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**CMOC**

**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)

**PROPOSED AMENDMENTS TO THE ARTICLES OF  
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AND  
PROVISION OF GUARANTEE TO  
WHOLLY-OWNED SUBSIDIARIES**

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In order to meet the development needs and to optimize the corporate governance structure of the Company, the Board proposed to make certain amendments to article 144 of the Articles of Association. Details of the proposed amendments are set out below:

### **Article 144**

Currently reads as follows:

*“The board of directors shall be composed of 7 to 11 directors, which shall include one chairman of the board and one vice chairman of the board. The chairman of the board and the vice chairman of the board shall be elected by more than half of all the directors.”*

It is proposed to be amended to:

*“The board of directors shall be composed of 7 to 11 directors, which shall include one chairman of the board and based on demand, one to two vice chairmen of the board. The chairman of the board and the vice chairmen of the board shall be elected by more than half of all the directors.”*

The Articles of Association are written in Chinese. The English version of the above article 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 of the proposed amendments will be proposed at the general meeting of the Company for review and approval.

A circular containing, among others, details of the proposed amendments to the Articles of Association, will be despatched to the Shareholders in due course.

## **RESIGNATION OF CHAIRMAN OF THE BOARD**

The Board hereby announces that due to the adjustment of work arrangements, Mr. Li Chaochun (李朝春) tendered his resignation letter to the Board recently to the effect that Mr. Li Chaochun will resign from his positions as chairman of the Board, chairman of the Strategic and Sustainability Committee of the Board, vice chairman of the Nomination and Governance Committee of the Board and the Authorised Representative, with effect from 12 June 2020, but will remain as an executive Director.

Mr. Li Chaochun has confirmed that he has no disagreement with the Board and does not have any matters in relation to his resignation that should be brought to the attention of the Shareholders. Mr. Li Chaochun has also confirmed that he does not have any action or claim, existing or pending, against the Company.

Mr. Li Chaochun has made significant contributions to the Company's leap-forward development in recent years, and has laid a solid foundation for the future development of the Company. The Board would like to take this opportunity to express its sincere gratitude to Mr. Li Chaochun for his outstanding contributions to the Company during his tenure as the chairman of the Board.

## **APPOINTMENT OF CHAIRMAN OF THE BOARD AND VICE CHAIRMAN OF THE BOARD**

The Board hereby announces that it has resolved to appoint Mr. Yuan Honglin (袁宏林), a non-executive Director, as chairman of the Board, with the tenure of office commencing from 12 June 2020 to the expiry of the term of the fifth session of the Board. Pursuant to the Articles of Association, it is stipulated that the chairman of the Board shall be the legal representative of the Company, therefore the Company will complete the registration of change of legal representative of the Company.

Mr. Yuan Honglin has extensive experience in investment, financing, and corporate management. As chairman of the Board, his strong professional background will help to continuously promote the implementation of the international strategies of the Company and lead the Company to a bright future. The Board would like to take this opportunity to welcome Mr. Yuan Honglin on his new position in the Company.

The biographical details of Mr. Yuan Honglin are set out below:

Mr. Yuan Honglin, born in November 1967, has been a non-executive Director and a member of the Audit and Risk Committee, Remuneration Committee and Strategic and Sustainability Committee of the Company since November 2013. He has over 20 years of experience in banking industry. Mr. Yuan graduated from Nanjing University in July 1990 with a bachelor's degree in economics. In July 2004, Mr. Yuan obtained an MBA degree from Shanghai Jiaotong University. From August 1990 to May 2000, Mr. Yuan worked at Bank of China Limited, Nantong Branch where he held various positions including vice president of the Rudong sub-branch and manager of the credit management department of Nantong Branch. Between June 2000 and August 2007, Mr. Yuan worked at China Merchants Bank Limited, Shanghai Branch where he held various positions including president of Jiang Wan sub-branch and general manager of corporate banking department. From September 2007 to September 2012, Mr. Yuan worked at Ping An Bank Co., Ltd. where he held various positions including assistant to the president of the Shanghai Branch, vice president (responsible for the overall business operations) of the Shanghai Branch and general manager of the corporate banking department responsible for the northern region of China. From October 2012

to the present, Mr. Yuan has been the deputy general manager of Cathay Fortune Capital Limited.

Following the leap-forward development of the Company, in order to optimize its organizational structure, the Board resolved to appoint Mr. Li Chaochun as the vice chairman of the Board, to be effective from the date when the above amendments to the Articles of Association take effect.

The biographical details of Mr. Li Chaochun are set out below:

Mr. Li Chaochun, born in February 1977, is an executive Director of the Company since January 2007, vice chairman of the Board from January 2007 to 14 January 2014 and chairman of the Board from January 2014 to June 2020. He is also vice chairman of the Nomination and Governance Committee of the Company from 17 August 2012 to 12 June 2020 and chairman of the Strategic and Sustainability Committee of the Company from 14 January 2014 to 12 June 2020. Mr. Li graduated from Shanghai Jiaotong University with a bachelor's degree in law in July 1999. From July 1999 to December 1999, he was a staff accountant of the tax division of Arthur Andersen (Shanghai) Business Consulting Co., Ltd. He was with Arthur Andersen Hua Qiang CPA from January 2000 to March 2002, where his last position was a senior consultant of the tax division. From April 2002 to February 2003, he was a deputy manager of planning and strategy implementation of the general representative office of The Hong Kong and Shanghai Banking Corporation Limited. From July 2003 to January 2007, Mr. Li was an executive director of the investment department of Cathay Fortune Corporation.

As at the date of this announcement, the Company has entered into service contracts with Mr. Yuan Honglin and Mr. Li Chaochun. In addition to their annual basic remunerations, the Company will determine and implement the annual bonus incentive program upon the comprehensive evaluation of the Remuneration Committee of the Board and the review of the Board with reference to the Company's annual operation results, personal work evaluation and other factors. The remunerations of Mr. Yuan Honglin and Mr. Li Chaochun are covered by their service contracts entered into with the Company and any subsequent revisions approved by the Board.

Save as disclosed in this announcement, to the best knowledge of the Directors, neither Mr. Yuan Honglin nor Mr. Li Chaochun has held any directorship in the past three years in any other public companies which are listed on any securities market in Hong Kong or overseas; neither Mr. Yuan Honglin nor Mr. Li Chaochun has any relationships with any Directors, supervisors, senior management or substantial shareholders (as defined in the Listing Rules) of the Company, and they do not hold any position in the Company or any of its subsidiaries. As at the date of this announcement, Mr. Yuan Honglin holds 1,050,600 A shares of the Company and Mr.

Li Chaochun holds 1,587,692 A shares of the Company, other than that, they do not have any interest in the shares of the Company or its associated corporations within the definition under Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

Save as disclosed in this announcement, there is no information in relation to the above appointments that is required to be disclosed pursuant to the requirements set out in Rules 13.51(2) (h) to (v) of the Listing Rules nor are there any matters which need to be brought to the attention to the Shareholders. Neither Mr. Yuan Honglin nor Mr. Li Chaochun has ever been penalized by the China Securities Regulatory Committee or other relevant authorities or stock exchanges.

## **CHANGE OF AUTHORISED REPRESENTATIVE**

Following the resignation of Mr. Li Chaochun as an Authorised Representative as stated above with effect from 12 June 2020, Mr. Yuan Honglin has been appointed as an Authorised Representative, with effect from 12 June 2020. Immediately after the aforesaid change, the Authorised Representatives are Mr. Yuan Honglin and Ms. Ng Sau Mei, the joint company secretary of the Company.

## **CHANGES OF COMPOSITION OF BOARD COMMITTEES**

According to abovementioned changes, certain changes in the composition of the Strategic and Sustainability Committee and the Nomination and Governance Committee of the Board were approved by the Board on 12 June 2020 and the composition of such Board committees after such changes are set out below:

### **Strategic and Sustainability Committee**

Mr. Yuan Honglin (*non-executive Director*) (*chairman*)  
Mr. Li Chaochun (*executive Director*)  
Mr. Li Faben (*executive Director, general manager*)  
Mr. Wang Gerry Yougui (*independent non-executive Director*)

### **Nomination and Governance Committee**

Mr. Wang Gerry Yougui (*independent non-executive Director*) (*chairman*)  
Mr. Yuan Honglin (*non-executive Director*) (*vice chairman*)  
Mr. Li Shuhua (*independent non-executive Director*)  
Ms. Yan Ye (*independent non-executive Director*)

## **APPOINTMENT OF CHIEF INVESTMENT OFFICER OF THE COMPANY**

The Board has resolved to appoint Mr. Li Chaochun as chief investment officer of the Company, with the tenure of office commencing from 12 June 2020 to the expiry of the term of the fifth session of the Board. As a member of the senior management of the Company, Mr. Li Chaochun is responsible for strategic merger and acquisition and investment cooperation both domestic and overseas.

The Board would like to take this opportunity to welcome Mr. Li Chaochun on his new position in the Company.

## **APPOINTMENT OF DEPUTY GENERAL MANAGER OF THE COMPANY**

The Board has resolved to appoint Mr. Zhou Jun (周俊) as deputy general manager of the Company, with the term of office commencing from 12 June 2020 to the expiry of the term of the fifth session of the Board.

The biographical details of Mr. Zhou Jun are set out below:

Mr. Zhou Jun, born in 1972, is a senior engineer with a bachelor's degree. Mr. Zhou has extensive experience in corporate management, mining production and operation and overseas mine management. From 1992 to 2008, he worked in Changzhibei Cement Plant and Luzhou Cement Industrial Development Company, both affiliates to China Railway No. 3 Engineering Group; from 2008 to 2010, he served as the deputy general manager of Guojin Mining of China Railway Resources Group; from 2010 to 2013, he served as the general manager of MKM Mining of China Railway Resources Group; from 2013 to 2018, Mr. Zhou successively held positions of commercial director, operation director, site leader, party committee member and general manager of Sicomines of China Railway Resources Group. In April 2019, he has been serving as the general manager of Tenke Fungurume Mining S.A. in DRC.

The Board would like to take this opportunity to welcome Mr. Zhou Jun on his new position in the Company.

## **PURCHASE OF STRUCTURED DEPOSIT WITH INTERNAL IDLE FUND**

We refer to the announcement dated 12 June 2020 in relation to the poll results of the AGM, upon the approval of the Shareholders at the AGM and according to the actual needs of the Company, the Board agreed to authorise the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of purchase of structured deposit with internal idle fund within the scope of the authorisation of the AGM. Such authorisation will take effect until the date of the 2020 annual general meeting of the Company and the details of which are as set out as follows:

1. type and amount of the deposit: the structured deposit products purchased by the Company are mainly short term products, the balance cap of the unmatured structured deposit products shall not exceed RMB10 billion (or equivalent amount in foreign currency);
2. term of the deposit: each separate product shall not exceed 12 months;
3. validity term: shall be effective from the date of the passing of relevant resolution at the AGM to the date of convening the 2020 annual general meeting.

## **PURCHASE OF WEALTH MANAGEMENT OR ENTRUSTED WEALTH MANAGEMENT PRODUCTS WITH INTERNAL IDLE FUND**

We refer to the announcement dated 12 June 2020 in relation to the poll results of the AGM, upon the approval of the Shareholders at the AGM and in order to improve the efficiency of the use of idle fund and maximize the utility value of fund of the Company, on the premise of ensuring the Company's daily stable operations, fund safety, operational compliance, and risks control, the Board agreed to authorise the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of purchase of wealth management or entrusted wealth management products with internal idle fund within the scope of the authorisation of the AGM. Such authorisation will take effect until the date of the 2020 annual general meeting of the Company and the details of which are as set out as follows:

1. size of investment: the balance cap of the unmatured wealth management or entrusted wealth management investment shall not be more than RMB5 billion (or equivalent amount in foreign currency);
2. investment targets: financial instruments with high credit rating and good liquidity (excluding structured deposit products);
3. validity term: from the date of the passing of relevant resolution at the AGM to the date of convening the 2020 annual general meeting.

## **PROVISION OF GUARANTEE TO WHOLLY-OWNED SUBSIDIARIES**

We refer to the announcement dated 12 June 2020 in relation to the poll results of the AGM, upon the approval of the Shareholders at the AGM and in order to better support the development of the Company's direct or indirect wholly-owned subsidiaries and respond more timely to its financing needs and reduce its financing costs, according to the Company's actual operation status, the Board agreed to authorise the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of provision of guarantee to the wholly-owned subsidiaries of the Company within the scope of the authorisation of the AGM. Such authorisation will take effect until the date of the 2020 annual general meeting of the Company and the details of which are as set out as follows:

1. amount of guarantee: accumulated maximum amount of RMB18 billion (or equivalent amount in foreign currency);
2. types of guarantee: financial institutions financing, the derivatives trading cap and overdraft cap (exclusive of the financing guarantee balance provided by the Company, directly or through its wholly-owned subsidiaries, to other wholly-owned subsidiaries due to merger and acquisition projects, and the guarantee of USD bonds);
3. validity term: from the date of the passing of relevant resolution at the AGM to the date of convening the 2020 annual general meeting.

## DEFINITIONS

“AGM”	the annual general meeting of the Company (and any adjournment thereof) held at 1:00 p.m. on Friday, 12 June 2020 at Mudu-Lee Royal International Hotel at No. 239 Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Authorised Representative”	authorised representative(s) of the Company under Rule 3.05 of the Listing Rules
“Board”	the board of Directors of the Company
“Company”	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 PRC with limited liability, the A shares and H shares of which are listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively
“Director(s)”	director(s) of the Company
“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



“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the shares of the Company
“USD”	United States dollars, the lawful currency of the United States of America

By Order of the Board  
**China Molybdenum Co., Ltd.\***  
**Yuan Honglin**  
*Chairman*

Luoyang City, Henan Province, the People’s Republic of China, 12 June 2020

*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, Mr. Guo Yimin 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*