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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)**

**ISSUANCE OF U.S.\$300,000,000**  
**5.48 PER CENT. GUARANTEED BONDS DUE 2022**

The Board is pleased to announce that on 28 January 2019, the Issuer and the Company entered into the Subscription Agreement with Standard Chartered Bank, Industrial Bank, China Everbright, China Minsheng, Ping An China Securities, Bank of China, CMB International, CNCB HK Capital, Yuanyin Securities, Haitong International and Orient Securities (Hong Kong) in connection with the Proposed Bonds Issuance in an aggregate principal amount of U.S.\$300,000,000. The Bonds will be guaranteed by the Company.

The Company estimates that the net proceeds from the Proposed Bonds Issuance, after deducting the commissions and other estimated expenses payable in connection with the Proposed Bond Issuance, will be approximately U.S.\$297.5 million. The Company intends to use the net proceeds from the Proposed Bonds Issuance for general corporate purposes, including but not limited to refinancing of certain existing indebtedness of the Group.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issue to professional investors (as defined in Chapter 37 of the Listing Rules and in the SFO) only. A confirmation of eligibility for listing of the Bonds has been received from the Stock Exchange. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Bonds, the Issuer, the Company or the Group.

It is expected that completion of the Proposed Bonds Issuance will take place on 1 February 2019.

**As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.**

The Board is pleased to announce that on 28 January 2019, the Issuer and the Company entered into the Subscription Agreement with Standard Chartered Bank, Industrial Bank, China Everbright, China Minsheng, Ping An China Securities, Bank of China, CMB International, CNCB HK Capital, Yuanyin Securities, Haitong International and Orient Securities (Hong Kong) in connection with the Proposed Bonds Issuance in an aggregate principal amount of U.S.\$300,000,000. The Bonds will be guaranteed by the Company.

## **SUBSCRIPTION AGREEMENT**

Date: 28 January 2019

### **Parties to the Subscription Agreement**

- (a) The Issuer as the issuer;
- (b) The Company as the guarantor; and

- (c) Standard Chartered Bank, Industrial Bank, China Everbright, China Minsheng, Ping An China Securities, Bank of China, CMB International, CNCB HK Capital, Yuanyin Securities, Haitong International and Orient Securities (Hong Kong) as the joint lead managers.

Standard Chartered Bank, Industrial Bank, China Everbright, China Minsheng, Ping An China Securities are the joint global coordinators, joint lead managers and joint bookrunners while Bank of China, CMB International, CNCB HK Capital, Yuanyin Securities, Haitong International and Orient Securities (Hong Kong) are the joint lead managers and joint bookrunners in respect of the Proposed Bonds Issuance. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the above mentioned parties is an independent third party and not a connected person of the Company.

The Bonds have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Bonds are being offered and sold only outside of the United States in compliance with Regulation S under the Securities Act. None of the Bonds will be offered to the public in Hong Kong.

## **Principal terms of the Bonds**

### ***Bonds Offered***

Subject to certain conditions to completion, the Issuer will issue the Bonds in an aggregate principal amount of U.S.\$300,000,000 which will mature on 1 February 2022, unless earlier redeemed pursuant to the terms hereof.

### ***Offering Price***

The offering price of the Bonds will be 100 per cent. of the principal amount of the Bonds.

### ***Interest***

The Bonds will bear interest from and including 1 February 2019 at a rate of 5.48 per cent. per annum, payable semi-annually in arrear on 1 February and 1 August of each year, beginning on 1 August 2019.

### ***Status of the Bonds***

The Bonds will constitute direct, unsubordinated, unconditional and (subject to certain condition of the Bonds) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to certain condition of the Bonds, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

### ***Status of the Guarantee***

The obligations of the Company under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to certain condition of the Bonds, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

### ***Redemption for Taxation Reasons***

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' irrevocable notice to the holders of the Bonds and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with interest accrued to but excluding the date fixed for redemption, in the event of certain changes affecting taxes of the British Virgin Islands or the PRC or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations.

### ***Redemption for Change of Control or No Registration Event***

At any time following the occurrence of (i) a Change of Control (as defined in the Conditions) or (ii) a No Registration Event (as defined in the Conditions), the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date (as defined in the Conditions) at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with accrued interest up to but excluding such Put Settlement Date.

### ***Redemption at the Option of the Issuer***

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, on or after the date of the issuance of the Bonds, on giving not less than 30 nor more than 60 days' irrevocable notice to the holders of the Bonds (an "Optional Redemption Notice") and in writing to the Trustee and the Principal Paying Agent at a Make Whole Price (as defined in the Conditions) as of, and together with interest accrued to (but excluding) the redemption date specified in the Optional Redemption Notice.

### **Expected Closing Date**

It is expected that completion of the Proposed Bonds Issuance will take place on 1 February 2019.

### **Use of Proceeds**

The estimated net proceeds from the Proposed Bonds Issuance, after deducting the commissions and other estimated expenses payable in connection with the Proposed Bond Issuance, will be approximately U.S.\$297.5 million. The Issuer currently intends to use the net proceeds from the Proposed Bonds Issuance for general corporate purposes, including but not limited to refinancing of certain existing indebtedness of the Group.

## **GENERAL**

### **Information about the Company and Reasons for the Bonds Issuance**

The Company is a joint stock company established in the PRC with limited liability, the H shares and A shares of which are listed and traded on the main board of the Stock Exchange (stock code: 03993) and the Shanghai Stock Exchange (stock code: 603993), respectively.

The Group engages in non-ferrous metal mining, mainly the beneficiation, smelting, and deep processing of copper, molybdenum, tungsten, cobalt, niobium and phosphate. With a relatively integrated industrial value chain, the Company is globally one of the top five molybdenum manufacturers, one of the largest tungsten manufacturer, the second largest cobalt and niobium manufacturer, a leading copper manufacturer as well as the second largest phosphate fertilizer manufacturer in Brazil.

The Board believes that the Proposed Bonds Issuance will be beneficial to the Group since it will allow the Group to obtain long-term financing from international investors and to improve its capital structure.

## **Listing**

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issue to professional investors (as defined in Chapter 37 of the Listing Rules and in the SFO) only. A confirmation of eligibility for listing of the Bonds has been received from the Stock Exchange. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Bonds, the Issuer, the Company or the Group. The Bonds were offered only outside of the United States in reliance on Regulation S under the Securities Act. The Bonds have not been and will not be registered under the Securities Act. None of the Bonds were offered to the public in Hong Kong.

**As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Bank of China”	Bank of China Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“Board”	the board of Directors
“Bonds”	the 5.48 per cent. guaranteed bonds due 2022 in the aggregate principal amount of U.S.\$300,000,000 to be issued by the Issuer and guaranteed by the Company

“China Everbright”	China Everbright Bank Co., Ltd., Hong Kong Branch, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“China Minsheng”	China Minsheng Banking Corp., Ltd., Hong Kong Branch, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“CMB International”	CMB International Capital Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“CNCB HK Capital”	CNCB (Hong Kong) Capital Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“Company”	China Molybdenum Co., Ltd.* (洛陽欒川鉬業集團股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed and traded on the main board of the Stock Exchange and the A shares of which are listed and traded on the main board of the Shanghai Stock Exchange
“Conditions”	the terms and conditions of the Bonds
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee to be provided by the Company in respect of the Bonds

“Haitong International”	Haitong International Securities Company Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Industrial Bank”	Industrial Bank Co., Ltd. Hong Kong Branch, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“Issuer”	CMOC Capital Limited, a wholly owned indirect subsidiary of the Company incorporated in the British Virgin Islands
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Orient Securities (Hong Kong)”	Orient Securities (Hong Kong) Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“Ping An China Securities”	Ping An of China Securities (Hong Kong) Company Limited, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Principal Paying Agent”	China Construction Bank (Asia) Corporation Limited, as principal paying agent of the Bonds



“Proposed Bonds Issuance”	the proposed offering of the Bonds by the Issuer
“Securities Act”	the U.S. Securities Act of 1933, as amended
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Standard Chartered Bank”	Standard Chartered Bank, one of the joint global coordinators, joint lead managers and joint bookrunners, in respect of the offer and sale of the Bonds
“Subscription Agreement”	the subscription agreement dated 28 January 2019 entered into between the Issuer, the Company, Standard Chartered Bank, Industrial Bank, China Everbright, China Minsheng, Ping An China Securities, Bank of China, CMB International, CNCB HK Capital, Yuanyin Securities, Haitong International and Orient Securities (Hong Kong) in relation to the Proposed Bonds Issuance
“Trustee”	China Construction Bank (Asia) Corporation Limited, as trustee of the Bonds
“U.S.\$”	United States dollars
“Yuanyin Securities”	Yuanyin Securities Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the Bonds

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

Luoyang City, Henan Province, the PRC, 29 January 2019

*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. 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 purpose only.*