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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)

ANNOUNCEMENT

INSIDE INFORMATION

RECENT PROGRESS ON THE ESTABLISHMENT OF THE NCCL NATURAL RESOURCES INVESTMENT FUND

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

We refer to the announcements of the Company dated 17 November 2017 and 15 December 2017 (the “**Announcements**”) in relation to the establishment of the NCCL Natural Resources Investment Fund and the Second Amended and Restated Exempted Limited Partnership Agreement (the “**Second Partnership Agreement**”) entered into by CMOC Limited, a wholly-owned subsidiary of the Company, and the other limited partner. Unless otherwise stated, the capitalized terms shall have the same meaning as those used in the Announcements.

On 24 August 2018, NCCL, NGL, and NREIL, entered into the Third Amended and Restated Exempted Limited Partnership Agreement (the “**Third Partnership Agreement**”), which amends and restates the Second Partnership Agreement in its entirety and shall govern with effect from the date of the execution of the Second Partnership Agreement.

PRINCIPAL AMENDMENTS IN THE THIRD PARTNERSHIP AGREEMENT

The principal amendment in the Third Partnership Agreement includes amendments to the profits allocation mechanism within the Partners, in particular:

Profits Allocation

The investment profits of the Fund from the Portfolio Investment shall be allocated in the following order:

1. **Basic principle:** cash received by the Fund from the sale or other disposition of, or dividends, interest or other income from or in respect of the Portfolio Investment, or otherwise received by the Fund (the “**Distributable Cash**”) shall generally be distributed by the General Partner after receipt by the Fund. After deducting the accumulated outstanding management fees and other expenses and liabilities that fall due payable, the Distributable Cash attributable to any Portfolio Investment (“**Net Proceeds**”) shall be apportioned as follows:
 - (1) to NREIL and NGL in proportion to their respective Capital Contribution percentages at the same time, until the amount distributed to each of them, pursuant to this sub-clause equals the respective amount of Capital Contribution made by the NREIL and the NGL to the Fund; and if there is any remaining amount;
 - (2) 100% to NCCL, the general partner, until the amount distributed to it pursuant to this sub-clause equals the amount of the Capital Contribution made by the NCCL; and if there is any remaining amount;
 - (3) to NREIL and NGL in proportion to their respective Capital Contribution percentages at the same time, pursuant to the sub-clause (1) above and this sub-clause meets a rate of return equal to 12% per annum compounded annually; and if there is any remaining amount;
 - (4) 85% to be further distributed in accordance with the sub-clause (5) below, and 15% to the General Partner; and
 - (5) the 85% portion as referred to under the sub-clause (4) above shall be distributed to NREIL and NGL in proportion to their respective Capital Contribution percentages.

2. In any event, the Net Proceeds payable to NGL shall be made in cash.

Save as disclosed above, all other principal terms and conditions of the Second Partnership Agreement remain unchanged in the Third Partnership Agreement.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Luoyang City, Henan Province, the PRC, 24 August 2018

As at the date of this announcement, the Company's executive directors are Mr. Li Chaochun and Mr. Li Faben; the Company's non-executive directors are Mr. Ma Hui, Mr. Yuan Honglin and Mr. Cheng Yunlei; and the Company's independent non-executive directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.

* *For identification purposes only*