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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)

**OVERSEAS REGULATORY ANNOUNCEMENT
CHANGE IN ACCOUNTING ESTIMATE**

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

On 25 April 2014, the board of directors of China Molybdenum Co., Ltd.* (the “**Company**”) resolved, among others, the change in the standard on provision for production maintenance fee* (維持簡單再生產費用) for Sandaozhaung Mine.

The following sets out the “Announcement on Change in Accounting Estimate” published by the Company on the website of the Shanghai Stock Exchange on 25 April 2014. The aforesaid announcement is originally prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

By Order of the Board
China Molybdenum Co., Ltd.*
Li Chaochun
Chairman

Luoyang City, Henan Province, People's Republic of China, 25 April 2014

As at the date of this announcement, the executive Directors are Mr. Li Chaochun, Mr. Li Faben, Mr. Wang Qinxi, Ms. Gu Meifeng and Mr. Wu Wenjun; the non-executive Directors are Messrs. Zhang Yufeng and Yuan Honglin; and the independent non-executive Directors are Messrs. Bai Yanchun, Xu Shan, Cheng Gordon and Xu Xu.

* *For identification purposes only*



CHINA MOLYBDENUM CO., LTD.*

ANNOUNCEMENT ON CHANGE IN ACCOUNTING ESTIMATE

The board of directors and all directors of the Company guarantee that the information set out in this announcement does not contain any false statements, misleading representations or material omissions, and severally and jointly accept responsibility as to the truthfulness, accuracy and completeness of the contents herein.

Important notice:

- The change in accounting estimate of the Company is applied prospectively, which will not have an impact on the financial report for the year 2013 and the previous financial reports disclosed, and shall not be subject to any retrospective adjustments; after the adjustment of the standard on provision for production maintenance fee*, the mining cost will decrease by RMB3 per tonne, which would lead to an increase in net profit of RMB12,236,000 for the first quarter of 2014 of the Company. The impact on the net profit for 2014 is subject to the actual volume of ore mined in 2014.

I. Introduction

China Molybdenum Co., Ltd.* (hereinafter referred to as the “Company”) held the 11th meeting of the third session of the board of directors on 25 April 2014, during which the Proposal in Relation to the Adjustment of the Standard on Provision for Production Maintenance Fee* for Sandaozhuang Mine of China Molybdenum Co.,

Ltd.(《關於調整洛陽欒川鉬業集團股份有限公司三道莊礦區礦山維簡費計提標準的議案》) was considered and approved. In order to reflect the financial status and operation of the Company more appropriately and accurately, the Company decides to adjust the standard on provision for production maintenance fee* for ore of Sandaozhuang Mine from RMB18 per tonne to RMB15 per tonne. Such adjustment is classified as the change in accounting estimate, for which prospective method shall be adopted without any retrospective adjustments, with effect from 1 January 2014.

II. Details on Change in Accounting Estimate

The Company owns the mining right of Sandaozhuang molybdenum and tungsten mine, Luanchuan County (欒川縣三道莊鉬鎢礦礦山), which formed an open pit mining scale of 30,000 tonnes as at the end of 2006 and terminated underground mining in the same year. Pursuant to Cai Qi [2004] No.324 “Notice in relation to Increase in Production Maintenance Fee*for Metallurgical Mine” issued by the Ministry of Finance of the PRC (財政部財企【2004】324號《關於提高冶金礦山維持簡單再生產費用標準的通知》), the standard of production maintenance fee*in nonferrous metals mines was RMB15~RMB18 per tonne of ore. Since 2004, the Company made provision of RMB18 per tonne for the standard of production maintenance fee*.

As the Company has gradually reached the scheduled target of its mining scale, the mine has gradually entered into mature period. With the gradual decrease of its stripping ratio, the actual production maintenance fee*has declined significantly, resulting in an amount much smaller than the provision of RMB18 per tonne of the production maintenance fee*. Accordingly, the much larger balance of the “Special reserve-production maintenance fee*”was not in compliance with the practical financial position and business operation of the Company. Taking into account of the aforementioned conditions and for the purpose of appropriately and accurately reflecting the actual business operation of the Company, the Board resolved to change the standard on provision for production maintenance fee* for the Sandaozhuang

mine area of the Company to RMB15 per tonne as proposed by the management, with effect from 1 January 2014.

III. Effective Date of the Change in Accounting Estimate and its Impact on the Company

1. The change in the accounting estimate is effective from 1 January 2014.

2. Pursuant to relevant provisions of Accounting Standard for Business Enterprises No. 28 – Accounting Policies, Accounting Estimate Changes and Error Correction, the change in accounting estimate of the Company is applied prospectively, which will not have impact on the financial report for the year 2013 and the previous financial reports disclosed, and shall not be subject to any retrospective adjustments; after the adjustment of the standard on provision for the production maintenance fee*, the mining cost will decrease by RMB3 per tonne, which will lead to an increase of RMB12,236,000 in net profit of the Company for the first quarter of 2014. The impact on the net profit for 2014 is subject to the actual volume of ore mined in 2014.

IV. Independent Opinions of the Independent Directors on Relevant Matter

The independent directors of the Company consider that the adjusted plan of the standard on provision for production maintenance fee* of Sandaozhuang Mine Area of the Company is in accordance with the relevant laws and regulations as well as the actual situations of the Company and does not impair the interests of the Company and shareholders. Therefore, they agree to adjust the standard on provisions for production maintenance fee* pursuant to the plan.

V. Opinions of the Supervisory Committee of the Company on Relevant Matters

The 11th meeting of the third session of the Supervisory Committee of the Company considered and approved the Proposal in Relation to the Adjustments of the Standard on Provision for Production Maintenance Fee* for Sandaozhuang Mine of China Molybdenum Co., Ltd.* As the standard on provision for production maintenance fee* of RMB18 per tonne implemented by the Company at present

resulted in a relatively large balance of “Special reserve-production maintenance fee*”, the existing standard is no longer appropriate for the practical financial position and business operation of the Company. The Supervisory Committee agreed the standard on provision for production maintenance fee* for Sandaozhuang Mine Area of the Company to be changed from RMB18 per tonne to RMB15 per tonne, with effect from 1 January 2014.

Board of Directors of China Molybdenum Co., Ltd.*

25 April 2014