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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)

PROPOSED ISSUE OF ZERO COUPON GUARANTEED CONVERTIBLE BONDS DUE 2011 BY FIRST HARVEST LIMITED CONVERTIBLE INTO ORDINARY SHARES OF MINMETALS RESOURCES LIMITED

Reference is made to the announcement of the Company dated 20 October 2006. Pursuant to the Subscription Agreement, the Manager has exercised its option in full to subscribe or procure subscribers for an additional HK\$250,000,000 in principal amount of Zero Coupon Guaranteed Convertible Bonds due 2011. The aggregate principal amount of the Firm Bonds and the Optional Bonds is HK\$1,000,000,000. The estimated net proceeds of the issue of the Bonds Issue (including the Optional Bonds) amount to approximately HK\$975,000,000. Completion of the Subscription Agreement is expected to take place on 7 December 2006, but is subject to the satisfaction and/or waiver of the conditions precedent set out in the Subscription Agreement.

As the Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

Reference is made to the announcement of Minmetals Resources Limited (“Company”) dated 20 October 2006 (“Announcement”) regarding the proposed issue of Zero Coupon Guaranteed Convertible Bonds due 2011 by First Harvest Limited (“Issuer”), a wholly-owned subsidiary of the Company. Unless the context otherwise requires, terms used in this announcement shall have the same respective meanings as those defined in the Announcement.

The Issuer and the Company have received notice on 27 November 2006 that the Manager has exercised in full its option to subscribe or procure subscribers for an additional HK\$250,000,000 in principal amount of Zero Coupon Guaranteed Convertible Bonds due 2011 (“Optional Bonds”) pursuant to Clause 1.2 of the Subscription Agreement requiring the Issuer to issue the Optional Bonds in aggregate principal amount of HK\$250,000,000. The aggregate principal amount of the Firm Bonds and the Optional Bonds is HK\$1,000,000,000.

The Optional Bonds will upon issue be convertible into ordinary shares of HK\$0.05 each in the share capital of the Company at an initial conversion price of HK\$2.925 (subject to adjustment). The Optional Bonds will be issued at the same time and on the same terms as the HK\$750,000,000 principal amount Zero Coupon Guaranteed Convertible Bonds due 2011 and completion of the Subscription Agreement is expected to take place on 7 December 2006, but is subject to the satisfaction and/or waiver of the conditions precedent set out in the Subscription Agreement.

The estimated net proceeds of the Bonds Issue (including the Optional Bonds), after deduction of commission and administrative expenses, amount to approximately HK\$975,000,000. The net proceeds are currently intended to be used by the Company for future acquisition of alumina or aluminium related businesses such as 廣西華銀鋁業有限公司 (Guangxi Huayin Aluminium Company Limited), Sherwin Alumina L.P. and/or other projects and, pending such use, may be deployed for general working capital purposes.

As the Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board of
Minmetals Resources Limited
Xu Huizhong
Executive Director and President

Hong Kong, 27 November 2006

As at the date of this announcement, the Board comprises eleven directors, of which three are executive directors, namely Mr. Xu Huizhong, Mr. Wang Lixin and Mr. Ren Suotang; five are non-executive directors, namely Mr. Zhou Zhongshu (Chairman), Ms. Shen Ling, Mr. Zhang Shoulian, Mr. Li Linhu and Mr. Zong Qingsheng; and three are independent non-executive directors, namely Mr. Liu Hongru, Mr. Chan Wai Dune and Mr. Ting Leung Huel, Stephen.

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