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五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 1208)

ANNOUNCEMENT

COMPLETION

APPOINTMENT OF DIRECTORS, CEO AND CFO

RESIGNATION OF DIRECTORS

AND

RE-DESIGNATION OF DIRECTORS

Financial adviser to
Minmetals Resources Limited

 **R** ROTHSCHILD

The Board is pleased to announce that the Acquisition was completed on 31 December 2010 and that with effect from Completion on 31 December 2010, the following Directors have been appointed to the Board:

Name	Position(s) in the Company
Mr. Andrew Gordon Michelmore	executive Director and CEO
Mr. David Mark Lamont	executive Director and CFO
Dr. Peter William Cassidy	independent non-executive Director and member of the remuneration committee of the Company
Mr. Jiao Jian	non-executive Director

The Board also announces that (a) Mr. Zhan Wei, an executive Director, (b) Ms. Shen Ling, a non-executive Director, (c) Mr. Zong Qingsheng, a non-executive Director, and (d) Mr. Li Dongsheng, an independent non-executive Director, have resigned from their respective positions as Directors with effect immediately after

Completion. With effect immediately after Completion, Mr. Zong Qingsheng has also resigned as a member of the audit committee of the Company and Mr. Li Dongsheng has resigned as a member of the audit committee and remuneration committee of the Company. The resignation of each of the aforementioned persons from their positions as Directors is due to other business engagements which require more of their dedication. Each of the aforementioned Directors has confirmed that he/she has no disagreement with the Board and that there is no matter relating to his/her resignation that needs to be brought to the attention of the Shareholders. The Board takes this opportunity to acknowledge the contributions of each of Mr. Zhan Wei, Ms. Shen Ling, Mr. Zong Qingsheng and Mr. Li Dongsheng to the Company with the highest regard and deepest gratitude.

Mr. Hao Chuanfu, previously President and an executive Director, was re-designated as Vice Chairman whilst remaining as an executive Director, upon Completion. In addition, Mr. Li Liangang, previously a non-executive Director, was re-designated as an executive Director upon Completion.

Completion of the Acquisition and appointment of Directors, CEO and CFO

References are made to the joint announcement (the “**Joint Announcement**”) of Minmetals Resources Limited (the “**Company**”) and China Minmetals Non-Ferrous Metals Company Limited (“**CMN**”) dated 19 October 2010, and the circular despatched to the Shareholders on 22 November 2010 (the “**Circular**”) in relation to, *inter alia*, the Acquisition and the proposed appointment of Directors.

Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as ascribed to them in the Circular.

The Board is pleased to announce that all the conditions of the Share Sale Deed have been fulfilled and that the Acquisition was completed on 31 December 2010. With effect from Completion on 31 December 2010, the following Directors have been appointed to the Board:

Name	Position(s) in the Company
Mr. Andrew Gordon Michelmores	executive Director and CEO
Mr. David Mark Lamont	executive Director and CFO
Dr. Peter William Cassidy	independent non-executive Director and member of the remuneration committee of the Company
Mr. Jiao Jian	non-executive Director

In addition to the information on each of the above-mentioned Directors disclosed in the Circular pursuant to the requirements under rule 13.51(2) of the Listing Rules, the Company has entered into the following agreements with each of the above-mentioned Directors:

- (a) a service agreement dated 31 December 2010 entered into between the Company, Mr. Andrew Gordon Michelmores and MMG Management Pty Ltd (a subsidiary of the Company post-Completion) (“**Mr. Michelmores’s Service Agreement**”);
- (b) a service agreement dated 31 December 2010 entered into between the Company, Mr. David Mark Lamont and MMG Australia Limited (a subsidiary of the Company post-Completion) (“**Mr. Lamont’s Service Agreement**”);
- (c) an appointment agreement dated 31 December 2010 entered into between the Company and Dr. Peter William Cassidy (“**Dr. Cassidy’s Appointment Agreement**”); and
- (d) a service agreement dated 31 December 2010 entered into between the Company and Mr. Jiao Jian (“**Mr. Jiao’s Service Agreement**”).

Mr. Michelmores’s Service Agreement

Subject to earlier termination pursuant to the terms and conditions of Mr. Michelmores’s Service Agreement and retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company, Mr. Michelmores’s appointment as an executive Director and CEO under such agreement commenced on 31 December 2010 until either (a) the Company terminates such agreement by serving on Mr. Michelmores not less than twelve (12) month’s prior written notice or (b) Mr. Michelmores terminates such agreement by serving on the Company not less than three (3) month’s prior written notice.

Pursuant to Mr. Michelmores’s employment agreement with MMG Management Pty Ltd, Mr. Michemore is entitled to a total fixed remuneration of A\$2,090,000 per annum. Such total fixed remuneration is subject to annual review and determination by the board of MMG Management Pty Ltd. In addition to the total fixed remuneration, subject to the approval by the Board, Mr. Michelmores is also entitled to an annual cash bonus as a short-term incentive of up to a maximum of 100% of his total fixed remuneration and to participate in the prevailing long-term cash-based performance incentive arrangements of MMG Management Pty Ltd of up to a maximum of 160% of his total fixed remuneration.

Mr. Lamont's Service Agreement

Subject to earlier termination pursuant to the terms and conditions of Mr. Lamont's Service Agreement and retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company, Mr. Lamont's appointment as an executive Director and CFO under such agreement commenced on 31 December 2010 until either the Company or he terminates such employment agreement by serving on the other not less than three (3) month's prior written notice.

Pursuant to Mr. Lamont's employment agreement with MMG Australia Limited, Mr. Lamont is entitled to a total fixed remuneration of A\$1,012,000 per annum. Such total fixed remuneration is subject to annual review, recommendation by the CEO of MMG Australia Limited and determination by the board of MMG Australia Limited. In addition to the total fixed remuneration, subject to the approval by the Board, Mr. Lamont is also entitled to an annual cash bonus as a short term incentive of up to a maximum of 80% of his total fixed remuneration and to participate in the long-term cash-based performance incentive arrangements of MMG Australia Limited of up to a maximum of 80% of his total fixed remuneration.

Dr. Cassidy's Appointment Agreement

Subject to earlier termination pursuant to the terms and conditions of Dr. Cassidy's Appointment Agreement and retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company, Dr. Cassidy's appointment as an independent non-executive Director under such agreement commenced on 31 December 2010 until either the Company or he terminates such employment agreement by serving on the other not less than one (1) month's prior written notice. Dr. Cassidy is entitled to a service fee of HK\$250,000 per annum as an independent non-executive Director of the Company.

Pursuant to Mr. Cassidy's appointment agreement with MMG Management Pty Limited, Mr. Cassidy will continue to be entitled to his current fee of A\$150,000 per annum as an independent non-executive director of MMG Management Pty Limited. The board of MMG Management Pty Limited has also approved fees of A\$25,000 per annum to be paid to Mr. Cassidy as (a) chairman of the audit committee of MMG Management Pty Limited, (b) chairman of the remuneration and nomination committee of MMG Management Pty Limited and (c) member of the safety health environment and community committee of MMG Management Pty Limited.

Mr. Jiao's Service Agreement

Subject to earlier termination pursuant to the terms and conditions of Mr. Jiao Jian's Service Agreement, Mr. Jiao's appointment as non-executive Director under his Service Agreement shall be for a term of three (3) years, commencing on 31 December 2010, and subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company. Mr. Jiao is entitled to a service fee of HK\$100,000 per annum as a non-executive Director of the Company.

Mr. Jiao will also continue to be entitled to his current fee of A\$120,000 per annum as a non-executive director of MMG Management Pty Ltd.

In addition to the information of the newly-appointed Directors disclosed above, other information required to be disclosed pursuant to Rule 13.51(2) relating to such Directors is also set out in the Joint Announcement and the Circular. Such information remains true and accurate as at the date of this announcement.

The Board would like to express its warm welcome to each of Mr. Andrew Gordon Michelmore, Mr. David Mark Lamont, Dr. Peter William Cassidy and Mr. Jiao Jian on their appointment.

Set out below is the shareholding structure of the Company immediately before and after the Completion and the issue of the Consideration Shares:

Shareholder	Immediately before Completion		Immediately after Completion (no conversion of the PSCS)	
	<i>(No. of Shares)</i>	<i>(%)</i>	<i>(No. of Shares)</i>	<i>(%)</i>
CMC ^{Note}	1,284,467,826	63.39	1,284,467,826	43.29
Consideration Shares	—	—	940,779,090	31.71
Conversion Shares	—	—	—	—
Total CMC ^{Note} shareholding	1,284,467,826	63.39	2,225,246,916	75.00
Public Shareholders	741,748,973	36.61	741,748,973	25.00
Placees (which shall be Independent Third Parties)	—	—	—	—
Total	<u>2,026,216,799</u>	<u>100.00</u>	<u>2,966,995,889</u>	<u>100.00</u>

Notes:

1. CMC holds 96.5% of the registered capital of China Minmetals Corporation Limited (中國五礦股份有限公司) ("CMCL"), which in turn holds approximately 91.57% of the issued

share capital of CMN. CMC also holds the entire issued share capital of China National Metal Products Co., Ltd. (中國五金製品有限公司) which in turn holds 1% of the registered capital of CMCL. The Consideration Shares and Conversion Shares were issued to Album Enterprises. Album Enterprises is wholly-owned by CMN.

- 2. Album Enterprises may only convert such number of securities, where such conversion would not cause the Company to contravene the minimum public float requirement under the rules and regulations of the Stock Exchange on which the Shares are listed following the conversion.*

Resignation of Directors

The Board also announces that (a) Mr. Zhan Wei, an executive Director, (b) Ms. Shen Ling, a non-executive Director, (c) Mr. Zong Qingsheng, a non-executive Director, and (d) Mr. Li Dongsheng, an independent non-executive Director, resigned from their respective positions as Directors with effect immediately after Completion. With effect immediately after Completion, Mr. Zong Qingsheng has also resigned as a member of the audit committee of the Company and Mr. Li Dongsheng has resigned as a member of the audit committee and remuneration committee of the Company. The resignation of each of the aforementioned persons from their positions as Directors is due to other business engagements which require more of their dedication. Each of the aforementioned Directors has confirmed that he/she has no disagreement with the Board and that there is no matter relating to his/her resignation that needs to be brought to the attention of the Shareholders. The Board takes this opportunity to acknowledge the contributions of each of Mr. Zhan Wei, Ms. Shen Ling, Mr. Zong Qingsheng and Mr. Li Dongsheng to the Company with the highest regard and deepest gratitude.

Re-designation of Directors

The Board would also like to announce that Mr. Hao Chuanfu, previously President and an executive Director, was re-designated as Vice Chairman whilst remaining as an executive Director, upon Completion. In addition, Mr. Li Liangang, previously a non-executive Director, was re-designated as an executive Director upon Completion. The relevant details of Mr. Hao and Mr. Li are set out below:

Mr. Hao Chuanfu

Mr. Hao, aged 44, was appointed as an executive Director and the president of the Company in May 2008. He is a member of the remuneration committee of the Company. Mr. Hao has also served as a director of a number of subsidiaries and an associate of the Company. He graduated from the University of International Business and Economics in the PRC with a degree of junior college in accounting in 1986. Mr. Hao is a certified public accountant in the PRC. He joined the CMC Group in 1986 and had been assigned to a number of departments and subsidiaries of CMC,

both in the PRC and overseas. In 1996, Mr. Hao was the section chief of the Finance Department of CMN. He subsequently became the assistant general manager of CMN in 1998 and was promoted as the deputy general manager in 1999. From 2000 to 2001, Mr. Hao was the assistant general manager of China National Nonferrous Metals Industry Trading Group Corporation. From 2001 to 2008, he was the general manager of Minmetals North-Europe AB. Mr. Hao has extensive experience in international business, financial management and corporate management.

Mr. Hao has not held any directorships in any listed public companies in the three years prior to the date of this announcement. Save as disclosed above, Mr. Hao does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Hao holds options to subscribe for 1,600,000 Shares. Other than such options, Mr. Hao does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Pursuant to the service agreement entered into between the Company and Mr. Hao, the appointment of Mr. Hao is for a term of three years commencing from 28 May 2008. The service agreement is subject to the Articles of Association of the Company and the Listing Rules which contains provisions for early retirement and retirement by rotation of directors. The emolument of Mr. Hao is HK\$2,440,000 per annum, including an accommodation benefit of HK\$360,000 per annum. He is also entitled to receive other benefits as determined by the Board. The emolument of an executive director is determined by reference to the management function of the individual director, the Company's performance and profitability as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no information in relation to the re-designation of Mr. Hao which is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, and there are no other matters which need to be brought to the attention of the Shareholders.

Mr. Li Liangang

Mr. Li, aged 46, was appointed as a non-executive Director in December 2009. He is the chairman of Minmetals Aluminium Company Limited and a director and the president of Sino Mining International Limited, both of which are subsidiaries of the Company. Mr. Li has also served as a director of three subsidiaries of the Company. He holds a Bachelor's degree in English language from the Normal College for Foreign Language of Beijing Union University in the PRC. Mr. Li joined the CMC Group in 1987. Since 1993, he had been assigned to various senior management positions with the subsidiaries of CMC in the PRC, Australia, Mexico and the USA. Mr. Li was a non-executive director and an independent non-executive director of

Sino Gold Mining Limited (a company listed on the Australian Securities Exchange (“ASX”) and the Stock Exchange and which was delisted on ASX and the Stock Exchange on 16 December 2009) in July 2008 and August 2009, respectively and subsequently resigned on 4 December 2009. He has extensive experience in international business and non-ferrous metals industry.

Save as disclosed above, Mr. Li does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Li holds options to subscribe for 1,100,000 Shares. Other than such options, Mr. Li does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Pursuant to the service agreement entered into between the Company and Mr. Li, the re-designation of Mr. Li is for a term of three years commencing from 31 December 2010 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company. The emolument of Mr. Li is HK\$1,730,000 per annum, including an accommodation benefit of HK\$300,000 per annum. He is also entitled to receive other benefits as determined by the Board. The emolument of an executive director is determined by reference to the management function of the individual director, the Company’s performance and profitability as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no information in relation to the re-designation of Mr. Li which is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, and there are no other matters which need to be brought to the attention of the Shareholders.

By Order of the Board
Minmetals Resources Limited
Hao Chuanfu

Executive Director and Vice Chairman

Hong Kong, 31 December 2010

As at the date of this announcement, subsequent to the resignation of Mr. Zhan Wei, previously an executive Director, Ms. Shen Ling, previously a non-executive Director, Mr. Zong Qingsheng, previously a non-executive Director, and Mr. Li Dongsheng, previously an independent non-executive Director, the board of directors of the Company comprises eleven directors, of which four are executive directors, namely Mr. Hao Chuanfu (Vice Chairman), Mr. Andrew Gordon Michelmores, Mr. David Mark Lamont and Mr. Li Liangang; four are non-executive directors, namely Mr. Li Fuli (Chairman), Mr. Wang Lixin, Mr. Xu Jiqing and Mr. Jiao Jian; and three are independent non-executive directors, namely Mr. Ting Leung Huel, Stephen, Mr. Loong Ping Kwan and Dr. Peter William Cassidy.