

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



洛 阳 钼 业
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 RE-ELECTION AND ELECTION OF
THE DIRECTORS AND THE SUPERVISORS**
**(2) PROPOSED AUTHORISATION TO THE BOARD TO DETERMINE
THE REMUNERATION OF
THE DIRECTORS AND THE SUPERVISORS**
AND
**(3) CONTINUING CONNECTED TRANSACTION UNDER PRODUCTS
PURCHASE AND SERVICES PROVISION AGREEMENT**

**(1) PROPOSED RE-ELECTION AND ELECTION OF THE DIRECTORS
AND THE SUPERVISORS**

Given that the fifth session of the Board will expire on the date of the AGM, the proposals to nominate the Directors for the sixth session of the Board were considered and approved at the twelfth meeting of the fifth session of the Board held on 22 March 2021 according to the Articles of Association, the Rules for Board Meetings and the Detailed Working Rules for Nomination and Governance Committee.

The Board is pleased to announce that Mr. Sun Ruiwen was nominated as candidate for election as executive Director for the sixth session of the Board and Mr. Li Chaochun was nominated as candidate for re-election as executive Director for the sixth session of the Board, Mr. Yuan Honglin, Mr. Guo Yimin and Mr. Cheng Yunlei were nominated as candidates for re-election as non-executive Directors for the sixth session of the Board, and Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua were nominated as candidates for re-election as independent non-executive Directors for the sixth session of the Board, and the Board resolved to put forward these proposals to the AGM for Shareholders' consideration and approval.

In addition, the proposals on nomination of non-employee representative Supervisors for the sixth session of the Supervisory Committee were considered and approved at the twelfth meeting of the fifth session of the Board held on 22 March 2021. The Board is pleased to announce that Mr. Zhang Zhenhao and Ms. Kou Youmin were nominated as candidates for re-election as non-employee representative Supervisors of the sixth session of the Supervisory Committee and the Board resolved to put forward these proposals to the AGM for Shareholders' consideration and approval.

(2) PROPOSED AUTHORISATION TO THE BOARD TO DETERMINE THE REMUNERATION OF THE DIRECTORS AND THE SUPERVISORS

In accordance with the Company Law, the Articles of Association and the performance and results of the Company, the remuneration of the Directors and the Supervisors will be determined by the Board, authorised by the Shareholders, and shall be reviewed by the Remuneration Committee from time to time.

A special resolution to consider and approve the proposed authorisation to the Board to determine the remuneration of the Directors and the Supervisors will be proposed at the AGM.

(3) CONTINUING CONNECTED TRANSACTION UNDER THE PRODUCTS PURCHASE AND SERVICES PROVISION AGREEMENT

On 22 March 2021, the Company and Fuchuan Mining entered into the Products Purchase and Services Provision Agreement for a term ending on 31 December 2021, pursuant to which, (i) Fuchuan Mining agrees to provide and the Company agrees to purchase certain products, including, among others, molybdenum ore concentrates and iron ore concentrates meeting the technical requirements of mineral processing on a continuing basis, and (ii) the Company agrees to provide and Fuchuan Mining agrees to receive mine processing services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Company indirectly held 55% equity interests in Fuchuan Mining; LMG, a substantial shareholder of the Company holding 24.68% of the equity interests in the Company, indirectly owns the remaining 45% equity interest in Fuchuan Mining other than through its interest in the Company. Although the financial statements of Fuchuan Mining are not consolidated into the consolidated financial statements of the Group, the Company has control over the daily operation and management of Fuchuan Mining through contractual arrangements, therefore, Fuchuan Mining is deemed as a subsidiary of the Company and thus a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules. As such, the transactions contemplated under the Products Purchase and Services Provision Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio applied in accordance with Rule 14A.76 of the Listing Rules in respect of the transactions contemplated under the Products Purchase and Services Provision Agreement is more than 0.1% but less than 5%, therefore, such transactions shall be subject to the reporting and announcement requirements but exempted from circulars and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

I. PROPOSED RE-ELECTION AND ELECTION OF THE DIRECTORS AND THE SUPERVISORS

Given that the fifth session of the Board will expire on the date of the AGM, the proposals to nominate the Directors for the sixth session of the Board were considered and approved at the twelfth meeting of the fifth session of the Board held on 22 March 2021 according to the Articles of Association, the Rules for Board Meetings and the Detailed Working Rules for Nomination and Governance Committee.

The Board is pleased to announce that Mr. Sun Ruiwen was nominated as candidate for election as executive Director for the sixth session of the Board and Mr. Li Chaochun was nominated as candidate for re-election as executive Director for the sixth session of the Board, Mr. Yuan Honglin, Mr. Guo Yimin and Mr. Cheng Yunlei were nominated as candidates for re-election as non-executive Directors for the sixth session of the Board, and Mr. Li Shuhua, Ms. Yan Ye and Mr. Wang Gerry Yougui were nominated as candidates for re-election as independent non-executive Directors for the sixth session of the Board, and the Board resolved to put forward these proposals to the AGM for Shareholders' consideration and approval.

The Board hereby announces that Mr. Li Faben will cease to act as an executive Director due to the expiration of the term of office of the fifth session of the Board with effect from the conclusion of the AGM. Mr. Li Faben has no disagreement with the Board and there is no matter that needs to be brought to the attention of the Shareholders.

The biographical details of the Directors to be re-elected or elected as members of the sixth session of the Board are as below:

Proposed executive Directors for re-election or election

Mr. Sun Ruiwen, born in 1969, is a professor-level senior engineer. Mr. Sun Ruiwen has been the chief executive officer of the Company since August 2020. Mr. Sun graduated from East China Jiaotong University (華東交通大學), majoring in safety engineering. From 1990 to 2008, he worked in China Railway No. 3 Engineering Group (中鐵三局集團), Qinghai China Railway Mining (青海中鐵礦業), China Railway Resources Guojin Mining (中鐵資源國金礦業) and Chifeng China Railway Mining (赤峰中鐵礦業). From 2008 to 2009, he served as the deputy chief economist of China Railway Resource Group Co., Ltd. (中鐵資源集團公司), and the chairman of China Railway Resources Trading Co., Ltd. (中鐵資源商貿公司). From 2009 to 2012, Mr. Sun served successively as the chairman of Congo (DRC) Luisha Mining (剛果金綠紗礦業), MKM Mining (MKM礦業), Congo (DRC) International Mining Corporation (剛果金國際礦業公司) and the deputy general manager of China Railway Resource Group Co., Ltd. (中鐵資源集團有限公司). From 2012 to 2017, he served as the general manager of Huagang Mining Co., Ltd. (華剛礦業公司) and chairman of Busanga Hydropower Station Co., Ltd. (布桑加水電站公司). From 2017 to 2019, Mr. Sun served as the general manager of China Railway Resource Group Co., Ltd. (中鐵資源集團公司). Mr. Sun has been awarded many awards, such as “Young Hero of Shenshou Railway Construction”, “Top ten Outstanding Youth of China Railway”, “Second Class and First Class of China Non-ferrous Science Improvement Award”, “Meritorious Person of Resources Development outside China”, etc.

Mr. Li Chaochun, born in February 1977, served as the executive Director since January 2007 and the vice chairman of the Board from January 2007 to January 2014, and the chairman of the Board since January 2014 to June 2020. He currently serves as the vice chairman of the Board and a member of the Strategic and Sustainability Committee. Mr. Li graduated from Shanghai Jiaotong University (上海交通大學) 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 (安達信上海企業諮詢有限公司). He served at Arthur Andersen Hua Qiang CPA (安達信華強會計師事務所) 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 (鴻商產業控股集團有限公司).

As at the date of this announcement, within the meaning of Part XV of the SFO, Mr. Li Chaochun is interested in 1,587,692 A Shares.

Proposed Non-executive Directors for re-election

Mr. Yuan Honglin, born in November 1967, has been our non-executive Director and a member of the Audit and Risk Committee, Remuneration Committee and Strategic and Sustainability Committee since November 2013. He has been the Chairman of the Board, the chairman of the Strategic and Sustainability Committee and the vice chairman of the Nomination and Governance Committee since June 2020. He has over 20 years of experience in the banking industry. Mr. Yuan graduated from Nanjing University (南京大學) in July 1990 with a bachelor's degree in economics. In July 2004, Mr. Yuan obtained a MBA degree from Shanghai Jiaotong University (上海交通大學). 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. From June 2000 to 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 currently serves as the director of Cathay Fortune Corporation (鴻商產業控股集團有限公司) and Cathay Fortune Capital Limited (鴻商資本股權投資有限公司). He concurrently serves as the chairmen of the board of

Sino-French Life Insurance Co., Ltd. (中法人壽保險有限責任公司), an executive director of Xizang Hongshang Capital Investment Co. Ltd (西藏鴻商資本投資有限公司), Shanghai Cathay Fortune Venture Capital Management Co., Ltd. (上海鴻商創業投資管理有限公司), Xizang Honghui New Material Technology Co. Ltd (西藏鴻輝新材料科技有限公司) and Shanghai Hongshang Caihui Investment Co., Ltd (上海鴻商材薈投資有限公司), and a director of Najing Technology Co.,Ltd. (納晶科技股份有限公司, a company listed on NEEQ, stock code: 830933), Cathay Fortune Investment Limited (鴻商投資有限公司), Cathay Fortune Singapore Pte. Ltd. (鴻商產業(新加坡)有限公司), Cathay Fortune International Company Limited (鴻商產業國際有限公司) and Cathay Fortune Holdings Co., Ltd (鴻商控股有限公司).

As at the date of this announcement, within the meaning of Part XV of the SFO, Mr. Yuan Honglin is interested in 1,050,600 A Shares.

Mr. Guo Yimin, born in October 1964, is a senior economist and was recognized as a National Outstanding Entrepreneur. He has been a non-executive Director of the Company since March 2019 and the vice chairman of the Company since April 2019. He graduated from Sichuan University (四川大學) with a bachelor's degree in business administration in December 2005. From July 1983 to February 1995, he worked as a planner of accounting department and chief of special accounting department in Luoyang Glass Plant (洛陽玻璃廠). Mr. Guo served as the assistant (deputy director level) of the director of investment committee of CLFG from February 1995 to July 1997, the vice general manager of finance company of CLFG from July 1997 to July 2007, and the general manager of investment department, the assistant chief financial officer, director, chief accountant of CLFG from July 2007 to August 2014. From August 2014 to November 2018, Mr. Guo served as the general manager of LMG. He has been the director and general manager of Luoyang Guohong Investment Group Co., Ltd. (洛陽國宏投資集團有限公司) since August 2014, the chairman of LMG since April 2015.

Mr. Cheng Yunlei, born in September 1982, is an senior accountant, non-practicing certified accountant and was recognized as the Model Worker of Henan Province. He has been a non-executive Director since 26 June 2015. Mr. Cheng graduated from Henan University of Science and Technology in 2006 with a bachelor's degree majoring in management. From July 2006 to October 2007, he worked in the No. 2 Audit Department of Luoyang Zhong Hua Certified Public Accountants Company Limited (洛陽中華會計師事務所), engaged in audit and financial consulting services. He has served as the chief accountant and the person in charge of the finance and audit department of Luoyang Mining Group Co., Ltd.(洛陽礦業集團有限公司) from November 2007 to December 2014. From January 2015 to August 2019, Mr. Cheng has served as the general manager of the planning and finance department of Luoyang Guohong Investment Group Co., Ltd.(洛陽國宏投資集團有限公司). Mr. Cheng currently serves as the director and general manager of LMG.

Proposed Independent Non-executive Directors for re-election

Mr. Wang Gerry Yougui, born in May 1962, Hong Kong resident, Canadian citizen, has been the independent non-executive Director of the Company, the chairman of the Nomination and Governance Committee and Remuneration Committee, and a member of the Strategic and Sustainability Committee since August 2018. He received his bachelor's degree in Navigation from Shanghai Maritime University in 1983 and was awarded his Master's degree in International Economics from the program sponsored by the United Nations Economic and Social Commission in 1986. In 1993, he obtained his Master of Science degree in Business Administration from the University of British Columbia in Canada. Mr. Wang was the Company Secretary & Business Development Deputy Manager at China Merchants Group from 1986 to 1989. He joined Seaspan Canada in 1990 and founded its containership business. In August 2005, he successfully took Seaspan's containership business public, trading on the New York Stock Exchange as SSW. Mr. Wang worked as the Chief Executive Officer and Co-chairman for 12 years. He retired from Seaspan at the end of 2017 to turn his focus on developing new business ventures in clean energy. Late on Mr. Wang founded the Tiger Gas Group (Tiger Clean Energy). He was named 2016 the Most Influential Person of Shipping in the world. Mr. Wang is serving as a consultant of Hong Kong and China region of the University of Pennsylvania in Asia. He is also an expert in shipping on BLOOMBERG TV & CNBC.

Ms. Yan Ye, born in May 1958, holds a master's degree in law and is a registered lawyer. Ms. Yan has been the independent non-executive Director, and a member of the Audit and Risk Committee and Nomination and Governance Committee since August 2018. Ms. Yan received a bachelor's degree in law specialised in politics and law from the faculty of law in Peking University in 1982 and a master's degree in civil law from the faculty of law of Renmin University of China in 1984. She served as a lecturer and associate professor of the school of law of the Party School of the Central Committee of C.P.C. from 1984 to 1994. She served as a lawyer in Shaanxi Xiehui Law Firm from 1994 to 2003 and served as a lawyer in Shaanxi Win Law Firm from 2003 to 2008 and has served as a lawyer and a partner in Shaanxi Yanfeng Law Firm since 2008. Ms. Yan Ye concurrently serves as an independent director of Beijing Shenogen Pharma Group Ltd. (北京盛諾基醫藥科技有限公司).

Mr. Li Shuhua, born in 1971, has been the independent non-executive Director of the Company, the chairman of the Audit and Risk Committee and a member of the Nomination and Governance Committee and Remuneration Committee since August 2018. He obtained a bachelor's degree majoring in auditing from Southwest University in 1993, a master's degree majoring in accounting from Xiamen University in 1996, and a doctor's degree majoring in accounting from Shanghai University of Finance and Economics in 1999. From 2002 to 2004, he pursued his postdoctoral research in Finance and Law in Peking University, and obtained a degree in Finance Executive Master of Business Administration (EMBA) from Shanghai Advanced Institute of Finance from 2013 to 2015. He served consecutively as director-level clerk of general office division, deputy division director of auditing division, deputy division director of general office division, division director of financial budgeting management division and division director of general office division of accounting department in CSRC from 1999 to 2010. From 2010 to 2018, he had worked for China Galaxy Securities Co., Ltd. and acted as Chief Risk Officer/Chief Compliance Officer and member of the Executive Committee. He currently serves as a professor and supervisor of postgraduates at Xiamen National Accounting Institute, Peking University, Shanghai Advanced Institute of Finance of Shanghai Jiaotong University and a professor of Tsinghua University PE Program. Mr. Li is currently the chairman of Changzhou Guangyang Bearing Co., Ltd. (常州光洋軸承股份有限公司), an independent director of Hangzhou Hikvision Digital Technology Co., Ltd. (杭州海康威視數字技術股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002415), a director and the general manager of Changzhou Guangyang Holding Group Co., Ltd. (常州光洋控股有限公司), an independent director of Bomesc Offshore Engineering Company Limited (博邁科海洋工程股份有限公司) and Xi'an Shaangu Power Co., Ltd. (西安陝股動力有限公司), the chairman of the supervisory committee of Shenzhen Capital Fortune Investment Co., Ltd. (深圳市遠致富海投資管理有限公司), the executive partner of the merger and acquisition fund of Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. (深圳市東方富海投資管理股份有限公司) and the chairman of Weihai Shiyi Electronics Co., Ltd. (威海世一電子有限公司).

On 22 March 2021, the Board proposed the above Directors to be re-elected or elected with a term of office commencing from the date on which the relevant special resolutions are passed at the AGM until the conclusion of the 2023 AGM, subject to retirement by rotation and re-election at the 2023 AGM pursuant to the Articles of Association.

Subject to the approval of their appointments by the Shareholders at the AGM, each of the Directors to be re-elected or elected will enter into a service contract with the Company respectively. The Board, authorised by the Shareholders,

will determine the Directors' remuneration according to the responsibilities, the industry level salary and the actual situation of the Company. Their remuneration will be subject to each of their service contracts to be entered into and any subsequent revision approved by the Board. As soon as their respective remuneration is fixed, the Company will make relevant announcement(s) accordingly.

Save as disclosed above, none of the above candidates for election or re-election as Directors held any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and none of them (i) are related to any Directors, Supervisors, senior management or substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules); (ii) are interested in any shares of the Company within the meaning of Part XV of the SFO; or (iii) held any other position with the Company or other members of the Group.

Save as disclosed above, the Board is not aware of any other matters in relation to the proposed re-election and election of the above Directors that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2) (h) to 13.51(2) (v) of the Listing Rules.

Proposed re-election of non-employee representative Supervisors

The proposals on nomination of non-employee representative Supervisors for the sixth session of the Supervisory Committee were considered and approved at the twelfth meeting of the fifth session of the Board held on 22 March 2021.

The Board is pleased to announce that Mr. Zhang Zhenhao and Ms. Kou Youmin were nominated as candidates for re-election as non-employee representative Supervisors of the sixth session of the Supervisory Committee and the Board resolved to put forward these proposals to the AGM for Shareholders' consideration and approval. Upon approval of their re-election by the Shareholders at the AGM, Mr. Zhang Zhenhao and Ms. Kou Youmin, together with Mr. Xu Wenhui (elected as the staff representative Supervisor on 12 March 2021) will be members of the sixth session of the Supervisory Committee.

The biographical details of the non-employee representative Supervisors to be re-elected as members of the sixth session of the Supervisory Committee are as below:

Mr. Zhang Zhenhao, born in June 1973, has been a Supervisor of the Company since August 2009. Mr. Zhang concurrently acts as a director of Cathay Fortune Corporation, a director of Cathay Fortune Capital Equity Investment Co., Ltd. (鴻商資本股權投資有限公司), a director of Cathay Fortune Investment Limited (鴻商投資有限公司), a director of Cathay Fortune International Company Limited (鴻商產業國際有限公司), a director of Cathay Fortune Singapore Pte. Ltd. (鴻商產業新加坡有限公司), a director of Cathay Fortune Holdings Co., Ltd (鴻商控股有限公司), an executive director of Shanghai CFC Puyuan Investment Management Co., Ltd (上海鴻商普源投資管理有限公司), an executive director of Shanghai CFC Datong Industrial Co., Ltd. (上海鴻商大通實業有限公司), an executive director of Shanghai Shanglue Trading Co., Ltd (上海商略貿易有限公司), a director of Beijing Huiqiao Investment Co., Ltd (北京匯橋投資有限公司), an executive director of Cathay Fortune Overseas Investment Co., Ltd (鴻商海外投資有限公司), a supervisor of Sino-French Life Insurance Co., Ltd (中法人壽保險有限公司), an executive director of Tibet Hongming Investment Company Limited (西藏鴻銘投資有限公司執行董事), an executive director of Tibet Yongce Investment Company Limited (西藏永策投資有限公司), an executive director of Tibet Hongyin Enterprise Management Service Company Limited (西藏鴻胤企業管理服務有限公司), an executive director of Shanghai Shangju Enterprise Company Limited (上海商聚實業有限公司), an executive director of Shanghai Yunsheng International Trade Company Limited (上海勻盛國際貿易有限公司). Mr. Zhang graduated from Tianjin Polytechnic University with a bachelor's degree in textile engineering. Mr. Zhang also obtained a master degree in finance from the Graduate School of The Chinese Academy of Social Sciences. He has obtained the CFA qualification from the CFA Institute. From 1993 to 1999, Mr. Zhang held positions at Tianjin Yarn-dyed Company (天津色織公司), Tianjin Weaving Materials Exchange, Hainan Zhongshang Futures Exchange (海南中商期貨交易所). From May 1999 to December 2001, Mr. Zhang was employed by Zhongfu Securities Dealer Co. Ltd. as member of the preparatory division, general manager of the business management department and supervisor of the Company. From January 2002 to May 2007, Mr. Zhang was employed by Zhongfu Securities Co. Ltd. (中富證券經紀有限責任公司) as member of the preparatory division, general manager of the sales department of Haikou Securities, executive director of the marketing management department, secretary to the board of directors of the company and general manager of the chief executive office and the human resources department. Since June 2007, Mr. Zhang has been the general manager of the finance department of Cathay Fortune Corporation (鴻商產業控股集團有限公司).

As at the date of this announcement, within the meaning of Part XV of the SFO, Mr. Zhang Zhenhao is interested in 1,063,500 A Shares.

Ms. Kou Youmin, born in August 1965, is a senior accountant with a bachelor's degree in accounting from Henan Institute of Finance and Economics (河南財經學院) in 1999. Ms. Kou serves as the chairman of the Supervisory Committee since 27 June 2015. She served as a technician at Luoyang Liming Plastic Plant (洛陽黎明塑料總廠) from August 1986 to January 1988, an accountant at Luoyang Changfeng Construction Material Store (洛陽長豐建材商店) from January 1988 to October 1992, an accountant at Luoyang Bearings Group Plastic Packing Manufacturing Plant (洛陽軸承集團塑料包裝製品廠) and the head of financial department of Luoyang Bearings Group Railway Bearings Co., Ltd. (洛陽軸承集團鐵路軸承有限公司) from October 1992 to February 2009. Ms. Kou served as the head of financial department and the chief financial officer of Luoyang State-owned Assets Operation Company Limited (洛陽市國資國有資產經營有限公司) from February 2009 to January 2015. She also served as an assistant to general manager and the general manager of supervisory and audit department of Luoyang Guohong Investment Group Co., Ltd. (洛陽國宏投資集團有限公司) from January 2015 to December 2015 and a deputy general manager of Luoyang Guohong Investment Group Co., Ltd. (洛陽國宏投資集團有限公司) since December 2015.

On 22 March 2021, the Board proposed the above non-employee representative Supervisors to be re-elected with a term of office commencing from the date on which the relevant special resolutions are passed at the AGM until the conclusion of the 2023 AGM, subject to retirement by rotation and re-election at the 2023 AGM pursuant to the Articles of Association.

Subject to the approval of their appointments by the Shareholders at the AGM, each of Mr. Zhang Zhenhao and Ms. Kou Youmin will enter into a service contract with the Company respectively. The Board, authorised by the Shareholders, will determine their remuneration according to the responsibilities, the industry level salary and the actual situation of the Company. Their remuneration will be subject to each of their service contracts to be entered into and any subsequent revision approved by the Board. As soon as their respective remuneration is fixed, the Company will make relevant announcement(s) accordingly.

Save as disclosed above, none of Mr. Zhang Zhenhao and Ms. Kou Youmin held any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years and none of them (i) are related to any Directors, Supervisors, senior management or substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules); (ii) are interested in any shares of the Company within the meaning of Part XV of the SFO; or (iii) held any other position with the Company or other members of the Group.

Save as disclosed herein, both of Mr. Zhang Zhenhao and Ms. Kou Youmin have confirmed that there are no matters that need to be brought to the attention of the Shareholders, and there is no other information in relation to the proposed re-election of them which is required to be disclosed pursuant to Rules 13.51(2) (h) to 13.51(2) (v) of the Listing Rules.

II. PROPOSED AUTHORISATION TO THE BOARD TO DETERMINE THE REMUNERATION OF THE DIRECTORS AND THE SUPERVISORS

In accordance with the Company Law, the Articles of Association and the performance and results of the Company, the remuneration of the Directors and the Supervisors will be determined by the Board under the authorisation of the Shareholders and shall be reviewed by the Remuneration Committee from time to time. Taking into consideration the respective Directors' and Supervisors' duties, responsibilities and salary level, the remuneration shall present the consistency between power, responsibilities and interests and arouse the enthusiasm of Directors and Supervisors, which contribute to the long-term sustainable development of the Company.

In accordance with the Articles of Association, a special resolution to consider and approve the proposed authorisation to the Board to determine the remuneration of the Directors and the Supervisors will be proposed at the AGM.

III. CONTINUING CONNECTED TRANSACTIONS UNDER THE PRODUCTS PURCHASE AND SERVICES PROVISION AGREEMENT

On 22 March 2021, the Company and Fuchuan Mining entered into the Products Purchase and Services Provision Agreement for a term ending on 31 December 2021, pursuant to which, (i) Fuchuan Mining agrees to provide and the Company agrees to purchase certain products, including, among others, molybdenum ore concentrates and iron ore concentrates meeting the technical requirements of mineral processing on a continuing basis, and (ii) the Company agrees to provide and Fuchuan Mining agrees to receive mine processing services.

(I) Principal Terms of the Products Purchase and Services Provision Agreement

Date: 22 March 2021

Parties: (i) the Company; and

(ii) Fuchuan Mining

Term: The Products Purchase and Services Provision Agreement has a term ending on 31 December 2021.

Transactions: *Purchase of products by the Company from Fuchuan Mining*

Provision of mine processing services by the Company to Fuchuan Mining.

The Company agrees to provide, and Fuchuan Mining agrees to receive mine processing service, including analysis of the mineral components and conducting mine selecting according to the mineral components.

Pricing:

Purchase of products by the Company from Fuchuan Mining

(i) molybdenum ore concentrates

The unit price of molybdenum ore concentrates shall be determined with reference to the following factors: (i) the average market prices as quoted in two internet websites, namely, www.molyworld.com and www.comelan.com, which are two major recognized molybdenum products trading and pricing platforms in the PRC; (ii) the quality of the molybdenum ore concentrates supplied by Fuchuan Mining, including moisture content and impurity content, and (iii) the sale price of molybdenum ore concentrates with similar quality supplied by the Group to other third parties from time to time, which all applied the same pricing system and standards.

(ii) iron ore concentrates

The unit price of iron ore concentrates shall be determined with reference to the following factors: (i) the average market price of iron ore concentrates with similar quality in the adjacent areas of Fuchuan Mining and the Group as the unit price of the iron ore concentrate itself is relatively low and its sale price could be materially affected by its transportation cost; (ii) the quality of the iron ore concentrates supplied by Fuchuan Mining, including moisture content and impurity content, and (iii) the sale price of iron ore concentrates with similar quality supplied by the Group to other third parties from time to time.

The Company will monitor the movement of the purchase price constantly and if relevant tax rate changes, adjustment to the purchase prices should be made accordingly.

Provision of mine processing services by the Company to Fuchuan Mining

The service fee of the mine processing service is determined based on the cost of such service, including labor cost, energy cost, etc. plus profit of 5% to 10% and shall be no less than the service fee charged by the Company for providing similar services to Independent Third Parties in the same period.

Transaction Amount: ***Purchase of products by the Company from Fuchuan Mining***

During the term of the Products Purchase and Services Provision Agreement, Fuchuan Mining shall provide molybdenum ore concentrates and iron ore concentrates based on its actual output pursuant to the Products Purchase and Services Provision Agreement.

Provision of mine processing services by the Company to Fuchuan Mining

The Company will provide mine processing services according to the actual production of Fuchuan Mining pursuant to the Products Purchase and Services Provision Agreement.

Payment: Payments under the Products Purchase and Services Provision Agreement will be made on a monthly basis according to the settlement sheet agreed between both parties.

(II) Internal Control Measures and Procedures Adopted by the Company

The Company has adopted the following internal control measures and procedures to ensure that the price of the products purchased and services rendered under the Products Purchase and Services Provision Agreement is comparable to the prices offered by/to other Independent Third Parties of similar products and services in the market.

The Company has designated a specific department to monitor the market price of the products purchased and services rendered under the Products Purchase and Services Provision Agreement, (1) as to molybdenum ore concentrates, designated department of the Company will (i) check quotations of molybdenum ore concentrates which are of the similar quality as those provided by Fuchuan Mining on the website of www.comelan.com and www.molyworld.com on a daily basis; and (ii) check the final contract price of molybdenum ore concentrates offered to other third parties by the Group from time to time; (2) as to iron ore concentrates, given the unit price of iron ore concentrate itself is relatively low and its sale price could be materially affected by its transportation cost, designated department of the Company will (i) check the asking price proposed by local customers in adjacent areas of Fuchuan Mining and the Group in respect of iron ore concentrates of the similar quality as those provided by Fuchuan Mining at least once a week; (ii) check the final contract price of iron ore concentrates offered to other third parties by the Group from time to time. The Company will compare such price against the purchase price of each purchase contemplated under the Products Purchase and Services Provision Agreement at the time of delivery of relevant products, and (3) as to mining processing service, the designated department of the Company will (i) check the cost of mine processing service at least once a month and adjust the service fee if necessary; and (ii) check the quotations of mine processing service provided to other third parties by the Group from time to time.

(III) Historical Figures and Annual Caps

The table below sets out a summary of (1) the historical amounts in respect of (i) the purchase of ore products by the Company from Fuchuan Mining and (ii) the provision of mine processing services by the Company to Fuchuan Mining for the years ended 31 December 2019 and 31 December 2020 and (2) the annual caps for the year ending 31 December 2021 for the transactions contemplated under the Products Purchase and Services Provision Agreement.

Transaction	Historical transaction amount for the year ended 31 December 2019 (RMB0,000)	Historical transaction amount for the year ended 31 December 2020 (RMB0,000)	Annual Caps for the year ending 31 December 2021 (RMB0,000)
Purchase of ore products	2,525	21,612	102,683.23
Provision of mine processing services	0	0	45,396.00

(IV) Basis for the Annual Caps

Purchase of products by the Company from Fuchuan Mining

In determining the annual caps for products purchased by the Company from Fuchuan Mining, the Company has considered: (1) the quality of the relevant products provided by Fuchuan Mining; (2) the market price and its fluctuation of relevant products; (3) the increase in production capacity and ore products output after the resumption of production of Fuchuan Mining in the fourth quarter of 2020; (4) the increase in historical transaction amount from 2019 to 2020; and (5) the estimated increase in demand for relevant products by the Group.

According to the internal estimation of the Company, the expected purchase quantities of molybdenum ore concentrates (with a content of molybdenum of 47%) and iron ore concentrates (with a content of iron of 65%) are approximately 11,000 tonnes and 340,000 tonnes during the term of the Products Purchase and Services Provision Agreement, respectively, which are calculated based on (i) the expected production capacity of molybdenum ore concentrates and iron ore concentrates of Fuchuan Mining, and (ii) the quality of relevant ore products produced by Fuchuan Mining, and a certain buffer.

Provision of mine processing services by the Company to Fuchuan Mining

In determining the annual caps for services provided by the Company to Fuchuan Mining, the Company has considered: (1) the market price and its fluctuation of relevant services; (2) the expected increase in production capacity and ore products output of Fuchuan Mining in 2021; and (3) the estimated increase in demand for relevant services by Fuchuan Mining.

According to the internal estimation of the Company, the Company expects to process 5,400,000 tonnes of mines for Fuchuan Mining under the Products Purchase and Services Provision Agreement, which is calculated based on the expected production capacity of Fuchuan Mining and a certain buffer

(V) Reasons for and Benefits of entering into the Products Purchase and Services Provision Agreement

Purchase of products by the Company from Fuchuan Mining

A stable supply of molybdenum ore concentrates and iron ore concentrates plays an important role in the daily operation of the Company. After the implementation of a series of optimization of mineral processing layout and enhancement of relevant technologies, the supply from the existing Sandaozhuang Molybdenum and Tungsten Mine facing pressure to meet the requirements of production of the Group. Taking into account the long-term relationship and mutual understanding between Fuchuan Mining and the Company, based on the history of cooperation and relevant agreement, the Company will be able to ensure the quality of products to be purchased and the stability of supply which will in turn benefit both Fuchuan Mining and the Company.

Provision of mine processing services by the Company to Fuchuan Mining

In addition, considering the long-term cooperation between the Company and Fuchuan Mining, the Company is able to provide more efficient services to Fuchuan Mining based on its deep understanding of the industry. As Fuchuan Mining constitutes an important part of our strategic layout, the provision of relevant services will make better return and promote the long-term development of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Products Purchase and Services Provision Agreement and the transactions contemplated thereunder are entered into in the usual and ordinary course of business of the Company and are conducted on normal commercial terms or better, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

(VI) Listing Rules Implications

As at the date of this announcement, the Company indirectly held 55% equity interests in Fuchuan Mining; LMG, a substantial shareholder of the Company holding 24.68% of the equity interests in the Company, indirectly owns the remaining 45% equity interest in Fuchuan Mining other than through its interest in the Company. Although the financial statements of Fuchuan Mining are not consolidated into the consolidated financial statements of the Group, the Company has control over the daily operation and management of Fuchuan Mining through contractual arrangements, therefore, Fuchuan Mining is deemed as a subsidiary of the Company and thus a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules. As such, the transactions contemplated under the Products Purchase and Services Provision Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio applied in accordance with Rule 14A.76 of the Listing Rules in respect of the transactions contemplated under the Products Purchase and Services Provision Agreement is more than 0.1% but less than 5%, therefore, such transactions shall be subject to the reporting and announcement requirements but exempted from circulars and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Guo Yimin and Mr. Cheng Yunlei, being directors and holding positions in Fuchuan Mining at the same time, have abstained from voting on the Board resolution to approve the Products Purchase and Services Provision Agreement and the transactions contemplated thereunder to avoid the perception of a conflict of interests. Save as disclosed above, none of the other Directors has a material interest in such transactions.

IV. GENERAL INFORMATION

Information of the Company

China Molybdenum Co., Ltd. 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 Hong Kong 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 one of the largest tungsten manufacturer, the second largest cobalt and niobium manufacturer and one of the top seven molybdenum manufacturers in the world, and a leading copper manufacturer globally; the second largest phosphate fertilizer manufacturer in Brazil, as well as one of the top three companies in global fundamental metal trading business.

Information of Fuchuan Mining

Fuchuan Mining is a joint venture of the Company incorporated in the PRC on 29 September 2003 and although the financial statements of Fuchuan Mining are not consolidated into the consolidated financial statements of the Group, the Company has control over daily operation and management of Fuchuan Mining through contractual arrangement, therefore, Fuchuan Mining is deemed as a subsidiary of the Company. As at the date of this announcement, 10% equity interests of Fuchuan Mining is directly owned by Luanchuan Fukai Business and Trading Company Limited (欒川縣富凱商貿有限公司), a wholly-owned subsidiary of the Company and the rest 90% equity interests is owned by Xuzhou Huanyu Molybdenum Industry Co., Ltd. (徐州環宇鉬業有限公司), a joint venture of the Company (as at the date of this announcement, the Company holds 50% equity interests in Xuzhou Huanyu Molybdenum Industry Co., Ltd., and Luoyang Guo'an Trade Co., Ltd. (洛陽國安商貿有限公司), a wholly owned subsidiary of LMG, holds the remaining 50% equity interest in Xuzhou Huanyu Molybdenum Industry Co., Ltd. Fuchuan Mining mainly engages in mining, processing and sales of molybdenum and iron ore (save for hazardous chemicals).

A circular containing, among other things, details of (i) the proposed re-election and election of the Directors and the Supervisors, and (ii) proposed authorisation to the Board to determine the remuneration of the Directors and the Supervisors will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

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

“2023 AGM”	the 2023 annual general meeting of the Company to be held in 2024
“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)
“AGM”	the upcoming 2020 annual general meeting of the Company
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Audit and Risk Committee”	the audit and risk committee of the Board
“Board”	the board of Directors of the Company
“CLFG”	China Luoyang Float Glass Group Co., Ltd. (中國洛陽浮法玻璃集團有限責任公司)
“Company”	China Molybdenum Co., Ltd.* (洛陽欒川鉬業集團股份有限公司), a joint stock company incorporated in the PRC with limited liability, the A Shares and H Shares of which are listed on the main boards of Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited, respectively
“Company Law”	Company Law of the People’s Republic of China (中華人民共和國公司法)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Detailed Working Rules for Nomination and Governance Committee”	the Detailed Working Rules for Nomination and Governance Committee of the Board
“Director(s)”	the director(s) of the Company

“Fuchuan Mining”	Luoyang Fuchuan Mining Co., Ltd.* (洛陽富川礦業有限公司), a joint venture of the Company and although the financial statements of Fuchuan Mining are not consolidated into the consolidated financial statements of the Group, the Company has control over the daily operation and management of Fuchuan Mining through contractual arrangement, therefore, it is deemed as a subsidiary 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 the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Part(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LMG”	Luoyang Mining Group Co., Ltd. (洛陽礦業集團有限公司), a substantial shareholder of the Company. As at the date of this announcement, LMG is interested in 24.68% of the equity interests of the Company
“Nomination and Governance Committee”	the nomination and governance committee of the Board
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“Products Purchase and Services Provision Agreement”	the Products Purchase and Services Provision Agreement entered into between the Company and Fuchuan Mining on 22 March 2021 in relation to (i) the purchase of certain products, including, among others, molybdenum ore concentrates and iron ore concentrates by the Company from Fuchuan Mining and (ii) the provision of mine processing services by the Company to Fuchuan Mining
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Rules for Board Meetings”	the Rules for Board Meetings of the Company
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the A shares and H Shares of the Company
“Strategic and Sustainability Committee”	the strategic and sustainability committee of the Board
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

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

Luoyang City, Henan Province, the People’s Republic of China,
22 March 2021

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*