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洛陽欒川鉬業集團股份有限公司
China Molybdenum Co., Ltd. *

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

(Stock Code: 03993)

DISCLOSEABLE AND CONNECTED TRANSACTION
UPDATE ON WAIVER APPLICATION

The Company announces that it is not able to obtain a waiver from the Stock Exchange from the requirements under Rules 14A.18 and 14A.52 of the Listing Rules in relation to the Acquisition.

Reference is made to the announcement (the “**Announcement**”) of China Molybdenum Co., Ltd. (the “**Company**”) dated 17 May 2010 in relation to the acquisition of 100% equity interest in the Borrower and Huqi Mining by the Company pursuant to the Arbitration Award. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement, unless the context requires otherwise.

As disclosed in the Announcement, Rule 14A.18 of the Listing Rules requires that a connected transaction which is subject to independent shareholders’ approval requirement is required to be made conditional on prior approval of the shareholders of the listed company in its general meeting. Rule 14A.52 of the Listing Rules requires that a connected transaction which is subject to independent shareholders’ approval requirement must be made conditional on approval by the independent shareholders at the time when the listed company enters into the transaction.

As disclosed in the Announcement, in order to comply with the Arbitration Award, the Company completed and acquired 100% equity interest in the Borrower and Huqi Mining on 22 April 2010 and 5 May 2010, respectively, before the Company was able to convene and hold an EGM for the independent Shareholders to approve the Acquisition. Therefore, the Acquisition was not able to be made conditional upon independent Shareholders' approval. The Company had sought a waiver from the requirements under Rules 14A.18 and 14A.52 of the Listing Rules from the Stock Exchange in relation to the Acquisition.

The Company was informed by the Stock Exchange on 18 June 2010 that such a waiver will not be granted.

The Directors still propose to convene an EGM to seek independent Shareholders' confirmation, approval and ratification of the Acquisition. Further announcement will be made by the Company on the despatch of the Company's circular to the Shareholders in relation to the Acquisition as and when appropriate.

By Order of the Board of
China Molybdenum Co., Ltd.
Duan Yuxian
Chairman

Luoyang, the People's Republic of China, 2 July 2010

As at the date of this announcement, the executive Directors are Mr Duan Yuxian, Mr Li Chaochun, Mr Wu Wenjun, Mr Li Faben and Mr Wang Qinxi; the non-executive Directors are Mr Shu Hedong and Mr Zhang Yufeng; and the independent non-executive Directors are Mr Gao Dezhu, Mr Zeng Shaojin, Mr Gu Desheng and Mr Ng Ming Wah, Charles.

* *For identification purposes only*