YUE DA MINING HOLDINGS LIMITED
悅達礦業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 629)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

INTERIM RESULTS

The board (the "Board") of directors (the "Directors") of Yue Da Mining Holdings Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30th June, 2010 (the "Period") together with the comparative figures for the previous period as follows:

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30th June, 2010

		Six months ended	
		30.6.2010	30.6.2009
	NOTES	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	3	**158,930**	86,140
Cost of sales		**(73,455)**	(59,625)
Direct operating costs		**(20,399)**	(18,172)
Gross profit		**65,076**	8,343
Other income, gains and losses		**3,047**	3,739
Gain on bargain purchase of acquisition of subsidiaries		**13,405**	—
Administrative expenses		**(27,212)**	(25,089)
Finance costs	4	**(12,135)**	(14,177)
Other expenses	5	**(1,313)**	—
Profit (loss) before tax		**40,868**	(27,184)
Income tax expense	6	**(8,328)**	(2,619)
Profit (loss) and total comprehensive income (expense) for the period	7	**32,540**	(29,803)

	NOTES	Six months ended 30.6.2010 RMB'000 (unaudited)	30.6.2009 RMB'000 (unaudited)
Profit (loss) and total comprehensive income (expense) for the period attributable to:			
— Owners of the Company		**28,614**	(32,010)
— Non-controlling interests		**3,926**	2,207
		32,540	(29,803)
Earnings (loss) per share			
— Basic	9	**5.12 cents**	(8.4) cents
— Diluted		**5.05 cents**	(8.4) cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th June, 2010

	NOTES	**30.6.2010**	31.12.2009
		RMB'000	*RMB'000*
		(unaudited)	(audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**203,185**	193,748
Prepaid lease payments		**2,568**	2,633
Mining rights		**1,532,106**	1,140,244
Goodwill		**482**	482
Other intangible assets		**72,057**	84,235
Long term deposits		**3,023**	2,848
Other financial asset		**23,413**	22,449
		1,836,834	1,446,639
CURRENT ASSETS			
Prepaid lease payments		**208**	208
Inventories		**19,863**	18,184
Trade and other receivables	10	**54,954**	18,038
Amounts due from related companies	11	**22,346**	26,864
Bank balances and cash		**305,002**	34,481
		402,373	97,775
CURRENT LIABILITIES			
Trade and other payables	12	**137,707**	25,542
Amounts due to directors		**284**	352
Taxation payable		**6,282**	3,047
Promissory notes — due within one year		**767**	2,733
Bank borrowings — due within one year		**128,690**	61,460
		273,730	93,134
NET CURRENT ASSETS		**128,643**	4,641
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,965,477**	1,451,280

	NOTES	30.6.2010 RMB'000 (unaudited)	31.12.2009 RMB'000 (audited)
CAPITAL AND RESERVES			
Share capital		**64,517**	33,122
Reserves		**854,326**	493,802
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**918,843**	526,924
NON-CONTROLLING INTERESTS		**216,597**	126,184
TOTAL EQUITY		**1,135,440**	653,108
NON-CURRENT LIABILITIES			
Other payables		**22,332**	21,970
Amounts due to related companies		**27,867**	60,155
Promissory notes — due after one year		**118,669**	68,820
Bank borrowings — due after one year		**201,614**	274,620
Consideration payable for acquisition of subsidiaries		**59,494**	69,121
Provisions		**2,118**	2,037
Deferred tax liabilities		**365,373**	267,880
Deferred income		**32,570**	33,569
		830,037	798,172
		1,965,477	1,451,280

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard 34 ("HKAS 34") Interim Financial Reporting.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2009.

3. SEGMENT INFORMATION

The Group's operating segments, based on information reported to the chief operating decision maker ("CODM") for the purposes of resource allocation and performance assessment are as follows:

— management and operation of toll highway and bridge ("Toll Road Operations")

— exploration, mining and processing of zinc, lead, iron and gold ("Mining Operations")

Information regarding the above segments is reported below.

Six months ended 30th June, 2010

	Toll Road Operations *RMB'000*	**Mining Operations** *RMB'000*	**Consolidated** *RMB'000*
SEGMENT REVENUE			
External sales	**31,948**	**126,982**	**158,930**
SEGMENT RESULTS			
Segment profit	**8,249**	**43,102**	**51,351**
Interest income			**626**
Other gains and losses			
— Gain on bargain purchase of acquisition of subsidiaries			**13,405**
— Net foreign exchange gains			**1,342**
— Gain on change in fair value of financial asset designated as at fair value through profit or loss ("FVTPL")			**964**
— Loss arising on early repayment of consideration payable for acquisition of subsidiaries			**(1,006)**
Central administration costs			**(12,366)**
Finance costs			**(12,135)**
Other expenses			**(1,313)**
Profit before tax			**40,868**

Six months ended 30th June, 2009

	Toll Road Operations *RMB'000*	Mining Operations *RMB'000*	Consolidated *RMB'000*
SEGMENT REVENUE			
External sales	27,845	58,295	86,140
SEGMENT RESULTS			
Segment profit (loss)	7,033	(14,519)	(7,486)
Interest income			71
Other gains and losses			
— Gain on disposal of subsidiaries			1,358
— Net foreign exchange gain			1,222
— Gain on change in fair value of financial asset designated as at FVTPL			454
Central administration costs			(8,626)
Finance costs			(14,177)
Loss before tax			(27,184)

Segment profit (loss) represents the profit (loss) resulted in each segment without allocation of interest income, other gains and losses as described above, central administration costs, finance costs and acquisition-related costs. This is the measure reporting to the executive directors of the Company for the purposes of resource allocation and performance assessment.

4. FINANCE COSTS

	Six months ended	
	30.6.2010	30.6.2009
	RMB'000	*RMB'000*
Interest on bank borrowings wholly repayable within five years	**5,535**	4,604
Effective interest on promissory notes	**2,579**	3,657
Imputed interest on:		
— non-current interest-free amount due to a related company	**938**	2,781
— consideration payable for acquisition of subsidiaries	**3,002**	3,113
— provisions	**81**	22
	12,135	14,177

5. OTHER EXPENSES

Other expenses represent acquisition-related costs of RMB1,313,000 in relation to the acquisition of subsidiaries.

6. INCOME TAX EXPENSE

	Six months ended	
	30.6.2010	30.6.2009
	RMB'000	*RMB'000*
PRC Enterprise Income Tax		
— current period	**8,063**	2,443
Deferred tax		
— current period *(note)*	**265**	176
	8,328	2,619

note: Included in the deferred tax, an amount of RMB2,234,000 was charged (2009: RMB377,000 being credited) to profit or loss in the condensed consolidated statement of comprehensive income in respect of temporary difference associated with the undistributed earnings of subsidiaries.

The income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from, Hong Kong. Taxation arising in the PRC is recognised based on the estimated average annual tax rate of 15% for the six months ended 30th June, 2010 (2009: 15%).

7. PROFIT (LOSS) FOR THE PERIOD

	Six months ended	
	30.6.2010	30.6.2009
	RMB'000	*RMB'000*
Profit (loss) for the period has been arrived at after crediting (charging) the following items:		
Cost of inventories sold	**(70,455)**	(59,625)
Amortisation of other intangible assets (included in direct operating costs)	**(12,178)**	(10,646)
Amortisation of mining rights (included in cost of sales)	**(11,287)**	(8,689)
Depreciation of property, plant and equipment	**(10,756)**	(11,654)
Share-based payments expense	**(2,025)**	(2,558)
Loss arising on early repayment of consideration payable for acquisition of subsidiaries	**(1,006)**	—
Release of prepaid lease payments	**(65)**	(114)
(Loss) gain on disposal of property, plant and equipment	**(27)**	25
Net foreign exchange gain	**1,342**	1,222
Gain on change in fair value of financial asset designated as at FVTPL	**964**	454
Interest income	**626**	71
Gain on disposal of subsidiaries	**—**	1,358

8. DIVIDEND

No dividends were paid, declared or proposed during the reporting period. The directors do not declare any interim dividend for both periods.

9. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	30.6.2010	30.6.2009
	RMB'000	*RMB'000*
Earnings (loss)		
Profit (loss) for the period attributable to owners of the Company and profit (loss) for the purposes of basis and diluted earnings (loss) per share	**28,614**	(32,010)
Number of shares	***Number***	*Number*
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	**559,397,027**	380,914,694
Effect of dilutive potential ordinary shares — share options	**7,142,043**	—
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	**566,539,070**	380,914,694

The weighted average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the open offer on 4th March, 2010.

The calculation of diluted loss per share for the six months ended 30th June, 2009 had not assumed the exercise of the Company's outstanding share options as the exercise of the Company's share options will result in a decrease in loss per share.

10. TRADE AND OTHER RECEIVABLES

The Group allows its trade customers an average credit period of 60 days.

The following is an aged analysis of trade receivables presented based on the invoice date.

	30.6.2010	31.12.2009
	RMB'000	*RMB'000*
0–60 days	**24,966**	6,156

11. AMOUNTS DUE FROM RELATED COMPANIES

The Group allows its related companies an average credit period of 60 days. The following is an aged analysis of amounts due from related companies which are principally trade nature based on the invoice date.

	30.6.2010	31.12.2009
	RMB'000	*RMB'000*
0–60 days	**8,066**	7,416

12. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date.

	30.6.2010	31.12.2009
	RMB'000	*RMB'000*
0–60 days	**10,393**	3,880

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

Turnover and gross operating profit of the Group for the six months ended 30th June, 2010 (the "Period") amounted to RMB158,930,000 and RMB65,076,000, representing an increase of approximately 84.5% and 680% respectively, over the same period in 2009. The profit and total comprehensive income attributable to the owners of the Company for the Period was RMB28,614,000 (corresponding period of last year: loss and total comprehensive expense attributable to the owners of the Company of RMB32,010,000) and basic earnings per share was RMB5.12 cents (corresponding period of last year: loss per share of RMB8.4 cents).

Interim Dividend

The Board does not recommend the payment of any interim dividend for the Period.

Business Review

The Group is principally engaged in the mining as well as cleansing and processing of metal minerals (the "Mining Operations") and the operation of a toll road (the "Toll Road Operations").

Mining Operations

During the Period, the Mining Operations realized an operating revenue of RMB126,982,000 (corresponding period of last year: RMB58,295,000) with a segment profit of RMB43,102,000 (corresponding period of last year: loss of RMB14,519,000).

The ores extracted during the Period amounted to 287,922 tons, representing an increase of 32.94% over 216,577 tons in the corresponding period of last year, with a unit mining cost of approximately RMB89 per ton (corresponding period of last year: RMB99 per ton) and a unit processing cost of approximately RMB60 per ton (corresponding period of last year: RMB77 per ton).

The Mining Operations included the processing of metal ore concentrates such as zinc ore concentrates of 3,225 metal tons (corresponding period of last year: 3,468 metal tons), lead ore concentrates of 1,657 metal tons (corresponding period of last year: 1,664 metal tons), silver of 1,602 kilograms (corresponding period of last year: 1,175 kilograms) and iron ore concentrates of 91,093 tons (corresponding period of last year: 46,046 tons). During the Period, the metal ore concentrates were sold at an average price of RMB9,079 per metal ton for zinc ore concentrates (corresponding period of last year: RMB5,883 per metal ton), RMB12,443 per metal ton for lead ore concentrates (with silver content) (corresponding period of last year: RMB8,240 per metal ton), and RMB480 per ton for iron ore concentrates (corresponding period of last year: RMB251 per ton).

Amidst the negative impact of the global financial turmoil that surfaced in the third quarter of 2008, both sale prices and demands for zinc, lead and iron ore concentrates started to improve from the third quarter of 2009 after the slow recovery of the world's economy.

Tengchong Ruitu Mining and Technology Company Limited ("Tengchong Ruitu") completed during the Period the project of upgrading the technology and enhancing the production capacity of its plant and its operations commenced as planned. The production of the mine No. 10 and 11 also commenced as planned, thus providing a strong guarantee for a daily ores processing volume of 2,000 tons.

Baoshan Feilong has made smooth progress in its exploration activities as planned. The processing plant completed its technology improvements, and plays a catalytic part in improving grade and the extent of recovery of ore concentrates. From the second half of 2009, Baoshan Feilong resumed operation to a normal scale of production under tighter cost control measures. Yaoan Feilong Mining Co., Ltd. ("Yaoan Feilong") is carrying out mining activities of mine No. 8 on schedule, in order to supply ores required by the processing plant for its normal production. Notable results are achieved in optimizing production processes and technology improvements of the processing plant as expected, thereby bringing about improvements in grade and the extent of recovery of ore concentrates. In the second half of 2009, Yaoan Feilong also fully resumed the normal scale of production.

Zhen'an County Daqian Mining Development Co., Ltd. in Shaanxi ("Daqian Mining") has expanded its exploration activities as planned by speeding up the construction of a new processing plant with a daily processing volume of 600 tons.

During the Period, the production of the mining project located in Wengniute Banner of Inner Mongolia ("Wengniute Banner Mining") has partially resumed, while the technology improvements of the processing plant were completed.

To maintain a recurring sales and cashflow to the Group, four strategic co-operation agreements with a term of 10 years were entered with Zhuzhou Smelter Group Co. Limited ("Zhuzhou Smelter"), Yunnan Yuntong Zinc Alloy Company Limited ("Yunnan Yuntong"), Panzhihua Steel Group International Economic Trading Company Limited ("Panzhihua Steel Company") and Wugang Group Kunming Iron and Steel Company Limited ("Kunming Steel Company", a subsidiary of Wuhan Iron and Steel (Group) Corp.), details of which were disclosed in the announcements of the Company dated 21st November, 2008, 9th December, 2008 and 22nd December, 2009, respectively. The above agreements continued to be in force during the Period.

Toll Road Operations

The Toll Road Operations recorded a net operating revenue of RMB31,948,000 (corresponding period of last year: RMB27,845,000) and a segment profit of RMB8,249,000 (corresponding period of last year: RMB7,033,000).

Wen An Section of the National Highway 106 in Hebei Province (the "Wen An Section") is located in Langfang, Hebei and is in the proximity to Beijing. It has a toll collection station at Wen An. Annual average daily traffic (AADT) reached 25,024 during the Period (corresponding period of last year: 22,500) while the operating revenue achieved RMB31,948,000, which represented an increase of approximately 14.7% over RMB27,845,000 of the corresponding period last year. Steady vehicle flows and toll revenues were recorded and it is expected that the Toll Road Operations will continue to develop steadily in the future. The Wen An Section has also implemented a computer-aided toll fee and control system to effectively uphold the standard of the toll road operations. No adjustment was made to the toll fee for the Wen An Section during the Period. Regular maintenance and repair works were carried out on the Wen An Section to maintain the quality of the road during the Period. However, no large-scale maintenance works have been carried out.

PROSPECTS

The Group has all along sought to enhance its exploration and mining activities by identifying suitable exploration and mining methods, improve and enhance explosive and blasting technology by setting up appropriate explosive and blasting method in order to maximize explosive effects. Such measures aim at raising production capacity of the Group's existing mines as well as reducing its mining costs. To reduce cleansing and processing costs, the Group will further emphasise on technology improvements, optimize production processes of processing plant and maximize grade and recovery of ore concentrates.

Through the completion of the project of upgrading technology and enhancing production capacity of the processing plant operated by Tengchong Ruitu, the commencement of production of mine No. 10 and 11 as planned, Baoshan Feilong having made smooth progress in its exploration activities as planned and the entering of the long-term strategic co-operation agreements with Zhuzhou Smelter, Yunnan Yuntong, Panzhihua Steel Company and Kunming Steel Company, the Group has built a concrete foundation to have steady cash flow and reasonable level of profit. In addition, Daqian Mining has expanded its exploration activities as planned by accelerating the construction of a new processing plant with a daily processing volume of 600 tons in order to increase the exploration of mineral assets. Yaoan Feilong is taking further steps to accelerate the mining activities of mine No. 8 for increasing recovery. Meanwhile, the optimization of its operation flow is in progress.

Looking forward, in the second half of 2010, the environment for the mining business is expected to be improved as compared with 2009. As market prices of non-ferrous metal have picked up, the Board plans to implement a number of strategies, including gradual resumption of the production of Wengniute Banner Mining with reinforced efforts, acceleration of the construction of the newly built processing plant of Daqian Mining, taking full advantage of favorable conditions of relatively low lead and zinc prices and consolidation of the peripheral mineral resources of the existing mining companies. The Company also introduces measures in order to reduce its gearing ratio.

In addition, it is the Company's strategy to realize its potential drilling capacity as well as to further enhance its production processes and technology improvements for achieving cost efficiency. Besides, the Group is making preparation for the acquisition of peripheral mining rights with high potential at an appropriate time.

The Group's Toll Road Operation continues to provide stable recurring income to the Group.

Acquisition of gold mines in the People's Republic of China (the "PRC")

On 30th June, 2010, Yue Da Mining Limited ("YDM"), a wholly owned subsidiary of the Company, completed the acquisition of 100% interests in Absolute Apex Limited ("Absolute Apex") at a consideration of HK$259 million. The consideration was satisfied by:

(i) as to HK$100 million by the issue of promissory notes by YDM;

(ii) as to HK$49.8 million by the Company's allotment and issue of its 30,000,000 new shares at an issue price of HK$1.66 per share on 30th June, 2010; and

(iii) the remaining HK$109.2 million by payment of cash.

Absolute Apex indirectly owns 70% interests in Tong Ling Guan Hua Mining Company Limited ("Tong Ling Guan Hua") which is the holder of mining rights of Tong Ling Guan Hua Mining Company Limited Qizichong Gold Mine (a gold and polymetallic mining site situated in Anhui Province, the PRC) and exploration licence of Anhui Tong Ling Liangshishan Iron (Gold) Mine (an iron mining site situated in Anhui Province, the PRC). It is expected that Tong Ling Guan Hua can provide significant revenue and cashflow to the Group in the future.

Possible co-operation with Pingchuan Iron Mining Company ("Pingchuan Iron")

As disclosed in the Company's announcements made in March and April 2010, a framework agreement was entered into by the Company and Pingchuan Iron Mining Company in March 2010 in relation to the formation of a company (the "Sino-Foreign Enterprise") for the development of Pingchuan Iron Mine. It is proposed that the equity interest of the Sino-Foreign Enterprise will be held as to 49% by the Company (or its subsidiary) and 51% by Pingchuan Iron Mining Company. The board of the Sino-Foreign Enterprise is expected to consist of five directors, two to be nominated by Pingchuan Iron and three to be nominated by the Company. The Sino-Foreign Enterprise is expected to embark on the development of Pingchuan Iron Reserve Mine (Lanzhichang lot), a mine situated at Yanyuan County, Sichuan Province, the PRC ("Pingchuan Iron Mine") which includes, without limitation:

(i) the exploitation, mining and processing of the reserves in Pingchuan Iron Mine which mainly comprise of iron;

(ii) the acquisition, restructuring and/or investment in other iron mining enterprises in Yanyuan County, Sichuan Province, the PRC, targeted to be implemented towards the end of 2010;

(iii) the in-depth exploration of other mining sites in Yanyuan County, Sichuan Province, the PRC, the reserves in which are mainly expected to be iron, copper and gold; and

(iv) the cleansing and processing of copper of other mining sites in Yanyuan County, Sichuan Province, the PRC.

The production model at the Pingchuan Iron Mine, which is proposed to be further developed by the Sino-Foreign Enterprise, is currently planned on a preliminary scale of about 800,000 tonnes of ores to be produced annually when the Pingchuan Iron Mine reaches its production capacity, it is currently expected the infrastructure period for the development of the

Pingchuan Iron Mine to reach the aforesaid annual production scale will take about three years and the preliminary amount of investment for the infrastructure period will not exceed HK$250 million.

Open Offer

An open offer ("Open Offer") was implemented by the Company in early 2010. Under such Open Offer, 325,869,333 offer shares were offered by the Company to existing shareholders at the subscription price of HK$1.2 per offer share on the basis of one offer share for every then existing share held on the record date on 10th February, 2010. The Open Offer exercise became unconditional on 4th March, 2010 and the Company raised a net proceeds of approximately HK$384 million.

Liquidity and Financial Resources

As at 30th June, 2010, the Group's current assets were RMB402,373,000 (31st December, 2009: RMB97,775,000), of which RMB305,002,000 (31st December, 2009: RMB34,481,000) were bank balances and cash on hand. As at 30th June, 2010, the net asset value of the Group amounted to RMB1,135,440,000, representing an increase of approximately 73.9% as compared to RMB653,108,000 at 31st December, 2009. The gearing ratio (total liabilities/total assets) of the Group was approximately 49.29% (31st December, 2009: 57.71%). As at 30th June, 2010, the share capital of the Company was RMB64,517,000 (31st December, 2009: RMB33,122,000). The Company's reserve and minority interests were RMB854,326,000 (31st December, 2009: RMB493,802,000) and RMB216,597,000 (31st December, 2009: RMB126,184,000) respectively. As at 30th June, 2010, the Group had total current liabilities of RMB273,730,000 (31st December, 2009: RMB93,134,000), mainly comprising bank borrowing and trade and other payables. The total non-current liabilities of the Group amounted to RMB830,037,000 (31st December, 2009: RMB798,172,000), which were mainly bank borrowing and promissory notes having maturity over one year, as well as deferred tax liabilities.

The Group's monetary assets, liabilities and transactions are mainly denominated in Renminbi and Hong Kong dollars. During the Period, most of the transactions were denominated and settled in Renminbi. The Group believes that its exposure to exchange rate risk is minimal. The Group recorded a net exchange gain amounting to RMB1,342,000 during the Period due to the appreciation of Renminbi.

CONTINGENT LIABILITIES AND CHARGE ON THE GROUP'S ASSETS

As at 30th June, 2010, except for the guarantees and charges in the amount of HK$360,000,000 provided to Industrial and Commercial Bank of China (Asia) Limited by the Group, the Company did not have any guarantees and charges nor any other material contingent liabilities.

EMPLOYEE AND REMUNERATION POLICY

As at 30th June, 2010, the Group had a total of approximately 1,475 employees in Hong Kong and the PRC, engaged in management, administration, toll collection functions and mining. The management review the remuneration policy regularly on the basis of performance and experience of the employees as well as the prevailing industry practice. Social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations. Insurance and mandatory provident fund schemes are also maintained for its

Hong Kong staff. During the Period, the Group provided various training courses on relevant business or skills for its management and staff at different levels. The Group did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or any material labour dispute during the Period.

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the listed securities of the Company during the Period.

THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Group has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules throughout the Period, except that (i) the Chairman of the Board was not able to attend the annual general meeting (the "2010 AGM") of the Company held on 26th May, 2010 (deviated from code provision E.1.2). However, one of the executive Directors of the Company attended and acted as the Chairman of the 2010 AGM; and (ii) due to administrative reasons, the notice of the 2010 AGM were not sent to shareholders at least 20 clear business days before the 2010 AGM (which deviates from code provision E1.3). The Board will ensure that in future, notices of general meetings will be sent to shareholders of the Company before the minimum periods as prescribed in the Code on Corporate Governance Practices.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by the Directors of the Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). All the Directors of the Company, in response to specific enquiries made by the Company, confirmed that they complied with the requirements set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Company's audit committee currently comprises Ms. Leung Mei Han (Chairman of the audit committee, an independent non-executive Director), Mr. Qi Guang Ya (a non-executive Director) and Mr. Cui Shuming (an independent non-executive Director). Duties of the audit committee include reviewing all matters relating to the scope of audit, such as the financial statements and internal control, with an aim to safeguard the interest of the shareholders of the Company. The audit committee reviewed the accounting principles and practices adopted by the Group and the unaudited interim results of the Group for the Period, and discussed matters relating to audit, internal control and financial reporting with the management.

REMUNERATION COMMITTEE

The Company has set up with written terms of reference a remuneration committee, whose members are currently Mr. Cui Shu Ming (Chairman of the remuneration committee, an independent non-executive Director), Mr. Han Runsheng (an independent non-executive Director) and Mr. Dong Li Yong (an executive Director). Regular meetings are held by the committee to review and discuss matters relating to the remuneration policy, remuneration levels and the remuneration of executive Directors.

PUBLICATION OF THE INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The Company's interim report for the six months ended 30th June, 2010 will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.yueda.com.hk in due course.

As at the date of this report, the Board comprises the following members:

Executive Directors	**Non-executive Director**	**Independent non-executive Directors**
Dong Li Yong	Chen Yunhua	Leung Mei Han
Liu Xiao Guang	Qi Guang Ya	Cui Shu Ming
		Han Run Sheng
		Liu Yongping

By order of the Board
Yue Da Mining Holdings Limited
Chen Yunhua
Chairman

Hong Kong, 30th August, 2010