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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 629)

DISCLOSEABLE TRANSACTION:

(1) SUPPLEMENTAL AGREEMENT AND

(2) COMPLETION OF

THE DISPOSAL OF THE TARGET BVI COMPANIES

Reference is made to the announcement dated 16 August 2011 of the Company in relation to the Disposal of the Sale Shares and Sale Loan in the Target Companies.

SUPPLEMENTAL AGREEMENT TO THE DISPOSAL AGREEMENT

On 30 December 2011, the Vendor entered into the Supplemental Agreement with the Purchaser, pursuant to which the Consideration for the Disposal being an amount of RMB91,000,000 shall be payable by the Purchaser to the Vendor in cash or other form as mutually agreed by the parties according to the following manner:

- (a) HK\$30,000,000 to be paid upon Completion; and
- (b) the remaining balance of the Consideration (i.e. the difference between RMB91,000,000 and HK\$30,000,000) to be paid on or before 30 June 2012.

COMPLETION OF THE DISPOSAL

On 30 December 2011, after the entering into of the Supplemental Agreement between the Vendor and the Purchaser, Completion of the Disposal took place and the Company has duly received part of the Consideration being the amount of HK\$30,000,000.

CHANGE OF USE OF PROCEEDS FROM THE DISPOSAL

As mentioned in the August Announcement, the proceeds received by the Group from the Disposal would be used as its working capital and other potential investment. Having regard to its cashflow position, the Company plans to apply the proceeds from the Disposal to settle part of the consideration of the acquisition of 22% equity interest in Tong Ling Guan Hua Mining Company Limited*.

Reference is made to the announcement dated 16 August 2011 (“**August Announcement**”) of the Company in relation to the Disposal of the Sale Shares and Sale Loan in the Target Companies. Unless the context requires otherwise, terms defined in the August Announcement have the same meanings herein.

SUPPLEMENTAL AGREEMENT TO THE DISPOSAL AGREEMENT

According to the Disposal Agreement, the Consideration for the Disposal being an amount of RMB91,000,000 shall be payable in full by the Purchaser upon the completion of the Disposal (“**Completion**”). On 30 December 2011, the Vendor entered into a supplemental agreement to the Disposal Agreement (“**Supplemental Agreement**”) with the Purchaser to modify the payment arrangement of the Consideration. Pursuant to the Supplemental Agreement, the Consideration for the Disposal shall be payable by the Purchaser to the Vendor in cash or other form as mutually agreed by the parties according to the following manner:

- (a) HK\$30,000,000 to be paid upon Completion; and
- (b) the remaining balance of the Consideration (i.e. the difference between RMB91,000,000 and HK\$30,000,000) to be paid on or before 30 June 2012.

Save and except for the aforesaid modification of the manner of payment of the Consideration, all other terms of the Disposal Agreement remain unchanged and continue in full force and effect.

The Directors believe that the terms of the Supplemental Agreement are fair and reasonable and are in the interest of the Shareholders as a whole.

COMPLETION OF THE DISPOSAL

On 30 December 2011, after the entering into of the Supplemental Agreement between the Vendor and the Purchaser, as all of the conditions precedent to the Completion have been satisfied, Completion of the Disposal took place. The Company has duly received part of the Consideration being the amount of HK\$30,000,000 pursuant to the Disposal Agreement (as amended by the Supplemental Agreement).

As a result of Completion, the Vendor held 49% interest in each of the Target Companies.

CHANGE OF USE OF PROCEEDS FROM THE DISPOSAL

As mentioned in the August Announcement, the proceeds received by the Group from the Disposal would be used as its working capital and other potential investment. As disclosed in the announcement of the Company dated 15 December 2011, having regard to its cashflow position, the Company plans to apply the proceeds from the Disposal to settle part of the consideration of the acquisition of 22% equity interest in Tong Ling Guan Hua Mining Company Limited*.

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

Hong Kong, 30 December 2011

As at the date of this announcement, the Board comprises the following members: (a) as executive Directors, Mr Dong Li Yong, Mr Liu Xiaoguang and Mr. Hu Huaimin; (b) as non-executive Directors, Mr Chen Yunhua and Mr Qi Guang Ya; and (c) as independent non-executive Directors, Ms Leung Mei Han, Mr Cui Shu Ming, Mr Han Run Sheng and Dr Liu Yongping.

* *for identification purpose only*