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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)

- (1) PROPOSED AMENDMENT TO ARTICLES OF ASSOCIATION**
- (2) FORFEITURE OF UNCLAIMED DIVIDEND FOR YEAR 2007**
- (3) PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS AND SUPERVISORS**
- (4) PROPOSED MANDATE TO ISSUE SHORT-TERM FINANCING INSTRUMENTS**
- (5) PROPOSED MANDATE TO ISSUE MEDIUM-TERM NOTES**
- (6) PROPOSED MANDATE TO ISSUE BONDS IN OVERSEAS MARKET AND**
- (7) CLOSURE PERIOD OF REGISTER OF MEMBERS OF H SHARES**

**(1) Proposed Amendment to Articles of Association**

In view of the current business operations of the Company, and in accordance with the requirements under the Shanghai Listing Rules and Guidelines for Articles of Associations of Listed Companies, the Board proposed to, subject to the approval of the Shareholders, make amendment to the Articles of Association.

A special resolution to consider and approve the proposed amendment to the Articles of Association will be proposed at the AGM.

**(2) Forfeiture of Unclaimed Dividend for Year 2007**

Pursuant to the Articles of Association, the unclaimed dividend for year 2007 will be forfeited and revert to the Company on 20 April 2015.

**(3) Proposed Re-Election and Election of Directors and Supervisors**

The Board announces that the Company received proposals from its nomination committee in respect of the re-election and election of Directors.

The proposals set out the nomination for re-election of Mr. Li Chaochun and Mr. Li Faben as executive Directors, the nomination for re-election of Mr. Yuan Honglin as a non-executive Director, the nomination for re-election of Mr. Bai Yanchun, Mr. Xu Shan and Mr. Cheng Gordon as independent non-executive Directors, and the nomination for election of Mr. Ma Hui and Mr. Cheng Yunlei as non-executive Directors. Accordingly, the Board has resolved to put forward such proposals, the proposals of the nomination for re-election of Mr. Zhang Zhenhao and election of Ms. Kou Youmin as Supervisors and the proposal to fix their remunerations as special resolutions to the AGM for Shareholders' approval.

**(4) Proposed Mandate to Issue Short-term Financing Instruments**

To better meet the rapid development of the Company, enhance the Company's financing flexibility and effectiveness, the Board proposed to seek approval from Shareholders by way of special resolutions to be proposed at the AGM to give the Board a mandate to issue in one or several tranches of short-term financing bonds, with the principal balance of not more than RMB3 billion.

**(5) Proposed Mandate to Issue Medium-term Notes**

To better meet the strategic development of the Company and increase financing channels, the Board proposed to seek approval from Shareholders by way of special resolutions to be proposed at the AGM to give the Board a mandate to issue in one or several tranches of medium-term notes, with the aggregate principal amount of not more than 40% of the audited consolidated net assets of the Company.

## **(6) Proposed Mandate to Issue Bonds in Overseas Market**

To avoid the risks of having substantial amount of liabilities denominated in a single currency, reduce financing costs and enhance the Company's reputation in the international bonds market, the Board proposed to seek approval from Shareholders by way of special resolutions to be proposed at the AGM to give the Board a mandate to (i) issue in one or several tranches of bonds denominated in EUR or other foreign currency in overseas market, with the aggregate principal amount of not more than EUR500 million (or equivalent); and (ii) provide related guarantee.

## **(7) Closure Period of Register of Members of H Shares**

In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting, the Company's H Shares register of members will be closed from Wednesday, 27 May 2015 to Friday, 26 June 2015 (both days inclusive) during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Shares register of members of the Company at 4:30 p.m. on Tuesday, 26 May 2015 shall be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting.

## **General**

A circular containing, among others, details of the proposed amendment to the Articles of Association, proposed Directors and Supervisors nominated for re-election and election, proposed mandate to issue short-term financing instruments, proposed mandate to issue medium-term notes, proposed mandate to issue bonds in the overseas market, notice of AGM and notice of the H Shareholders' Class Meeting will be despatched to the Shareholders as soon as practicable.

## **(1) Proposed Amendment to Articles of Association**

In view of the current business operations of the Company, and in accordance with the requirements under the Shanghai Listing Rules and Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) issued by CSRC, the Board proposed to amend the Articles of Association. The proposed amendment is set out below:

### **Article 144**

Currently reads as follows:

*“The board of directors shall be composed of 11 directors, which shall include one chairman of the board and one vice chairman of the board. The chairman of the board and the vice chairman of the board shall be elected by more than half of all the directors.”*

It is proposed to be amended to:

*“The board of directors shall be composed of 7 to 11 directors, which shall include one chairman of the board and one vice chairman of the board. The chairman of the board and the vice chairman of the board shall be elected by more than half of all the directors.”*

The Articles of Association are written in Chinese. The English version of the above article is an unofficial translation of its Chinese version. In case of any inconsistency between the two versions, the Chinese version shall prevail.

The proposed amendment to the Articles of Association is subject to the approval of the Shareholders, and a special resolution to consider and approve the proposed amendment will be proposed at the AGM by the Company.

## **(2) Forfeiture of Unclaimed Dividend for year 2007**

According to the Articles of Association, the Company may exercise the right to forfeit unclaimed dividends after the expiration of the applicable limitations period, subject to the requirements of the relevant laws, rules and regulations of the PRC, as well as the regulations of securities regulatory authority of the jurisdictions in which the shares of the Company are listed. Accordingly, the Board announces that the final dividend for 2007 of RMB0.128 (including tax) per share and the special dividend of RMB0.03 (including tax) per share, declared on 30 March 2008 and remaining unclaimed on 20 April 2015, will be forfeited and revert to the Company.

Shareholders who are entitled to but yet to receive the final dividend or the special dividend payments for 2007 or cash in their dividend cheque in respect thereof are advised to contact the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but no later than 4:30 p.m. on 20 April 2015.

## **(3) Proposed Re-Election and Election of Directors and Supervisors**

### *(i) Proposed Re-Election and Election of Directors*

The Company received proposals from its nomination committee in respect of the re-election and election of Directors.

The proposals on nomination of Directors for the fourth session of the Board were considered and approved at the sixteenth meeting of the third session of the Board held on 23 March 2015. It was agreed that Mr. Li Chaochun and Mr. Li Faben were nominated as candidates for re-election as executive Directors for the fourth session of the Board, Mr. Yuan Honglin was nominated as a candidate for re-election as a non-executive Director for the fourth session of the Board, and Mr. Bai Yanchun, Mr. Xu Shan and Mr. Cheng Gordon were nominated as candidates for re-election as independent non-executive Directors for the fourth session of the Board, and resolved to put forward these proposals to the AGM of the Company for Shareholders' consideration and approval.

The Board hereby announces that, Mr. Wang Qinxu, Ms. Gu Meifeng, Mr. Wu Wenjun, Mr. Zhang Yufeng and Mr. Xu Xu will cease to act as Directors due to expiration of the term of office of the third session of the Board with effect from the conclusion of the AGM.

Mr. Wang Qinxu, Ms. Gu Meifeng, Mr. Wu Wenjun, Mr. Zhang Yufeng and Mr. Xu Xu are not aware of any disagreement with the Board and there is no matter that needs to be brought to the attention of the Shareholders.

The Board further announces that, Mr. Ma Hui and Mr. Cheng Yunlei were nominated as candidates for election as non-executive Directors for the fourth session of the Board with term of office commencing from the date on which the resolutions regarding their elections are passed at the AGM until the conclusion of the annual general meeting to be held in 2018. Such elections will be subject to the approval by the Shareholders at the AGM.

The biographical details of Mr. Ma Hui and Mr. Cheng Yunlei are as follows:

**Mr. Ma Hui**, aged 44, is a senior accountant, certified accountant and certified asset valuer. Mr. Ma graduated from Central Institute of Finance and Economics and obtained a Bachelor's degree in economics in 1994. From September 1994 to March 2008, he worked in Luoyang Zhong Hua Certified Public Accountants Company Limited (洛陽中華會計師事務所有限責任公司) (formerly known as Luoyang Certified Public Accounting Firm (洛陽會計師事務所)) engaging in work such as audit, evaluation and financial consultancy, and had served as the department manager of evaluation department, a director and an assistant to the president. He served as the chief financial officer of Luoyang Mining Group Co., Ltd. (洛陽礦業集團有限公司) since April 2008; and the deputy general manager of Luoyang Guohong Investment Group Co., Ltd. (洛陽國宏投資集團有限公司) and the chief financial officer of Luoyang Mining Group Co., Ltd. since July 2013.

As at the date of this announcement, Mr. Ma has not entered into a service contract as a non-executive Director. The Board proposed to elect Mr. Ma as a non-executive Director with a term of office commencing from the date on which the relevant special resolution is passed at the AGM until the conclusion of the annual general meeting of the Company to be held in 2018 (the “**2018 AGM**”), subject to retirement by rotation and re-election at the 2018 AGM pursuant to the Articles of Association. His remuneration will be determined by the Board with reference to his duties, responsibilities and the performance and results of the Company, and shall be reviewed by the remuneration committee from time to time. The Board proposes to fix Mr. Ma’s annual director’s remuneration at RMB90,000, subject to the approval of the Shareholders at the AGM. His remuneration will be covered by the service contract to be entered into and any subsequent revision approved by the Board.

Save as disclosed above, as at the date of this announcement, Mr. Ma does not have any relationship with any Directors, senior management nor substantial shareholders of the Company, and does not hold any other positions in the Company nor any subsidiaries of the Company nor any other directorships in listed public companies in the last three years.

As at the date of this announcement, Mr. Ma does not have any interests nor 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 Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Save as disclosed above, the Board is not aware of any other matters in relation to the proposed election of Mr. Ma as a non-executive Director that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

**Mr. Cheng Yunlei**, aged 33, is an accountant and certified accountant. Mr. Cheng graduated from Henan University of Science and Technology and obtained a Bachelor's degree in management in 2006. From July 2006 to October 2007, he worked in the No. 2 Audit Department of Luoyang Zhong Hua Certified Public Accountants Company Limited engaging in audit and financial consultancy work. He has served as the chief accountant and the person in charge of the finance and audit department of Luoyang Mining Group Co., Ltd. since November 2007. He served as the person in charge of the finance department of Luoyang Non-ferrous Mining Group Co., Ltd. (洛陽有色礦業集團有限公司) from September 2011 to June 2014, during which, he concurrently served as a supervisor of Luoyang Non-ferrous Mining Group Co., Ltd., Luoyang Jinqiao Mining Co., Ltd. (洛陽錦橋礦業有限公司) and Luoning Jinlong Mining Co., Ltd. (洛寧金龍礦業有限公司). Since January 2015, Mr. Cheng has served as the general manager of the planning and finance department of Luoyang Guohong Investment Group Co., Ltd. and the general manager of finance department of Luoyang Mining Group Co., Ltd..

As at the date of this announcement, Mr. Cheng has not entered into a service contract as a non-executive Director. The Board proposed to elect Mr. Cheng as a non-executive Director with a term of office commencing from the date on which the relevant special resolution is passed at the AGM until the conclusion of the 2018 AGM, subject to retirement by rotation and re-election at the 2018 AGM pursuant to the Articles of Association. His remuneration will be determined by the Board with reference to his duties, responsibilities and the performance and results of the Company, and shall be reviewed by the remuneration committee from time to time. The Board proposes to fix Mr. Cheng's annual director's remuneration at RMB90,000, subject to the approval of the Shareholders at the AGM. His remuneration will be covered by the service contract to be entered into and any subsequent revision approved by the Board.

Save as disclosed above, as at the date of this announcement, Mr. Cheng does not have any relationship with any Directors, senior management nor substantial shareholders of the Company, and does not hold any other positions in the Company nor any subsidiaries of the Company nor any other directorships in listed public companies in the last three years.



As at the date of this announcement, Mr. Cheng does not have any interests nor 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 Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Save as disclosed above, the Board is not aware of any other matters in relation to the proposed election of Mr. Cheng as a non-executive Director that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

*(ii) Proposed Re-election and Election of Supervisors*

The proposal on nomination of Supervisors for the fourth session of the Supervisory Committee was considered and approved at the sixteenth meeting of the third session of the Board held on 23 March 2015. It was agreed that Mr. Zhang Zhenhao was nominated as a candidate for re-election and Ms. Kou Youmin was nominated as a candidate for election as Supervisors of the fourth session of the Supervisory Committee, and resolved to put forward these proposals to the AGM for consideration and approval.

The Board hereby announces that Mr. Yin Dongfang will cease to act as a Supervisor due to the expiration of the term of office of the third session of the Supervisory Committee with effect from the conclusion of AGM. Mr. Yin confirmed that he has no disagreement with the Supervisory Committee and the Board during his term of office and there is no matter in relation to his retirement that needs to be brought to the attention of Shareholders.

The biographical details of Ms. Kou Youmin are as follows:

**Ms. Kou Youmin**, aged 50, a senior accountant. Ms. Kou graduated from Henan Institute of Finance and Economics majoring in accounting in 1999. She served as a technician at Luoyang Liming Plastic Plant (洛陽黎明塑料總廠) from August 1986 to January 1988; an accountant of Luoyang Changfeng Construction Material Store (洛陽長豐建材商店) from January 1988 to October 1992; an accountant of Luoyang Bearings Group Plastic Packing Manufacturing Plant (洛陽軸承集團塑料包裝製品廠) from October 1992 to September 1997; and the head of financial department of Luoyang Bearings Group Railway Bearings Co., Ltd. (洛陽軸承集團鐵路軸承有限公司) from September 1997 to March 2009. Ms. Kou has served as the head of financial department and the chief financial officer of Luoyang State-owned Assets Operation Company Limited and concurrently served as a supervisor of Luoyang Luozhou Assets Operation and Management Company Limited (洛陽洛軸資產經營管理有限公司) and Luoyang Glory Property Co., Ltd. (洛陽國瑞置業有限公司) since March 2009. She also served as an executive supervisor of Luoyang Guochen Commerce and Trade Co., Ltd. (洛陽國辰商貿有限公司) since September 2012; a director of Luoyang Coal Power Group Company Limited (洛陽煤電集團有限公司) since August 2013; an executive supervisor of Luoyang Guorun Medium and Small Enterprise Services Co., Ltd. (洛陽國潤中小企業服務有限公司) since March 2014; and an assistant to general manager and the general manager of supervisory and audit department of Luoyang Guohong Investment Group Co., Ltd. since January 2015.

As at the date of this announcement, Ms. Kou has not entered into a service contract as a Supervisor. The Board proposed to elect Ms. Kou as a Supervisor with a term of office commencing from the date on which the relevant special resolution is passed at the AGM until the conclusion of the 2018 AGM, subject to retirement by rotation and re-election at the 2018 AGM pursuant to the Articles of Association. Her remuneration will be determined by the Board with reference to her duties, responsibilities and the performance and results of the Company, and shall be reviewed by the remuneration committee from time to time. The Board proposes to fix Ms. Kou's annual supervisor's remuneration at RMB90,000, subject to the approval of the Shareholders at the AGM. Her remuneration will be covered by the service contract to be entered into and any subsequent revision approved by the Board.

Save as disclosed above, as at the date of this announcement, Ms. Kou does not have any relationship with any Directors, senior management nor substantial shareholders of the Company, and does not hold any other positions in the Company nor any subsidiaries of the Company nor any other directorships in listed public companies in the last three years.

As at the date of this announcement, Ms. Kou does not have any interests nor 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 Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Save as disclosed above, the Board is not aware of any other matters in relation to the proposed election of Ms. Kou as a Supervisor that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

Special resolutions to consider and approve the above re-election and election of Directors and Supervisor and to fix their remunerations will be proposed at the AGM for Shareholders' approval.

#### **(4) Proposed Mandate to Issue Short-term Financing Instruments**

To better meet the rapid development of the Company, enhance the Company's financing flexibility and effectiveness, ensure sufficient funds are available to meet the development needs of the Company and to lower capital costs, the Board proposed to seek approval from Shareholders by way of special resolutions to be proposed at the AGM to give the Board a mandate to issue in one or several tranches of short-term financing instruments, with the principal balance of not more than RMB3 billion.

#### **(5) Proposed Mandate to Issue Medium-term Notes**

To better meet the strategic development of the Company, increase financing channels, improve the debt structure and lower financing costs, the Board proposed to seek approval from Shareholders by way of special resolutions to be proposed at the AGM to give the Board a mandate to issue in one or several tranches of medium-term notes, with the aggregate principal amount of not more than 40% of the audited consolidated net assets of the Company.

## **(6) Proposed Mandate to Issue Bonds in Overseas Market**

As at 28 February 2015, the Company's interest bearing debt amounted to RMB6.176 billion, which comprised USD795 million (equivalent to approximately RMB4.896 billion), EUR44 million (equivalent to approximately RMB288 million) and RMB992 million, with the debt denominated in USD accounted for 79.27% of all the interest bearing debt. To avoid the risks of having substantial amount of liabilities denominated in a single currency, reduce finance costs and mitigate exchange rate risk, adjust the debt structure of the Company, and enhance the Company's reputation in the international bonds market to provide financial flexibility to raise capital to finance potential mergers and acquisitions in the future, the Board proposed to seek approval from Shareholders by way of special resolutions to be proposed at the AGM to give the Board a mandate to (i) issue in one or several tranches of bonds denominated in EUR or other foreign currency in overseas market, with the aggregate principal amount of not more than EUR500 million (or equivalent); and (ii) provide related guarantee.

The proposed mandate to issue bonds in overseas market and provision of related guarantee are subject to Shareholders' approval by special resolutions at the AGM and approvals from the relevant authorities.

Details regarding the proposed mandate to the Board will be set out in the circular to be despatched to Shareholders.

## **(7) Closure Period of Register of Members of H Shares**

In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting, the Company's H Shares register of members will be closed from Wednesday, 27 May 2015 to Friday, 26 June 2015 (both days inclusive), during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Shares register of members of the Company at 4:30 p.m. on Tuesday, 26 May 2015 shall be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting. In order for the H Shareholders to qualify for attending and voting at the AGM and the H Shareholders' Class Meeting, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Tuesday, 26 May 2015.

## General

A circular containing, among others, details of the proposed amendment to the Articles of Association, proposed Directors and Supervisors nominated for re-election and election, proposed mandate to issue short-term financing instruments, proposed mandate to issue medium-term notes, proposed mandate to issue bonds in overseas market, notice of AGM and notice of the H Shareholders' Class Meeting will be despatched to the Shareholders as soon as practicable.

## Definitions

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

“AGM”	the annual general meeting of the Company to be held on Friday, 26 June 2015 at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors of the Company
“Company”	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 PRC with limited liability, the A shares and H Shares of which are listed on the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited, respectively
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“EUR”	Euro, the lawful currency of the Eurozone
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB0.20 each in the share capital of the Company which are listed on the main board of The Stock Exchange of Hong Kong Limited and are traded in Hong Kong dollars

“H Shareholder(s)”	holder(s) of H Shares
“H Shareholders’ Class Meeting”	the 2015 first class meeting of H Shareholders to be held on Friday, 26 June 2015 after the AGM and the 2015 first class meeting of holders of A shares at the International Conference Room of Mudu-Lee Royal International Hotel at No. 239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Listing Rules”	Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
“Shareholder(s)”	holder(s) of A shares and H Shares
“Supervisor(s)”	the Shareholders’ representative supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“USD”	United States dollars, the lawful currency of the United States of America

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

Luoyang City, Henan Province, PRC, 23 March 2015

*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 Mr. Zhang Yufeng and Mr. Yuan Honglin; and the independent non-executive Directors are Mr. Bai Yanchun, Mr. Xu Shan, Mr. Cheng Gordon and Mr. Xu Xu.*

*\* For identification purposes only*