

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



五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

ANNOUNCEMENT

CONNECTED TRANSACTION

Minmetals Aluminium (as seller) entered into the Agreement in its ordinary course of business with Suzhou Huameida (as buyer) to sell approximately 900 tonnes of aluminium ingots between the period from May to July 2007 subject to the terms and conditions of the Agreement. The consideration under the Agreement was determined after arm's length negotiations by reference to the prevailing market price of aluminium ingots. The aggregate consideration of the Agreement when fully executed will be about RMB18,000,000 (equivalent to approximately HK\$18,000,000).

Suzhou Huameida is engaged in the aluminium scraps processing and sales of secondary aluminium alloys. As Suzhou Huameida is wholly owned by Minmetals Inc. which in turn is wholly owned by China Minmetals, the ultimate controlling shareholder of the Company, Suzhou Huameida is regarded as an associate of China Minmetals and therefore is a connected person of the Company under the Listing Rules. As such, the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

THE AGREEMENT

Minmetals Aluminium (as seller) entered into the Agreement in its ordinary course of business with Suzhou Huameida (as buyer) on 9 May 2007 to sell approximately 900 tonnes of aluminium ingots between the period from May to July 2007 subject to the terms and conditions of the Agreement. A total of about 30 tonnes of aluminium ingots was delivered by Minmetals Aluminium on 9 May 2007 and Suzhou Huameida settled RMB650,000 on this transaction. The balance of the aluminium ingots under the Agreement will be delivered in the next three months and before the end of July 2007.

The consideration under the Agreement was determined after arm's length negotiations by reference to the prevailing market price of aluminium ingots. The aggregate consideration of the Agreement when fully executed will be about RMB18,000,000 (equivalent to approximately HK\$18,000,000).

REASONS FOR ENTERING INTO THE AGREEMENT

The Group is engaged in the trading of non-ferrous metals (including alumina and aluminium ingots), aluminium fabrication and other industrial operations and port logistics services.

The Directors (including the independent non-executive Directors) consider that (a) the entering into of the Agreement is on normal commercial terms and in the ordinary and usual course of business of the Group; and (b) the terms of the Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

INFORMATION ABOUT SUZHOU HUAMEIDA

Suzhou Huameida is engaged in the aluminium scraps processing and sales of secondary aluminium alloys. As Suzhou Huameida is wholly owned by Minmetals Inc. which in turn is wholly owned by China Minmetals, the ultimate controlling shareholder of the Company, Suzhou Huameida is regarded as an associate of China Minmetals and therefore is a connected person of the Company under the Listing Rules. As such, the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

GENERAL

This announcement is made pursuant to Rule 14A.32 of the Listing Rules. As each of the relevant percentage ratios for the Agreement when executed in total is less than 2.5%, the Agreement is only subject to the reporting and announcement requirements set out in rules 14A.45 and 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirement. Details of the Agreement will be included in the annual report and accounts of the Company in accordance with Rule 14A.45 of the Listing Rules.

DEFINITIONS

"Agreement"	The sales and purchases agreement dated 9 May 2007 entered into between Minmetals Aluminium and Suzhou Huameida
"China Minmetals"	中國五礦集團公司 (China Minmetals Corporation), a State-owned enterprise established on 7 April 1950 under the laws of the PRC and the ultimate controlling shareholder of the Company and indirectly owns approximately 74.9% of the Company
"Company"	Minmetals Resources Limited (五礦資源有限公司), a company incorporated on 29 July 1988 in Hong Kong with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Minmetals Aluminium"	Minmetals Aluminium Company Limited, a wholly owned foreign enterprise incorporated in the PRC engaged in the trading of alumina and other aluminium products and indirectly wholly owned by the Company

“Minmetals Inc.”	Minmetals, Inc., a company incorporated in New Jersey, U.S.A. and wholly owned by China Minmetals
“PRC or China”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC)
“RMB”	Renminbi, the lawful currency of the PRC
“Suzhou Huameida”	Suzhou Huameida Aluminium Co. Ltd, a wholly owned foreign enterprise incorporated in the PRC wholly owned by Minmetals Inc.

Solely for convenience and except as otherwise noted, this announcement contains translation of RMB amounts into Hong Kong dollars at a rate of RMB1.00 = HK\$1.00.

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

Hong Kong, 11 May 2007

As at the date of this announcement, the board of directors of the Company 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.”