will be made only if the Pre-Condition is satisfied and that the implementation of the Offer and the Option Offer are subject to the Conditions being fulfilled or (if permissible) waived, and therefore that the Offer and the Option Offer may or may not be made or implemented. The ERA Shareholders, ERA Optionholders and/or potential investors of ERA should therefore exercise caution when dealing in Shares and/or Options or any rights in respect of them. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By order of the Board
ERA Mining Machinery Limited
Emory WILLIAMS
Chairman

Hong Kong, 2 December 2011

As at the date of this announcement, the Board comprises nine directors, of which Mr. Emory WILLIAMS, Mr. LEE Jong-Dae, Mr. LI Rubo, Mr. WANG Fu and Dr. Phil Qiu JIN are the executive directors of ERA; Mr. BOULANGER David Marc, Mr. PARKER Christopher John, Mr. CHAN Sze Hon and Mr. DONG Xiangge are the independent non-executive directors of ERA.

The directors of ERA jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement contained in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and ERA’s website at www.eraholdings.com.hk.