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ORIENTAL METALS (HOLDINGS) COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

PLACING OF EXISTING SHARES BY THE CONTROLLING SHAREHOLDER AND RESTORATION OF PUBLIC FLOAT

On completion of the Restructuring Proposal on 12th January, 2004, Coppermine, the controlling shareholder of the Company, holds an aggregate of 475,376,917 Shares or approximately 78.3% of the issued share capital of the Company. As such, there is approximately 21.7% of the issued share capital of the Company in the public hands and the Company does not have sufficient public float of the Shares for the purpose of the Listing Rules. Coppermine is a wholly-owned subsidiary of Minmetals HK and Minmetals HK is a wholly-owned subsidiary of China Minmetals. China Minmetals is a large conglomerate with a history of more than 50 years and is one of the major importers and exporters of steels, nonferrous metals and mineral products in the PRC.

The Company has been informed by Coppermine that the Placing Agreement has been concluded pursuant to which the Placing Agent will place, subject to conditions, 20,000,000 Shares to independent investors. The Placing Shares represent approximately 3.3% of the existing issued share capital of the Company. Upon completion of the Placing, Coppermine's interest in the Company will be reduced to 455,376,917 Shares or approximately 75.0% of the existing issued share capital of the Company.

Further to the completion of the Placing, there will be approximately 25.0% of the issued share capital of the Company in the public hands and the public float of the Company is restored.

Reference is made to the composite document issued by the Company, Coppermine and Minmetals HK dated 6th November, 2003 (the "Circular") and joint announcement published by the Company, Coppermine and Minmetals HK on 12th January, 2004. Terms defined in the Circular shall have the same meanings when used in this announcement unless the context requires otherwise.

On completion of the Restructuring Proposal on 12th January, 2004, Coppermine, the controlling shareholder of the Company, holds an aggregate of 475,376,917 shares of HK\$0.05 each in the Company ("Shares") or approximately 78.3% of the issued share capital of the Company. As such, there is approximately 21.7% of the issued share capital of the Company in the public hands and the Company does not have sufficient public float of the Shares for the purpose of the Listing Rules. Coppermine is a wholly-owned subsidiary of Minmetals HK and Minmetals HK is a wholly-owned subsidiary of China Minmetals. China Minmetals is a large conglomerate with a history of more than 50 years and is one of the major importers and exporters of steels, nonferrous metals and mineral products in the PRC.

The Company has been informed by Coppermine that a placing agreement dated 20th January, 2004 (“Placing Agreement”) has been concluded on the terms summarised below.

Parties

Coppermine

BNP Paribas Peregrine Capital Limited (“Placing Agent”)

Placees

The Placing Shares will be placed to not less than six placees. The placees of the placing (“the Placing”) will be independent investors who are not connected persons of the Company as defined in the Listing Rules.

Number of Placing Shares

20,000,000 Shares (“Placing Shares”), representing approximately 3.3% of the existing issued share capital of the Company.

Conditions of the Placing

The Placing is conditional upon, inter alia, there having been, prior to completion of the Placing, no breach of the representations, warranties and undertakings given by Coppermine and no occurrence of an event of force majeure.

Completion of the Placing

Upon completion of the Placing, which is expected to be taken place on the settlement date, Coppermine’s interest in the Company will be reduced to 455,376,917 Shares or approximately 75.0% of the existing issued share capital of the Company.

Restoration of the public float

Further to the completion of the Placing, there will be approximately 25.0% of the issued share capital of the Company in the public hands and the public float of the Company is restored.

Made by the order of the board, the directors which jointly and severally accept full responsibility for the accuracy of the information contained in this announcement.

By Order of the board
Xu Huizhong
Director and President

Hong Kong, 20th January, 2004

“Please also refer to the published version of this announcement in The Standard”.