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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

Reference is made to the Company's disclosure obligation set out in the section headed "Relationship with the Minmetals Group – Non-competition Agreement" in the Circular and the announcement of the Company dated 9 January 2008 regarding a potential investment in SGCL by China Minmetals.

The Company has consented to China Minmetals' proposed acquisition of a 29.9% equity interest in SGCL from SGG by way of the transfer of ownership of State-owned shares between State-owned shareholders. Conditional upon completion of the transfer of the 29.9% equity interest in SGCL to China Minmetals, China Minmetals has granted a first right of refusal at nil consideration for the Company to acquire the 29.9% equity interest in SGCL. The price for the exercise of the first right of refusal shall be determined by applicable law and on fairness principle. Subject to compliance with all applicable laws and requirements under the Listing Rules and all the necessary approvals and consents from the relevant government and regulatory authorities in the PRC having been obtained, the Company may exercise the right to acquire the relevant interest in SGCL from China Minmetals.

LETTER FROM CHINA MINMETALS REGARDING POTENTIAL INVESTMENT IN SGCL

Reference is made to the Company's disclosure obligation set out in the section headed "Relationship with the Minmetals Group – Non-competition Agreement" in the Circular and the announcement of the Company dated 9 January 2008 regarding a potential investment in SGCL by China Minmetals.

China Minmetals signed a letter of intent with SGG on 8 January 2008 regarding the transfer of part of the shares in SGCL owned by SGG to China Minmetals. The Company today received the Letter from China Minmetals in respect of China Minmetals' proposed acquisition of a 29.9% equity interest in SGCL from SGG by way of the transfer of ownership of State-owned shares between State-owned shareholders.

INFORMATION ABOUT SGCL

SGCL is a limited company established in 1998 under the laws of the PRC and its shares are listed on the Shenzhen Stock Exchange. SGCL is owned as to approximately 34.51% by SGG. SGCL is primarily engaged in the production and sale of aluminum ingot, aluminum rod and aluminum foil, and hence, the business of SGCL may compete with the alumina and aluminum related businesses carried on by the Group.

NON-COMPETITION AGREEMENT

Pursuant to the Non-competition Agreement, China Minmetals has undertaken not to, and will procure its controlled companies (comprising for this purpose, subsidiaries and companies in which they have or control a 30% or more interest or otherwise have control, but excluding the Group) (“Affected Group”) not to, engage in any business or invest in any entities in the PRC (including Hong Kong) which may compete with the alumina and aluminum related businesses carried on or to be carried on by the Group. Should any alumina or aluminum related investment opportunity be made available to the Affected Group, and such business may directly or indirectly compete with the business of the Group, China Minmetals will procure that such investment opportunity be first offered to the Company for consideration at no less favourable terms than those offered to the Affected Group or Independent Third Parties.

REASONS TO ALLOW CHINA MINMETALS TO INVEST IN SGCL

As the business of SGCL may directly or indirectly compete with the alumina and aluminum related businesses carried on by the Group, pursuant to the Non-competition Agreement, China Minmetals shall procure that such investment opportunity be first offered to the Company the exercise of which investment opportunity for consideration at no less favourable terms than those offered to the Affected Group or Independent Third Parties. In this connection, the Company has engaged Zhong Yin as its PRC legal advisers to opine on the feasibility for the Company to acquire the relevant interest in SGCL from SGG under PRC law and regulations.

According to Zhong Yin, the applicable PRC law and regulations require foreign enterprises to obtain a number of PRC governmental approvals in order to qualify as owners of shares in PRC listed companies, such as those of SGCL. According to Zhong Yin, since the Company does not qualify to be a State-owned shareholder for the time being under the relevant PRC law, it is not in a position to acquire the relevant interest in SGCL by way of the transfer of ownership of State-owned shares between State-owned shareholders pursuant to the proposed arrangement. Furthermore, as the acquisition of such interest is subject to administrative approval, the Company cannot acquire the interest for the time being. Nevertheless, as provided in the Letter, conditional upon completion of the transfer of the 29.9% equity interest

in SGCL to China Minmetals, China Minmetals has granted a first right of refusal at nil consideration for the Company to acquire the 29.9% equity interest in SGCL. The price for the exercise of the first right of refusal shall be determined by applicable law and on fairness principle. Subject to compliance with all applicable laws and requirements under the Listing Rules and all the necessary approvals and consents from the relevant government and regulatory authorities in the PRC having been obtained, the Company may exercise the right to acquire the relevant interest in SGCL from China Minmetals.

The Directors (including the independent non-executive Directors) have reviewed this investment opportunity and are of the view that the Company for the time being is not qualified to be a State-owned shareholder and therefore cannot obtain the equity interest in SGCL under the above arrangement. In light of the above, the independent non-executive Directors have approved China Minmetals' proposed acquisition of a 29.9% equity interest in SGCL from SGG by way of the transfer of ownership of State-owned shares between State-owned shareholders and the Company has issued a written consent to China Minmetals in this connection on 15 October 2008.

DEFINITIONS

“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
“China Minmetals Group”	China Minmetals and its subsidiaries excluding the Group
Circular	the Company's circular dated 30 June 2005
“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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Independent Third Parties”	independent third parties not related to any of the Directors, chief executives or substantial shareholders of the Company or its subsidiaries or associates of any of them
“Letter”	the letter dated 15 October 2008 from China Minmetals to the Company regarding China Minmetals' intention to acquire a 29.9% equity interest in SGCL from SGG by way of the transfer of ownership of State-owned shares between State-owned shareholders

“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Non-competition Agreement”	the non-competition and first rights of refusal agreement dated 30 December 2004 entered into by China Minmetals in favour of the Company
“PRC”	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)
“SGCL”	山西關鋁股份有限公司 (Shanxi Guanlu Co. Ltd.), a limited company established in 1998 under the laws of the PRC which is owned as to approximately 34.51% by SGG
“SGG”	山西關鋁集團有限公司 (Shanxi Guanlu Group), a State-owned enterprise and controlling shareholder of SGCL holding approximately 34.51% of SGCL
“State-owned shareholder(s)”	state-owned company(ies) and state-controlled company(ies), relevant agency(ies) and public institution(s) as defined under the Interim Provisions on the Administration of the Marks of Listed Companies’ State-owned Shareholders (上市公司國有股東標識管理暫行規定) jointly promulgated by State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) and China Securities Regulatory Commission (中國證券監督管理委員會)
“Zhong Yin”	北京市中銀律師事務所 (Zhong Yin Law Firm), special PRC legal advisers to the Company engaged to opine on the feasibility for the Company to acquire the relevant interest in SGCL from SGG under PRC law and regulations

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

Hong Kong, 15 October 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.