



五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

ANNOUNCEMENT ON EXPECTED PROFIT DECLINE FOR THE SIX MONTHS ENDED 30 JUNE 2008

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform Shareholders and potential investors that the consolidated results of the Group for the six months ended 30 June 2008 are expected to be lower than that for the same period of 2007.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Minmetals Resources Limited (the “Company”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2008 are expected to be lower than that for the same period of 2007.

The Board considers that the anticipated decline in the consolidated results of the Group for the six months ended 30 June 2008 was primarily attributable to the following factors:

1. climbing global energy price has increased the cost of imported alumina and adversely affected the gross profit margin of the Group’s alumina trading business; and
2. for the six months ended 30 June 2007, the Group (a) reversed a provision for impairment in alumina purchasing rights amounting to HK\$257.6 million and (b) recorded aggregate losses of HK\$182.0 million in respect of the fair value changes of its convertible bonds. The Board does not anticipate that there are similar income and expense items for the same period of 2008.

Despite the above situation, the Board considers that the overall operations and financial condition of the Group remain healthy.

The information contained in this announcement is only a preliminary estimate. The anticipated consolidated results of the Group for the six months ended 30 June 2008 are not based on any figures or information audited or reviewed by the Company's auditors.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Minmetals Resources Limited
Hao Chuanfu
Executive Director and President

Hong Kong, 18 July 2008

As at the date of this announcement, the board of directors of the Company comprises eleven directors, of which two are executive directors, namely Mr. Hao Chuanfu and Mr. Ren Suotang; six are non-executive directors, namely Mr. Zhou Zhongshu (Chairman), Mr. Xu Huizhong (Vice Chairman), Ms. Shen Ling, Mr. Zong Qingsheng, Mr. Wang Lixin and Mr. Cui Hushan; and three are independent non-executive directors, namely Mr. Li Dongsheng, Mr. Chan Wai Dune and Mr. Ting Leung Huel, Stephen.