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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)

TERMINATION OF MAJOR AND CONNECTED TRANSACTION

Reference is made to the announcements of the Company dated 26 September 2011 and 14 October 2011 respectively.

The Board announces that the Purchaser and the Vendors entered into the Termination Agreement on 11 June 2012 to terminate the Agreement with immediate effect.

Reference is made to the announcements dated 26 September 2011 (the “**September Announcement**”) and dated 14 October 2011 of the Company. Unless the context requires otherwise, terms defined in the September Announcement shall have the same meanings when used in this announcement.

TERMINATION OF THE AGREEMENT IN RELATION TO THE ACQUISITION

Under the Agreement, the Group conditionally agreed to acquire an aggregate of 22% equity interests in the Target, whose 70% equity interest is currently owned by the Group. The Target is principally engaged in mining, processing and sale of gold in the PRC.

As the price of gold has been fluctuating to a relatively large extent recently, the Board considers that additional investment in gold may further expose the Group to the risk of possessing an extra amount of volatile assets and is therefore not in the interest of the Company and its shareholders as a whole to pursue the acquisition of the 22% equity interests in the Target at this stage based on the existing terms of the Agreement.

After arm’s length negotiations between the Purchaser and the Vendors, the parties to the Agreement agreed to terminate the Agreement in relation to the Acquisition and on 11 June 2012 entered into the termination agreement (the “**Termination Agreement**”) to terminate the Agreement with immediate effect. Pursuant to the Termination Agreement, the parties to the Agreement agreed to release and discharge all obligations of the parties to the Agreement as provided under the Agreement.

The Board considers that the termination of the Agreement is in the interest of the Company and its shareholders as a whole and has no material adverse impact on the existing business and/or the financial position of the Group.

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

Hong Kong, 11 June 2012

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.