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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 TRANSACTION SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT

The Board is pleased to announce that, on 27 May 2015, the Company subscribed for AXA Product with AXA at a consideration of RMB2 billion in accordance with the Wealth Management Agreement.

As more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the subscription amount exceed 5% but are less than 25%, the relevant transaction constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements under the Listing Rules.

BACKGROUND

To enhance the efficient use and return of idle capital of the Group, the Board on 27 May 2015 approved the Proposal on the Subscription of Securities Investment with Not More than RMB2 billion (《關於以不超過人民幣20億元自有資金進行新股申購證券投資的議案》).

SUBSCRIPTION

On 27 May 2015, the Company subscribed for the AXA Product at a total consideration of RMB2 billion pursuant to the Wealth Management Agreement with AXA. A summary of the principal terms of the Wealth Management Agreement is set out as follows:

Date	:	27 May 2015
Parties	:	the Company, as the subscriber AXA, as the issuer
Name of the Product	:	“Emerging Industries” Investment Fund (an open-ended fund)
Type of the Product	:	Mixed securities investment fund (混合型證券投資基金)
Subscription Amount	:	RMB2 billion
Fees	:	Subscription fees: RMB1,000

Redemption fees:

Holding period	Percentage of redeemed amount (%)
Less than one year	0.50
More than or equal to one year but less than two years	0.25
More than or equal to two years	nil

Payment and Return	:	Upon redemption of the AXA Product by the Company, AXA shall within 7 business days make a one-time payment of the principal and interests
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Information on Parties

The Company

The Company is primarily engaged in the mining, processing, smelting, deep processing, trade, research and development of molybdenum, tungsten, copper and other precious and base metals. It possesses a complete industry chain which integrates upstream and downstream processes including the molybdenum mining, processing, roasting, molybdenum chemical products and molybdenum metal processing. As one of the largest molybdenum producers in the PRC with a leading position in the world, the Company has the highest production capacity in ferromolybdenum and molybdenum oxides in the PRC. The Company is also one of the largest tungsten concentrates producers in the PRC and the fourth largest copper producer in Australia.

AXA

AXA is a Sino-French joint venture banking fund management company established in the PRC on 5 August 2007. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, AXA and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Reasons and Benefits for Entering into the Wealth Management Agreement

In order to enhance the efficient use and rate of return of idle capital, on the premise of not affecting the normal operations of the Company and ensuring capital safety, the Company entered into the Wealth Management Agreement. The entering into the Wealth Management Agreement is conducive to improving the capital usage efficiency, achieving investment returns from the Group's idle capital, and further enhancing the Company's overall performance level, and maximising the interests of Shareholders.

Based on the above, the Board considers that the Wealth Management Agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Implications under Listing Rules

As more than one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the subscription amount exceed 5% but are less than 25%, the relevant transaction constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“AXA”	AXA SPDB Investment Managers Co., Ltd.* (浦銀安盛基金管理有限公司)
“AXA Product”	the “Emerging Industries” investment fund (「新興產業」基金) issued by AXA
“Board”	the board of Directors
“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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the shares of the Company

“Wealth Management
Agreement”

the subscription agreement entered into on 27 May
2015 between the Company and AXA in respect of the
subscription of the AXA Product

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

Luoyang City, Henan Province, PRC, 28 May 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 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*