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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in China Molybdenum Co., Ltd.\*, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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 ISSUE OF SHARES BY WAY OF  
CAPITALISATION OF CAPITAL RESERVE AND  
CHANGE IN BOARD LOT SIZE**

**(2) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION  
AND**

**(3) NOTICE OF THE 2015 FIRST EXTRAORDINARY GENERAL MEETING**

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A letter from the Board is set out on pages 1 to 14 of this circular.

Notice convening the EGM to be held at 2:30 p.m. on Friday, 30 October 2015 together with the relevant form of proxy and reply slip were despatched to H Shareholders on Monday, 14 September 2015. Such forms were also published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.chinamoly.com>). For ease of reference, the notice convening the EGM is set out on pages 15 to 17 of this circular.

Whether or not you are able to attend the EGM in person, you are requested to complete, sign and return the reply slip and proxy form applicable to the EGM in accordance with the instructions printed thereon. For H Shareholders, the proxy form applicable to the EGM should be returned to 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 in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the proxy form applicable to the EGM will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

H Shareholders who intend to attend the EGM in person or by proxy should return the reply slip to the office of the Board at the Company's principal place of business in the PRC, at North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC, 20 days before the meeting, i.e. before Saturday, 10 October 2015 by hand, by post or by fax.

5 October 2015

\* *For identification purposes only*

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## DEFINITIONS

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

“A Share(s)”	domestic share(s) with a nominal value of RMB0.20 each issued by the Company which are listed on the SSE and traded in Renminbi (stock code: 603993)
“A Shareholder(s)”	holder(s) of A Share(s)
“A Share Convertible Corporate Bonds”	convertible corporate bonds in the total amount of RMB4.9 billion which were convertible into new A Shares, issued by the Company on 2 December 2014 and delisted from the SSE on 16 July 2015
“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
“Bonus A Share(s)”	new A Share(s) to be allotted and issued under the Bonus Issue
“Bonus H Share(s)”	new H Share(s) to be allotted and issued under the Bonus Issue
“Bonus Issue”	the issue of twenty (20) Bonus Shares for every ten (10) existing Shares to the A Shareholders and H Shareholders whose names appear on the registers of members of the Company on the respective record dates by way of capitalisation of capital reserve of the Company
“Bonus Share(s)”	Bonus A Share(s) and Bonus H Share(s)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CFC”	鴻商產業控股集團有限公司(Cathay Fortune Corporation*), a controlling shareholder of the Company
“Change in Board Lot Size”	the change in board lot size of the H Shares for trading on the Hong Kong Stock Exchange from 1,000 H Shares to 3,000 H Shares

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## DEFINITIONS

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“Company”	洛陽欒川鎢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 SSE and the Hong Kong Stock Exchange, respectively
“Company Law”	the Company Law of the PRC
“controlling shareholder”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the 2015 first extraordinary general meeting of the Company (and any adjournment thereof) to be held at 2:30 p.m. on Friday, 30 October 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
“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 Hong Kong Stock Exchange and are traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of H Share(s)
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	Tuesday, 29 September 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as stated in the register of H Shareholders is/are outside Hong Kong

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## DEFINITIONS

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“PRC”	the People’s Republic of China, which for the purpose of this circular only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“SSE”	the Shanghai Stock Exchange
“%”	per cent.

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## EXPECTED TIMETABLE

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The expected timetable for, among others, the Bonus Issue and the Change in Board Lot Size as set out below is indicative only and has been prepared on the assumption that all conditions of the Bonus Issue will be fulfilled. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate:

**2015**

Latest time for lodging transfers of the H Shares to qualify for entitlement to attend the EGM . . . . .	4:30 p.m. on Tuesday, 29 September
Closure of the register of members of H Shares for the EGM . . . . .	Wednesday, 30 September to Friday, 30 October (both days inclusive)
Record date of A Shareholders for attending and voting at the EGM . . . . .	Wednesday, 30 September
Latest time for lodging form of proxy for the EGM . . . . .	2:30 p.m. on Thursday, 29 October
Record date of H Shareholders for attending and voting at the EGM . . . . .	Thursday, 29 October
EGM . . . . .	2:30 p.m. on Friday, 30 October
Last day of dealings in H Shares on a cum-entitlement basis . . . . .	Monday, 2 November
First day of dealings in H Shares on an ex-entitlement basis . . . . .	Tuesday, 3 November

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## EXPECTED TIMETABLE

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**2015**

Latest time for lodging transfers of the H Shares to qualify for the entitlement of the Bonus Issue . . . . .	4:30 p.m. on Wednesday, 4 November
Closure of register of members of H Shares for the Bonus Issue . . . . .	Thursday, 5 November to Tuesday, 10 November (both days inclusive)
Record date of H Shareholders for the entitlement of Bonus Issue. . . . .	Tuesday, 10 November
Record date of A Shareholders for the entitlement of Bonus Issue. . . . .	Thursday, 12 November
Expected despatch date of share certificates of Bonus A Shares . . . . .	Friday, 13 November
Expected first day of listing of, and dealing in the Bonus A Shares . . . . .	Monday, 16 November
Expected despatch date of share certificates of Bonus H Shares . . . . .	Wednesday, 2 December
Expected first day of listing of, and dealing in the Bonus H Shares . . . . .	Thursday, 3 December
Effective date of trading of the H Shares in new board lot of 3,000 H Shares	Thursday, 3 December

All dates and times set out in the timetable above refer to Hong Kong dates and times.

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LETTER FROM THE BOARD

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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)

*Executive Directors:*

Li Chaochun (Chairman)  
Li Faben

*Non-executive Directors:*

Ma Hui (Vice Chairman)  
Yuan Honglin  
Cheng Yunlei

*Independent Non-executive Directors:*

Bai Yanchun  
Xu Shan  
Cheng Gordon

*Registered office:*

North of Yihe  
Huamei Shan Road  
Chengdong New District  
Luanchuan County  
Luoyang City  
Henan Province  
The People's Republic of China

*Principal place of business in Hong Kong:*

Level 54  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

5 October 2015

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED ISSUE OF SHARES BY WAY OF  
CAPITALISATION OF CAPITAL RESERVE AND  
CHANGE IN BOARD LOT SIZE**

**(2) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION  
AND**

**(3) NOTICE OF THE 2015 FIRST EXTRAORDINARY GENERAL MEETING**

**1. INTRODUCTION**

References are made to the announcements of the Company dated 3 July 2015 and 28 August 2015, in relation to, among others, the proposed Bonus Issue, the Change in Board Lot Size and the proposed amendments to the Articles of Association.

\* For identification purposes only



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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with, among others, relevant details for you to make informed decisions on, among others, the below special resolutions proposed for voting at the EGM:

- (i) Proposed Bonus Issue and Change in Board Lot Size; and
- (ii) Proposed amendments to the Articles of Association.

### **2. PROPOSED ISSUE OF SHARES BY WAY OF CAPITALISATION OF CAPITAL RESERVE**

#### **Background**

References are made to the announcements of the Company dated 3 July 2015 and 28 August 2015 in relation to, among others, the proposed Bonus Issue.

On 28 August 2015, the Board proposed the issue of a total of 11,258,132,466 new Shares, in the total amount of RMB2,251,626,493.2, by way of capitalisation of capital reserve of the Company on the basis of twenty (20) Bonus Shares for every ten (10) existing Shares. The Bonus Shares will be issued on a pro-rata basis and any fractional Shares (if any) will be rounded down to the nearest whole unit.

As at the Latest Practicable Date, the registered and issued share capital of the Company was RMB1,125,813,246.6, which comprised of 4,317,910,233 A Shares and 1,311,156,000 H Shares. On the basis that an aggregate of 5,629,066,233 Shares were in issue, immediately upon the completion of the Bonus Issue, the Bonus Shares will comprise 8,635,820,466 Bonus A Shares and 2,622,312,000 Bonus H Shares, in which the total 11,258,132,466 Bonus Shares will be credited as fully paid by way of capitalisation of the capital reserve of the Company in the amount of RMB2,251,626,493.2. There will be no adverse effect on the Company by way of the capitalisation of capital reserve upon completion of the Bonus Issue.

There were no outstanding options, warrants and convertible securities to subscribe for the Shares as at the Latest Practicable Date.

#### **Conditions of the proposed Bonus Issue**

The issue of Bonus Shares is subject to the following conditions:

- (i) approval from the Shareholders at the EGM;
- (ii) the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the new H Shares to be allotted and issued under the Bonus Issue; and

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## LETTER FROM THE BOARD

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- (iii) compliance with the relevant legal procedures and requirements under the Company Law of the PRC to effect the Bonus Issue.

Shareholders whose names appear on the register of members on the relevant record date(s) will be entitled to the Bonus Issue.

### **Status of Bonus Shares**

The Bonus Shares will, subject to the Articles of Association, rank pari passu in all respects with the Shares in issue on the date of the issue of the Bonus Shares. Holders of the Bonus Shares will be entitled to receive all future dividends and distributions (if any) which are declared, made or paid after the date on which the Bonus Shares are allotted and issued. The Bonus Issue should not result in any change to the rights of the Shares.

### **Overseas Shareholders**

If the Bonus Issue has become unconditional, the Company will consider if there are any Overseas Shareholders on the record date for H Shares and, if there are such Overseas Shareholders, make enquiries in accordance with the Hong Kong Listing Rules regarding the legal restrictions (if any) under the laws of the relevant places and the requirements of relevant regulatory bodies or stock exchanges for relevant Overseas shareholders to take part in the Bonus Issue.

If, after making such enquiries regarding the legal restrictions under the laws of the relevant places and the requirements of relevant regulatory bodies or stock exchanges for distributing the Bonus H Shares to such Overseas Shareholder(s), the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant places or any requirements of relevant regulatory bodies or stock exchanges (such as filing of any registration statement or prospectus or other special formalities) in those places, not to issue the Bonus H Shares to such Overseas Shareholder(s), such Overseas Shareholder(s) will be excluded from the Bonus Issue. Under such circumstances, the H Shares concerned will be consolidated and sold. The proceeds of such sale will be retained for the benefit of the Company, unless the proceeds that any single Overseas Shareholder should have otherwise been entitled to exceed HK\$100, in which case such proceeds will be distributed to the relevant Overseas Shareholder(s).

Based on the register of members of the Company as at the Latest Practicable Date, the Company had Shareholders with registered addresses in Australia, Canada, Macau, Singapore and Taiwan. The Directors had been informed that there are no restrictions to issue Bonus H Shares to Shareholders with said registered addresses. Accordingly, the Bonus H shares will be extended to such H Shareholders should they remain H Shareholders on the record date.

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## LETTER FROM THE BOARD

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### Undertaking in relation to the Bonus Issue

CFC has undertaken to the Company that it will vote in favour of the resolution at the EGM to approve the Bonus Issue.

### Effects on the shareholdings after the Bonus Issue

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately upon completion of the Bonus Issue (assuming that no new Shares will be allotted or issued prior to the record dates for A Shares and H Shares, and that the conditions set out in the paragraph headed “Conditions of the proposed Bonus Issue” above will be satisfied):

Class of Shares	As at the Latest Practicable Date		Immediately after the completion of the proposed Bonus Issue	
	No. of Shares	Approximate percentage of issued share capital	No. of Shares	Approximate percentage of issued share capital
H Shares	1,311,156,000	23.29%	3,933,468,000	23.29%
A Shares	4,317,910,233	76.71%	12,953,730,699	76.71%
Total	<u>5,629,066,233</u>	<u>100.00%</u>	<u>16,887,198,699</u>	<u>100.00%</u>

### Listing and Dealings

The H Shares are listed on the Hong Kong Stock Exchange whereas the A Shares are listed on the SSE. Application will be made to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonus H Shares. Subject to the satisfaction of the conditions as set out in this circular (including but not limited to the granting of the aforesaid approval by the Hong Kong Stock Exchange), the Bonus H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All necessary arrangements will be made for the Bonus H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. The Bonus Shares to be allotted and issued to A Shareholders pursuant to the Bonus Issue will be listed on the SSE.

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## LETTER FROM THE BOARD

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Upon satisfaction of the conditions of the Bonus Issue, the certificates for the Bonus H Shares will be despatched by ordinary post to the H Shareholders who are entitled thereto at their own risk. In case of joint shareholding, the certificates for the Bonus H Shares will be posted to the first named person on the H Shareholder's register in respect of such joint shareholding. The date of despatch of the certificates for the Bonus H Shares and the date of the commencement of dealings in the Bonus H Shares, please refer to the section headed "Expected Timetable" of this circular.

### **Reasons for Bonus Issue**

The implementation of the Bonus Issue will enable the Company to expand its shareholder base, which would be conducive to the future development of the Company, and is a reward for the long-term support and devotion of the Shareholders.

The proposed Bonus Issue is subject to Shareholders' approval, and a special resolution to consider and approve the proposed Bonus Issue will be proposed at the EGM.

### **Expected Timetable**

Expected timetable for the issuance of Bonus Shares and other matters is set out on pages v to vi of this circular. Such expected timetable is indicative only and has been prepared on the assumption that all conditions of the Bonus Issue will be fulfilled. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

The Company will make further announcement regarding the proposed Bonus Issue to A Shareholders.

### **Statement to be made on acquisition of Shares**

The Company shall ensure that all its listing documents and share certificates include the statements stipulated below and shall instruct and cause its share registrar not to register the subscription, purchase or transfer of any of its Shares in the name of any particular holder unless and until such holder delivers to such share registrar a signed form in respect of such Shares bearing statements to the following effect:

- (i) the acquirer of Shares agrees with the Company and each of its Shareholder, and the Company agrees with each Shareholder, to observe and comply with the Company Law, the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies and its Articles of Association;

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## LETTER FROM THE BOARD

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- (ii) the acquirer of Shares agrees with the Company, each of its Shareholders, Directors, supervisors, presidents and officers, and itself (acting for the Company and for each Director, supervisor, presidents and officer) agrees with each Shareholder, to refer all differences and claims arising from its Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with its Articles of Association. Any reference to arbitration will be deemed to authorize the arbitration tribunal to conduct its hearing in open session and to publish its award. Such arbitration will be final and conclusive;
- (iii) the acquirer of Shares agrees with the Company and its Shareholders that H Shares are freely transferable by the holder of such Shares; and
- (iv) the acquirer of Shares authorises the Company to enter into a contract on his/her behalf with each Director and officer whereby such Directors and officers undertake to observe and comply with their obligations to Shareholders stipulated in its Articles of Association.

### **Tax**

Pursuant to the Notice of State Administration of Taxation in relation to the Capitalisation of Capital Reserve and the Levy of Individual Income Tax regarding the Distribution of Bonus Shares of Joint-Stock Enterprises (Guo Shui Fa [1997] No. 198), the increase of share capital of joint-stock enterprises by way of capitalisation of capital reserve does not belong to the distribution of dividends and bonuses. The Shares obtained by individuals from the capitalisation of capital reserve are not treated as individual income, and are exempted from individual income tax. As a result, there will be no levy of PRC taxation in respect of the issue of Bonus H Shares under the Bonus Issue.

Dealings in the Bonus H Shares will be subject to the payment of stamp duty, the Hong Kong Stock Exchange trading fee, transaction levy, or any other applicable fees and charges in Hong Kong. H Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding, disposing of or dealing in the Bonus H Shares. **It is emphasized that none of the Company, its Directors or any other parties involved in the Bonus Issue accepts responsibility for any tax implication or liabilities of the H Shareholders.**

### **Waiver from Strict Compliance with Requirements under the Hong Kong Listing Rules**

Pursuant to Rule 19A.38 of the Hong Kong Listing Rules, PRC issuers are required to obtain shareholders' approval by a special resolution at a general meeting and approvals by holders of A Shares and H Shares at separate class meetings before any allotment, issue or grant of Shares, whether the same is issued on a pro rata basis or not.

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## LETTER FROM THE BOARD

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The Company is advised by its PRC legal adviser that (i) the Mandatory Provisions for Companies Listing Overseas does not require approvals at class meetings for the Bonus Issue; and (ii) the Company is not required to obtain approval for the Bonus Issue at separate class meetings under the Articles of Association, the PRC laws and the listing rules of the SSE. Furthermore, subject to the approval of the Shareholders, the Bonus Issue would be issued to A Shareholders and H Shareholders pro rata to their shareholdings, no Shareholders' rights would be affected or prejudiced by the Bonus Issue.

Hong Kong Stock Exchange has therefore granted to the Company a waiver from strict compliance with Rule 19A.38 of the Hong Kong Listing Rules with respect to the requirement to convene separate class meeting for the proposed Bonus Issue.

### **Warning of Risks of Dealing in the H Shares**

**H Shareholders should note that the existing H Shares are expected to be dealt in on an ex-entitlement basis for entitlement to the Bonus H Shares from Tuesday, 3 November 2015. If the conditions of the Bonus Issue (as set out above under the paragraph headed "Conditions of the proposed Bonus Issue") are not fulfilled, the Bonus Issue will not be proceeded. If in doubt, investors are recommended to consult their professional advisers.**

### **3. CHANGE IN BOARD LOT SIZE**

The H Shares are currently traded in board lots of 1,000 H Shares each. On 28 August 2015, the Board proposed to change the board lot size of the H Shares for trading on the Hong Kong Stock Exchange from 1,000 H Shares to 3,000 H Shares with effect from 9:00 a.m. on Thursday, 3 December 2015, subject to the fulfilment of the conditions of the Bonus Issue.

#### **Reason for Change in Board Lot Size**

Based on the closing price of HK\$3.77 per H Share as quoted on the Hong Kong Stock Exchange as at the Latest Practicable Date (equivalent to a theoretical ex-entitlement price of HK\$1.26 per H Share upon the allotment and issue of the Bonus H Shares), the market value of each board lot of 1,000 Shares is HK\$3,770 and the market value of each board lot of 1,000 H Shares upon the allotment and issue of the Bonus Shares is estimated to be HK\$1,260. With the Change in Board Lot Size, the market value of each board lot of 3,000 H Shares (instead of 1,000 H Shares) is estimated to be HK\$3,780, based on the theoretical ex-entitlement price of HK\$1.26 per H Share upon the allotment and issue of the Bonus H Shares.

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## LETTER FROM THE BOARD

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In order to comply with the requirements for the minimum value of each board lot of the H Shares upon completion of the Bonus Issue, the Board proposed to change the board lot size for trading in the H Shares from 1,000 H Shares to 3,000 H Shares.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders. The Board is of the opinion that the change in board lot size is in the interests of the Company and the Shareholders as a whole. All existing share certificates in board lot of 1,000 Shares will continue to be evidence of legal title to the Shares and be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing shareholdings will be issued as a result of the Change in Board Lot Size, and there will be no arrangement for free exchange of existing share certificates in board lot size of 1,000 Shares to new share certificates in board lot size of 3,000 Shares.

With effect from 9:00 a.m. on Thursday, 3 December 2015, any new share certificates will be issued in board lot of 3,000 Shares each (except for odd lots or where the Shareholder(s) otherwise instruct(s)). Save and except for the change in the number of Shares for each board lot, new share certificates will have the same format and colour as the existing certificates of the Shares.

### **Odd lot arrangement**

The Change in Board Lot Size will not result in any odd lots other than those already exist, as one existing board lot of 1,000 H Shares will become one new board lot of 3,000 H Shares after the allotment and issue of the Bonus H Shares.

## **4. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION**

The Board proposed to, subject to the approval of the Shareholders, amend the Articles of Association to reflect the change in the registered capital of the Company as a result of the conversion of the A Share Convertible Corporate Bonds, the additional scope of current businesses and the actual situation of the Company. The Board proposed the following amendments to Articles 3, 6, 14 and 22 of the Articles of Association:

### **(1) Article 3**

Currently reads as follow:

*“On 8 March 2007, upon approval by China Securities Regulatory Commission (the “CSRC”), the Company initially issued to the public 1,191,960,000 overseas listed foreign shares (including the over-allotted shares), which were listed on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 26 April 2007. On 13 July 2012, upon approval by the CSRC, the Company initially issued 200,000,000 RMB-denominated ordinary shares to the public, which were listed on the Shanghai Stock Exchange on 9 October 2012.”*

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## LETTER FROM THE BOARD

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It is proposed to be amended to:

*“On 8 March 2007, upon approval by China Securities Regulatory Commission (the “CSRC”), the Company initially issued to the public 1,191,960,000 overseas listed foreign shares (including the over-allotted shares), which were listed on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 26 April 2007. On 13 July 2012, upon approval by the CSRC, the Company initially issued 200,000,000 RMB-denominated ordinary shares to the public, which were listed on the Shanghai Stock Exchange on 9 October 2012.*

*On 2 December 2014, upon approval by CSRC, the Company publicly issued 4,900,000 lots of A Share Convertible Corporate Bonds at RMB100 each, amounting to RMB4.9 billion in aggregate, in which RMB4,854,442,000 of the Convertible Corporate Bonds were converted into shares of the Company from 2 June 2015 to 9 July 2015, a total of 552,895,708 shares were converted.”*

**(2) Article 6**

Currently reads as follow:

*“Upon the completion of issue of domestically listed RMB denominated ordinary shares, the registered capital of the Company is RMB1,015,234,105.00.”*

It is proposed to be amended to:

*“Upon the completion of the conversion of A Share Convertible Corporate Bonds, the registered capital of the Company is RMB1,125,813,246.60.”*

**(3) Article 14**

Currently reads as follow:

*“The scope of business of the Company shall be in accordance with the items approved by the company registry.*

*The scope of business of the Company includes mining, processing, smelting, deep-processing and exploration of mineral resources; export of mineral resources products and chemical products (excluding hazardous chemicals, inflammables, explosives and easily-produced drugs); import of raw and auxiliary materials, machines and equipment, instruments and apparatuses, parts and components necessary for production (the said import and export items require appropriate qualification certificates).”*



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## LETTER FROM THE BOARD

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It is proposed to be amended to:

*“The scope of business of the Company shall be in accordance with the items approved by the company registry.*

*The scope of business of the Company includes mining, processing, smelting, deep-processing and exploration of mineral resources; production, scientific research and sales (including export) of mineral resources products and chemical products (excluding hazardous chemicals, inflammables, explosives and easily-produced drugs); import of raw and auxiliary materials, machines and equipment, instruments and apparatuses, parts and components necessary for production (the said import and export items require appropriate qualification certificates).”*

**(4) Article 22**

Currently reads as follow:

*“As considered and approved by the Shareholders’ general meeting and approved by the securities regulatory authorities of the State Council, the Company has split one RMB-denominated shares with a par value of RMB1 per share into five shares with a par value of RMB0.20 per share. On 28 March 2007, upon approval of the securities regulatory authorities of the State Council, the Company initially issued to the public 1,191,960,000 overseas listed foreign shares (including the over-allotted shares) with a par value of RMB0.2 per share, which were listed on the main board of The Stock Exchange of Hong Kong Limited on 26 April 2007.*

*Upon its initial offering of H shares, the Company’s structure of share capital is as follows: 4,876,170,525 ordinary shares, in which 1,796,593,475 shares are held by the Luoyang Mining Group Co., Ltd., representing 36.84% of the total ordinary shares of the Company; 1,768,421,050 shares are held by Cathay Fortune Corporation, representing 36.27% of the total ordinary shares of the Company; and 1,311,156,000 shares are held by holders of overseas listed foreign shares (H shares), representing 26.89% of the total ordinary shares of the Company.*

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## LETTER FROM THE BOARD

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*Upon completion of the issue of domestically-listed RMB-denominated ordinary shares, the Company's structure of share capital is as follows: 5,076,170,525 ordinary shares, in which 1,776,593,475 shares are held by the Luoyang Mining Group Co., Ltd., representing 35.00% of the total ordinary shares of the Company; 1,726,706,322 shares are held by Cathay Fortune Corporation, representing 34.02% of the total ordinary shares of the Company; 61,714,728 shares are held by other domestic investors, representing 1.21%; 200,000,000 shares are held by domestic public investors, representing 3.94%; and 1,311,156,000 shares are held by holders of overseas listed foreign shares (H shares), representing 25.83% of the total ordinary shares of the Company.*

*Holders of domestic shares and holders of overseas-listed foreign shares shall be deemed as shareholders of different classes. Subject to approval by the State Council or the administrative authorities authorized by the State Council and in accordance with the relevant overseas regulations on dealing in securities, the Company's domestic shares may be converted to H shares. Any listing of or dealing in the converted shares on overseas stock exchanges is subject to the regulatory procedures, rules and ordinances of relevant overseas stock exchanges."*

It is proposed to be amended to:

*"As considered and approved by the Shareholders' general meeting and approved by the securities regulatory authorities of the State Council, the Company has split one RMB-denominated shares with a par value of RMB1 per share into five shares with a par value of RMB0.2 per share. On 28 March 2007, upon approval of the securities regulatory authorities of the State Council, the Company initially issued to the public 1,191,960,000 overseas listed foreign shares (including the over-allotted shares) with a par value of RMB0.2 per share, which were listed on the main board of The Stock Exchange of Hong Kong Limited on 26 April 2007.*

*Upon its initial offering of H shares, the Company's structure of share capital is as follows: 4,876,170,525 ordinary shares, in which 1,311,156,000 shares are held by holders of overseas listed foreign shares (H shares), representing 26.89% of the total ordinary shares of the Company.*

*Upon completion of the issue of domestically-listed RMB-denominated ordinary shares, the Company's structure of share capital is as follows: 5,076,170,525 ordinary shares, in which 1,311,156,000 shares are held by holders of overseas listed foreign shares (H shares), representing 25.83% of the total ordinary shares of the Company.*

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## LETTER FROM THE BOARD

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*Upon the completion of the conversion of A Share Convertible Corporate Bonds, the Company's structure of share capital is as follows: 5,629,066,233 ordinary shares, in which 1,311,156,000 shares are held by holders of overseas listed foreign shares (H shares), representing 23.29% of the total ordinary shares of the Company.*

*Holders of domestic shares and holders of overseas-listed foreign shares shall be deemed as shareholders of different classes. Subject to approval by the State Council or the administrative authorities authorized by the State Council and in accordance with the relevant overseas regulations on dealing in securities, the Company's domestic shares may be converted to H shares. Any listing of or dealing in the converted shares on overseas stock exchanges is subject to the regulatory procedures, rules and ordinances of relevant overseas stock exchanges."*

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

The proposed amendments to the Articles of Association are subject to Shareholders' approval, and a special resolution to consider and approve the proposed amendments will be proposed at the EGM.

### **5. EGM**

The Board proposed to seek the Shareholders' approval at the EGM to approve, among others, the proposed Bonus Issue and Change in Board Lot Size, and the proposed amendments to the Articles of Association.

Notice of the EGM has been despatched to the Shareholders on Monday, 14 September 2015. Copy of such notice is set out on pages 15 to 17 of this circular for ease of reference.

CFC (holding approximately 31.61% of the total issued share capital of the Company as at the Latest Practicable Date), a controlling shareholder of the Company, has undertaken to the Company that it will vote in favour of the resolution at the EGM to approve the Bonus Issue.

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## LETTER FROM THE BOARD

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### 6. CLOSURES OF REGISTER OF MEMBERS

In order to determine the list of H Shareholders who will be entitled to attend and vote at the EGM, the Company's register of members of H Shares is closed from Wednesday, 30 September 2015 to Friday, 30 October 2015 (both days inclusive) during which period no transfer of shares would be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Tuesday, 29 September 2015 are entitled to attend and vote at the EGM. In order for the H Shareholders to qualify for attending and voting at the EGM, 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, 29 September 2015.

In order to determine the list of H Shareholders who are entitled to receive the proposed Bonus H Shares, the Company's register of members of H Shares will be closed from Thursday, 5 November 2015 to Tuesday, 10 November 2015 (both days inclusive), during which period no transfer of shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Wednesday, 4 November 2015 shall be entitled to receive the proposed Bonus H Shares. In order for the H Shareholders to qualify for receiving the proposed Bonus H Shares, 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 Wednesday, 4 November 2015.

### 7. PROXY ARRANGEMENT

Form of proxy applicable to the EGM has been despatched to Shareholders on Monday, 14 September 2015 and such form of proxy has also been published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.chinamoly.com>).

For H Shareholders, whether or not you are able to attend the EGM in person, you are requested to complete the proxy form applicable to the EGM in accordance with the instructions printed thereon, and return it to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investors Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the proxy form applicable to the EGM will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

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## LETTER FROM THE BOARD

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### 8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Hong Kong Listing Rules, any votes of the Shareholders at the EGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The poll results announcement will be announced by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

The Company will offer a platform to A Shareholders (including Northbound Investors) to vote online through the general meeting online voting system of the SSE. Please refer to the relevant announcements published by the Company on the SSE for details.

### 9. RECOMMENDATIONS

The Board considers that, the resolutions in relation to proposed Bonus Issue and Change in Board Lot Size, and proposed amendments to the Articles of Associations, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM as set out in the notice of EGM.

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

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# NOTICE OF THE 2015 FIRST EXTRAORDINARY GENERAL MEETING

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洛陽樂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 OF THE 2015 FIRST EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2015 first extraordinary general meeting (“EGM”) of China Molybdenum Co., Ltd.\* (the “**Company**”) will be held at 2:30 p.m. on Friday, 30 October 2015 at the International Conference Room of Mudu-Lee Royal International Hotel at No. 239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the People’s Republic of China (the “**PRC**”) for the purposes of considering and, if thought fit, passing (with or without modifications) the following special resolutions. Unless otherwise indicated, capitalized terms used herein have the same meanings as those defined in the announcements of the Company dated 3 July 2015 and 28 August 2015.

### SPECIAL RESOLUTIONS

1. “To consider and approve the proposals in respect of the issue of bonus shares by way of capitalisation of the capital reserve for the 2015 interim period of the Company and in respect of the change in board lot size of the H Shares.

It is proposed to issue a total of 11,258,132,466 bonus shares, in a total amount of RMB2,251,626,493.2 based on its total share capital of 5,629,066,233 shares of the Company, by way of capitalisation of the capital reserve of the Company on the basis of twenty (20) bonus shares for every ten (10) existing shares of the Company.

Upon completion of the above issue of bonus shares by way of capitalisation of capital reserve, the Board or the Chairman be authorised to deal with the matters in relation to the profit distribution plan according to the relevant laws, regulations and listing rules, and to make corresponding amendments to the Articles of Association of the Company as it thinks fit; furthermore, the Company proposed to change the board lot size for trading in the H Shares of the Company from 1,000 H Shares to 3,000 H Shares.”

2. “To consider and approve the proposal in respect of the amendments to the Articles of Association of the Company.”

\* *For identification purposes only*

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## NOTICE OF THE 2015 FIRST EXTRAORDINARY GENERAL MEETING

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### CIRCULAR

A circular containing further information in respect of, among other things, the Proposed Bonus Issue; and the proposed amendments to the Articles of Association, will be despatched to the Shareholders as soon as practicable.

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

Luoyang City, Henan Province, the PRC, 14 September 2015

*Notes:*

- (1) All resolutions at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”). The results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Hong Kong Listing Rules.
- (2) H Shareholders who intend to attend the EGM in person or by proxy should return the reply slip to the office of the Board at the Company’s principal place of business in the PRC 20 days before the meeting, i.e. before Saturday, 10 October 2015 by hand, by post or by fax. The contact details of the Company’s office of the Board are set out in note (9) below.
- (3) Each H Shareholder of the Company who has the right to attend and vote at the EGM is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his/her behalf at the EGM. The instrument appointing a proxy must be in writing under the hand of the appointor or his/her attorney duly authorised in writing. In case that an appointor is a body corporate, the instrument must be either under the common seal of the body corporate or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. For H Shareholders, the form of proxy and the notarially certified power of attorney or other documents of authorisation must be delivered to the Company’s H Share registrar at the address stated in note (8) below by post or facsimile (for H Shareholders only), not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting at the EGM or any adjournment should he/she so wish.
- (4) In order to determine the list of H Shareholders who will be entitled to attend and vote at the EGM, the Company’s register of members of H Shares will be closed from Wednesday, 30 September 2015 to Friday, 30 October 2015 (both days inclusive) during which period no transfer of shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Tuesday, 29 September 2015 shall be entitled to attend and vote at the EGM. In order for the H Shareholders to qualify for attending and voting at the EGM, 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, 29 September 2015.

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## NOTICE OF THE 2015 FIRST EXTRAORDINARY GENERAL MEETING

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- (5) In order to determine the list of H Shareholders who are entitled to receive the proposed Bonus H Shares, the Company's register of members of H Shares will be closed from Thursday, 5 November 2015 to Tuesday, 10 November 2015 (both days inclusive), during which period no transfer of shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Wednesday, 4 November 2015 shall be entitled to receive the proposed Bonus H Shares. In order for the H Shareholders to qualify for receiving the proposed Bonus H Shares, 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 Wednesday, 4 November 2015.
- (6) Shareholders or their proxies must present proof of their identities upon attending the EGM. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.
- (7) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointor, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the EGM.
- (8) The address and contact details of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:
- 17M Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong  
Telephone No.: (+852) 2862 8555  
Facsimile No.: (+852) 2865 0990/(+852) 2529 6087
- (9) The address and contact details of the Company's office of the Board at its principal place of business in the PRC are as follows:
- North of Yihe  
Huamei Shan Road  
Chengdong New District  
Luanchuan County  
Luoyang City  
Henan Province  
People's Republic of China  
Postal code: 471500  
Telephone No.: (+86) 379 6865 8017  
Facsimile No.: (+86) 379 6865 8030
- (10) The EGM is expected to last not more than one day. Shareholders or proxies attending the EGM are responsible for their own transportation and accommodation expenses.



The Circular (“**Circular**”) in Chinese and English version has been published on the Company’s website (www.chinamoly.com). Shareholders that choose to receive the corporate communications of the Company (including but not limited to annual reports, summary financial reports (if applicable), interim reports, interim summary reports (if applicable), notice of meeting, listing documents, circulars and proxy forms) and have difficulties in receiving corporate communications published on the Company’s website for any reason can request for the free printed Circular sent by post. Shareholders can change the way of receiving the corporate communications of the Company and the selection of language version at any time.

Shareholders can request for the printed Circular or to change the way of receiving the corporate communications of the Company and the selection of language version by giving a written notice to the Company within a reasonable period of time. Such a written notice should be given to the share registrar for H shares of the Company, i.e. Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong), or e-mail to chinamoly@computershare.com.hk.