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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)

**UNDERTAKING GIVEN TO THE COMPANY
BY A CONTROLLING SHAREHOLDER
IN RELATION TO PRE-EMPTIVE RIGHT TO
PURCHASE EQUITY INTERESTS**

This is a voluntary announcement made by the Company.

BACKGROUND

Reference is made to the prospectuses of the Company dated 13 April 2007 and 18 March 2012 in relation to, among others, the Non-Compete Undertakings entered into between the Company and LMG, a controlling shareholder of the Company.

On 18 April 2017, the Company received a notice from LMG in relation to a notice issued by 洛陽市人民政府國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the People's Government of Luoyang City*) on 6 April 2017, pursuant to which the Luoyang Guo'an Interests will be transferred from LNMMG to LMG through administrative allocation as of 31 December 2016 as the reference date.

INFORMATION ON LUOYANG GUO'AN

Luoyang Guo'an holds 50% of the equity interests in Xuzhou Huanyu. Xuzhou Huanyu in turn holds 90% of the equity interests in Luoyang Fuchuan Mining Co., Ltd. (the balance of 10% of the equity interests are held by 欒川縣富凱商貿有限公司(Luanchuan Fukai Business and Trading Company Limited), a wholly-owned subsidiary of the Company). Luoyang Fuchuan Mining Co., Ltd. is a joint venture of the Group and Xuzhou Huanyu, and owns the Shangfanggou molybdenum mine.

Following completion of the Allocation, LMG will indirectly hold certain interests in Luoyang Fuchuan Mining Co., Ltd., which intends to be principally engaged in the business of mining, smelting and processing and sale of molybdenum concentrate and secondary iron powder. Presently, Luoyang Fuchuan Mining Co., Ltd. has not commenced production operation activities.

NON-COMPETE UNDERTAKINGS AND PRE-EMPTIVE RIGHT

Pursuant to the Non-Compete Undertakings, LMG agreed not to compete with the Company in the Company's businesses. LMG has also undertaken in the Non-Compete Undertakings that during the Non-Compete Period, LMG and any of its Affiliates are required, among others, to offer any Competing Business Opportunity to the Company on fair and reasonable terms.

Upon LMG's acceptance of the Allocation, in accordance with the Non-Compete Undertakings and to avoid actual competition arising between LMG and the Company upon actual commencement of production operation activities by Luoyang Fuchuan Mining Co., Ltd., LMG issued an undertaking to the Company on 18 April 2017, pursuant to which LMG undertakes to the Company that, after LMG obtains the Luoyang Guo'an Interests (and indirectly holds the interests of Luoyang Fuchuan Mining Co., Ltd.) and before Luoyang Fuchuan Mining Co., Ltd. commences production operations, LMG will procure the sale of the Luoyang Guo'an Interests, and the Company shall have the pre-emptive right to purchase the Luoyang Guo'an Interests (the "**Pre-Emptive Right**"), or according to 《關於推動國有股東與所控股上市公司解決同業競爭規範關聯交易的指導意見》(the Guiding Opinions on Promoting the Resolution of Horizontal Competition and the Regulation of Affiliated Transactions by the State-owned Shareholders and the Listed Companies under Their Control*) jointly issued by 國務院國有資產監督管理委員會(the State-owned Assets Supervision and Administration Commission of the State Council*) and the China Securities Regulatory Commission which indicated the comprehensive use of asset restructuring, equity replacement, business adjustment and other similar methods to resolve the issue of competing business.

The Board wishes to emphasize that no final and definitive decision has been made as to whether to exercise the Pre-Emptive Right or not in the future. The Pre-Emptive Right will remain in effect so long as the Non-Compete Undertakings remain effective and will be reviewed by the independent non-executive Directors subject to the commercial negotiation of the terms of the proposed acquisition of the Luoyang Guo'an Interests from LMG.

LISTING RULES IMPLICATIONS

LMG, one of the controlling shareholders of the Company, is a connected person of the Company. The Pre-Emptive Right constitutes an option granted to the Company by LMG under the Listing Rules and the exercise of the Pre-Emptive Right is at the discretion of the Company. No premium is payable for the grant of the Pre-Emptive Right to the Company. Therefore, the grant of the Pre-Emptive Right to the Company does not constitute a notifiable transaction under Chapter 14 of the Listing Rules and is not subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. If the Company exercises the Pre-Emptive Right in the future, the Company will comply with the relevant requirements under the Listing Rules.

DEFINITIONS

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

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| “A Share(s)” | domestic share(s) with a nominal value of RMB0.20 each issued by the Company which are listed on the Shanghai Stock Exchange and traded in Renminbi (stock code: 603993) |
| “Affiliates” | any company in which LMG is a substantial shareholder |
| “Allocation” | the administrative allocation of the Luoyang Guo'an Interests at nil consideration from LNMMG to LMG |
| “Board” | the board of Directors |
| “Company” | China Molybdenum Co., Ltd.*, a joint stock company established in PRC with limited liability, the H Shares and A Shares of which are listed and traded on the main board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively |
| “Competing Business Opportunity” | any business opportunity which competes, or may lead to competition, directly or indirectly with the Company's businesses |

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| “controlling shareholder(s)” | has the meaning given to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “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 |
| “Hong Kong” | the Hong Kong Special Administrative Region of PRC |
| “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 |
| “LMG” | 洛陽礦業集團有限公司(Luoyang Mining Group Co., Ltd.*), a controlling shareholder of the Company |
| “Luoyang Guo’an” | 洛陽國安商貿有限公司(Luoyang Guo’an Trade Co., Ltd.*), a company established in the PRC with limited liability |
| “Luoyang Guo’an Interests” | 100% of the equity interests in Luoyang Guo’an |
| “LNMMG” | 洛陽有色礦業集團有限公司(Luoyang Nonferrous Metal Mining Group Limited*), a company established in the PRC with limited liability |
| “Non-Compete Undertakings” | the non-compete agreement entered into between the Company and LMG on 6 September 2006 and the undertaking to avoid competition issued by LMG to the Company on 18 May 2011 |
| “Non-Compete Period” | from the day on which the Company has its H Shares listed on the Hong Kong Stock Exchange to the earlier of (a) the date on which LMG directly or indirectly or through its Affiliates effectively holds less than 30% of the Company’s issued share capital; and (b) the date on which the H Shares cease to be listed on the Hong Kong Stock Exchange |

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| “PRC” or “China” | the People’s Republic of China (for the purposes of this announcement, excluding Hong Kong and the Macau Special Administrative Region of PRC and Taiwan) |
| “RMB” | Renminbi, the lawful currency in PRC |
| “substantial shareholder(s)” | has the meaning given to it under the Listing Rules |
| “Xuzhou Huanyu” | 徐州環宇鉬業有限公司(Xuzhou Huanyu Molybdenum Co., Ltd.*), a joint venture of the Company, as to 50% of its equity interest is held by the Company, and as to 50% of its equity interest is held by Luoyang Guo’an |

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

Luoyang City, Henan Province, PRC, 18 April 2017

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*