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五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 230)

DISCLOSEABLE AND CONNECTED TRANSACTION

**PROJECT DEVELOPMENT MANAGEMENT SERVICE AGREEMENT
IN RELATION TO A PROJECT IN BEIJING, THE PRC**

The Board announces that on 24 November 2014, Beijing Wanhu, a non-wholly owned subsidiary of the Company, entered into the Service Agreement with Beijing Vanke, whereby Beijing Vanke agreed to provide the Services in respect of the Project at an aggregate service fee, being 2% of the total contracted sales for properties of the Project, which shall not exceed RMB240,695,370 (equivalent to approximately HK\$304,480,000).

Since more than one of the applicable percentage ratios in respect of the aggregate service fee payable by Beijing Wanhu under the Service Agreement exceeds 5% but all of the applicable percentage ratios are less than 25%, the entering into of the Service Agreement constitutes a discloseable transaction for the Company. Beijing Vanke is a substantial shareholder of Beijing Wanhu and a non-wholly owned subsidiary of the Company and hence is a connected person of the Company at the subsidiary level of the Company. Accordingly, the entering into of the Service Agreement and the transactions contemplated thereunder also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Since Beijing Vanke is a connected person only at subsidiary level of the Company, transactions contemplated under the Service Agreement is subject only to reporting and announcement requirements but exempt from circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

On 24 November 2014, Beijing Wanhu, a non-wholly owned subsidiary of the Company, entered into the Service Agreement with Beijing Vanke, whereby Beijing Vanke agreed to provide the Services in respect of the Project. Principal terms of the Service Agreement are summarised as follows.

SERVICE AGREEMENT

Date

24 November 2014

Parties

- (1) Beijing Wanhu; and
- (2) Beijing Vanke.

Beijing Vanke is a connected person of the Company by virtue of it being a substantial shareholder of Beijing Wanhu and a non-wholly owned subsidiary of the Company.

Subject matter

Beijing Wanhu engages Beijing Vanke to provide the Services for the Project.

Duration

Commencing from the date of the entering into of the Service Agreement and expiring on 31 December 2017.

Scope of Work

Beijing Vanke will provide management services (the “**Services**”) in connection with the development and construction of the Project, including, among other things:

1. pre-construction planning, such as the design of ancillary facilities, supervision of tenders for construction works, management of contractors, construction management and delivery upon completion of works;
2. the provision of construction guidance in various aspects including progress management, quality control, technical know-how, risk management, safety measures and such other related construction guidance and measures;
3. procurement of raw materials, such as monitoring the tender process, conducting market research and selection of suppliers; and
4. supervision of the Project and cost control.

Service fee and terms of payment

During the term of the Service Agreement, Beijing Wanhu shall pay service fee being an amount equivalent to 2% of the total contracted sales for properties of the Project. Pursuant to the Service Agreement, the aggregate service fee payable under the Service Agreement shall not exceed RMB240,695,370 (equivalent to approximately HK\$304,480,000).

The cap amount for the service fee payable under the Service Agreement was determined on the basis that all property units of the Project have been sold with reference to the estimated selling price of such property units.

The service fee shall be payable annually according to the total contracted sales for each year ended 31 December. The Group expects to fund the service fee by proceeds of sales of property units of the Project and its internal financial resources.

Other costs and expenses

Beijing Vanke shall bear all the costs and expenses incurred in connection with the provision of the Services, including but not limited to the engagement of external professional parties for the provision of the Services.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SERVICE AGREEMENT

Beijing Vanke is a joint venture partner of the Group in the Project. It is a wholly-owned subsidiary of China Vanke, a leading reputable real estate developer engaged in real estate business across more than 20 cities in the PRC.

In view of the joint venture partner's identity as well as the competence and reputation of Beijing Vanke, it is believed that the project management ability of Beijing Vanke would be beneficial to the development of the Project in terms of construction progress and cost management.

The terms of the Service Agreement are on normal commercial terms and are determined after arm's length negotiation.

In light of the above, the Directors (including independent non-executive Directors) consider that the terms of the Service Agreement are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Since more than one of the applicable percentage ratios in respect of the aggregate service fee payable by Beijing Wanhu under the Service Agreement exceeds 5% but all of the applicable percentage ratios are less than 25%, the entering into of the Service Agreement constitutes a discloseable transaction for the Company. Beijing Vanke is a substantial shareholder of Beijing Wanhu and a non-wholly owned subsidiary of the Company and hence is a connected person of the Company at the subsidiary level of the Company. Accordingly, the entering into of the Service Agreement and the transactions contemplated thereunder also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Since Beijing Vanke is a connected person only at subsidiary level of the Company, transactions contemplated under the Service Agreement is subject only to reporting and announcement requirements but exempt from circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

As none of the Directors have a material interest in the Service Agreement and the transactions contemplated thereunder, none of the Directors are required to abstain from voting on the board resolution approving the transaction.

GENERAL

The Group is principally engaged in the business of real estate development, specialised construction, property investment and securities investment.

Beijing Vanke is a substantial shareholder of Beijing Wanhu and a non-wholly owned subsidiary of the Company. It is engaged in real estate business and is a wholly-owned subsidiary of China Vanke whose shares are listed on the Shenzhen Stock Exchange.

DEFINITIONS

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

“ Beijing Vanke ”	北京萬科企業有限公司(Beijing Vanke Enterprise Co., Ltd.*), a company established under the laws of the PRC;
“ Beijing Wanhu ”	北京萬湖房地產開發有限公司 (Beijing Wanhu Property Development Co., Ltd.*), a company established under the laws of the PRC and a non-wholly owned subsidiary of the Company;
“ Board ”	the board of Directors (including executive Directors, non-executive Directors and independent non-executive Directors);
“ China Vanke ”	萬科企業股份有限公司(China Vanke Co., Ltd.*), a company established under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange;
“ Company ”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange;
“ connected person ”, “ subsidiary ” and “ substantial shareholder ”	each has the meaning given to it under the Listing Rules;
“ Director(s) ”	directors (including independent non-executive Directors) of the Company;
“ Group ”	the Company and its subsidiaries;
“ HK\$ ”	Hong Kong dollars, the lawful currency of Hong Kong;
“ Hong Kong ”	the Hong Kong Special Administrative Region of the PRC;

“ Listing Rules ”	the Rules Governing the Listing of Securities on the Stock Exchange;
“ PRC ”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Taiwan and the Macao Special Administrative Region of the PRC);
“ Project ”	portion of the residential development project known as “Fortune Garden” situated in Haidian District, Beijing, the PRC;
“ RMB ”	Renminbi, the lawful currency of the PRC;
“ Service Agreement ”	the agreement dated 24 November 2014 entered into between Beijing Wanhu and Beijing Vanke in relation to the engagement by Beijing Wanhu of Beijing Vanke for the provision of the Services;
“ Services ”	has the meaning given to it under the section headed “Service Agreement — Scope of Work” in this announcement;
“ Share(s) ”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“ Shareholder(s) ”	holder(s) of Shares;
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited; and
“ % ”	per cent.

For the purpose of illustration only and unless otherwise stated, conversion of RMB into Hong Kong dollars in this announcement is based on the exchange rate of RMB1.00 to HK\$1.265. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.

By order of the Board
Minmetals Land Limited
He Jianbo
Deputy Chairman and Managing Director

Hong Kong, 24 November 2014

As at the date of this announcement, the Board comprises nine Directors, namely Mr. Sun Xiaomin as the Chairman and a non-executive Director, Mr. He Jianbo as the Deputy Chairman, Managing Director and an executive Director, Mr. Yin Liang and Ms. He Xiaoli as executive Directors, Mr. Tian Jingqi and Mr. Liu Zeping as non-executive Directors, and Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria as independent non-executive Directors.

* *For identification purpose only*