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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)

**NOTICE FROM SHAREHOLDERS REGARDING PROPOSED
INTERIM PROFIT DISTRIBUTION
AND
PROPOSED ACQUISITION OF SHARES BY MANAGEMENT**

This announcement is made by China Molybdenum Co., Ltd.* (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

BACKGROUND

On 2 July 2015, the board of directors of the Company (the “**Board**”) received (i) a proposal and undertaking from Cathay Fortune Corporation* (鴻商產業控股集團有限公司) (“**CFC**”), a controlling shareholder of the Company, relating to the proposed interim profit distribution of the Company for 2015 (the “**Profit Distribution Proposal**”); and (ii) a proposal from the Company’s management, and a number of directors and supervisors of the Company regarding the proposed acquisition of shares in the Company (the “**Proposed Acquisition**”).

PROFIT DISTRIBUTION PROPOSAL

Based on the positive expectations on the future development of the Company, and with reference to the operating and the overall financial status of the Company, to promote the continuous sustainable development of the Company, to increase the

liquidity of the shares of the Company (the “**Shares**”), to allow shareholders of the Company (the “**Shareholders**”) to share the operating results of the Company’s development, and in accordance with the provisions in relation to the interim profit distribution in accordance with the articles of association of the Company (the “**Articles**”), CFC proposed to the Company to consider a bonus issue of Shares to all the Shareholders on the basis of twenty (20) bonus shares (the “**Bonus Shares**”) for every ten (10) existing Shares held by the Shareholders as at 31 July 2015 (the “**Proposed Bonus Issue**”). Pursuant to the Profit Distribution Proposal, the Bonus Shares will be issued and credited as fully paid at par by way of capitalisation of the amount in the Company’s capital reserve fund. CFC has undertaken to vote in favour of the resolutions to approve the Proposed Bonus Issue.

The Board considered that the Profit Distribution Proposal would provide reasonable return to the investors of the Company and is in compliance with the relevant laws, regulations and the Articles. The Proposed Bonus Issue is subject to the approval of the Board and the Shareholders.

PROPOSED ACQUISITION

In view of the recent drastic and irrational decrease in the price of the Shares, whilst being confident towards the future prospects of the Company, all the members of the senior management as well as a number of directors and supervisors of the Company (collectively, the “**Relevant Individuals**”) proposed to acquire in aggregate not less than 1,500,000 A shares of the Company (“**A Shares**”), in their own capacities, from the secondary market within six (6) months commencing from 3 July 2015.

It is anticipated that the Proposed Acquisition would involve not less than RMB22.5 million, and such funds would be financed by the Relevant Individuals themselves. In addition, the Relevant Individuals have undertaken not to transfer the A Shares acquired pursuant to the Proposed Acquisition within six (6) months following the acquisition.

Details of the Proposed Acquisition are as follows:

| Name of Relevant Individuals | Position | Proposed minimum number of A Shares to be acquired | Proposed minimum amount (RMB '0000) | Number of A Shares held prior to the Proposed Acquisition |
|-------------------------------------|------------------------------|---|--|--|
| Li Chaochun | Chairman | 300,000 | 450 | 0 |
| Li Faben | Director and general manager | 200,000 | 300 | 0 |
| Yuan Honglin | Director | 200,000 | 300 | 0 |
| Zhang Zhenhao | Supervisor | 200,000 | 300 | 0 |
| Wang Qinxi | Deputy general manager | 100,000 | 150 | 0 |
| Gu Meifeng | Chief financial officer | 100,000 | 150 | 0 |
| Yang Jianbo | Vice general manager | 100,000 | 150 | 0 |
| Wang Bin | Vice general manager | 100,000 | 150 | 0 |
| Jiang Zhongqiang | Vice general manager | 100,000 | 150 | 0 |
| Zhang Xinhui | Secretary to the Board | 100,000 | 150 | 0 |
| Total | | <u>1,500,000</u> | <u>2,250</u> | <u>0</u> |

GENERAL

Further announcement(s) will be made by the Company as and when required in accordance with the Listing Rules. The Proposed Bonus Issue remains subject to the approval by the Board and the Shareholders. Accordingly, the Proposed Bonus Issue may or may not complete. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Luoyang City, Henan Province, People's Republic of China, 3 July 2015

As at the date of this announcement, the Company's executive directors are Messrs. Li Chaochun and Li Faben; the Company's non-executive directors are Messrs. Ma Hui, Yuan Honglin and Cheng Yunlei; and the Company's independent non-executive directors are Messrs. Bai Yanchun, Xu Shan and Cheng Gordon.

* For identification purposes only