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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)

CALL OPTION AGREEMENTS IN RELATION TO THE MAJOR TRANSACTION: PROPOSED INVESTMENT IN A VIETNAM JOINT VENTURE COMPANY BY SUBSCRIPTION OF SHARES

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Reference is made to (a) the Company's announcement dated 21 January 2013 regarding, among other matters, a major transaction of the Company in relation to its investment in the Target Group for the acquisition of interest in Slag Factory; (b) the Company's circular dated 17 April 2013 ("**Circular**"); (c) the Company's announcement dated 6 May 2013 in relation to the results of the EGM; and (d) the Company's announcement dated 28 June 2013 in relation to the extension of the long stop date of the Subscription Agreement. Unless otherwise specified, terms defined in the Circular shall have the same meanings when used in this announcement.

As an update regarding the Proposed Investment, the Everwise Group is still under the process of fulfilling the conditions precedent set out in the Subscription Agreement and Slag Factory has not yet been established. Based on the current progress, Subscription Completion is expected to take place on or before the end of 2013.

EVERWISE OPTION AGREEMENT

On 17 October 2013 (after trading hours), YDM and New Aims entered into a call option agreement ("**Everwise Option Agreement**"), pursuant to which New Aims has granted an option ("**Everwise Option**") to YDM at an option premium of HK\$100 ("**Premium**"). Such Premium was settled by YDM on the same date of the Everwise Option Agreement.

Everwise Option

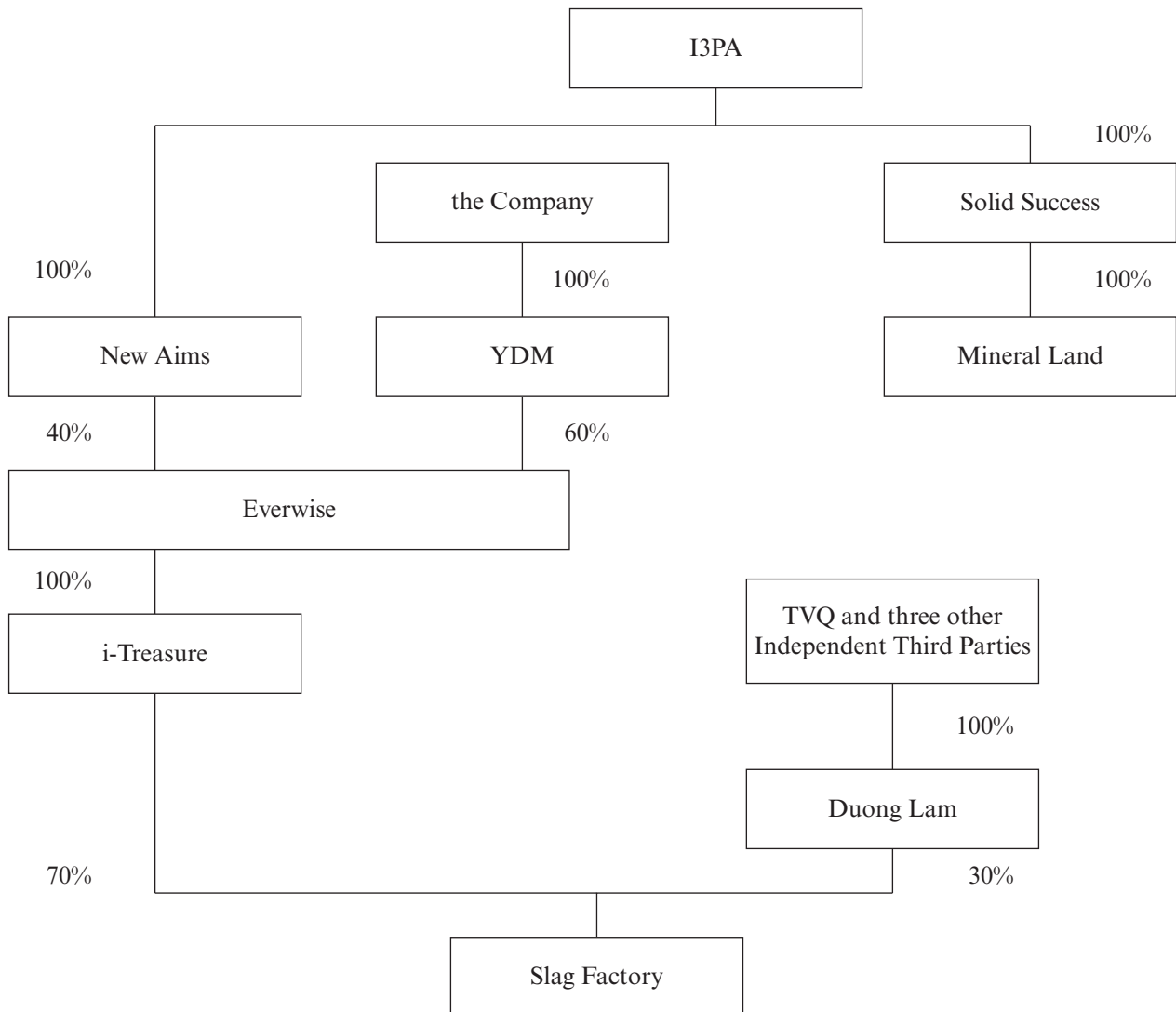
- Option Period : immediately after Subscription Completion to 31 December 2014
- Everwise Option Shares : an aggregate of 350 Everwise Shares to be held by New Aims immediately after Subscription Completion (or should there be any consolidation, sub-division, issue and allotment of new Everwise Shares or any other change in number of Everwise Shares to be held by New Aims before the exercise of the Everwise Option by YDM, the number of Everwise Option Shares shall be adjusted to be equal to the number of Everwise Shares to be held by New Aims immediately after Subscription Completion as shall represent 35% of the issued share capital of Everwise), leaving the remaining 5% of the issued share capital of Everwise to be held by New Aims
- Exercise Price : an aggregate of US\$4 million
- Exercise of the Everwise Option : YDM may give an exercise notice to New Aims to exercise the Everwise Option at any time during the Option Period provided that (among others) the number of Everwise Option Shares being the subject of the Everwise Option exercised must be all (but not only part of) Everwise Option Shares
- Completion of the exercise of the Everwise Option : Completion of the exercise of the Everwise Option (and thus the transfer of Everwise Option Shares from New Aims to YDM and payment of the Exercise Price by YDM to New Aims) shall take place on a date not earlier than the third Business Day following the date of the exercise notice nor later than the 120th Business Day after the date of the exercise notice

SF OPTION AGREEMENT

As advised by i-Treasure and Duong Lam, on 17 October 2013, i-Treasure and Duong Lam also entered into a call option agreement (“**SF Option Agreement**”, together with the Everwise Option Agreement, the “**Call Option Agreements**”), pursuant to which Duong Lam has granted a call option (“**SF Option**”) to i-Treasure, such that during the period from the date of the SF Option Agreement to 31 December 2014, i-Treasure is entitled to exercise the SF Option to acquire 30% of the charter capital in Slag Factory from Duong Lam at a consideration equals to 30% of the paid up charter capital of Slag Factory but not exceed US\$5.4 million.

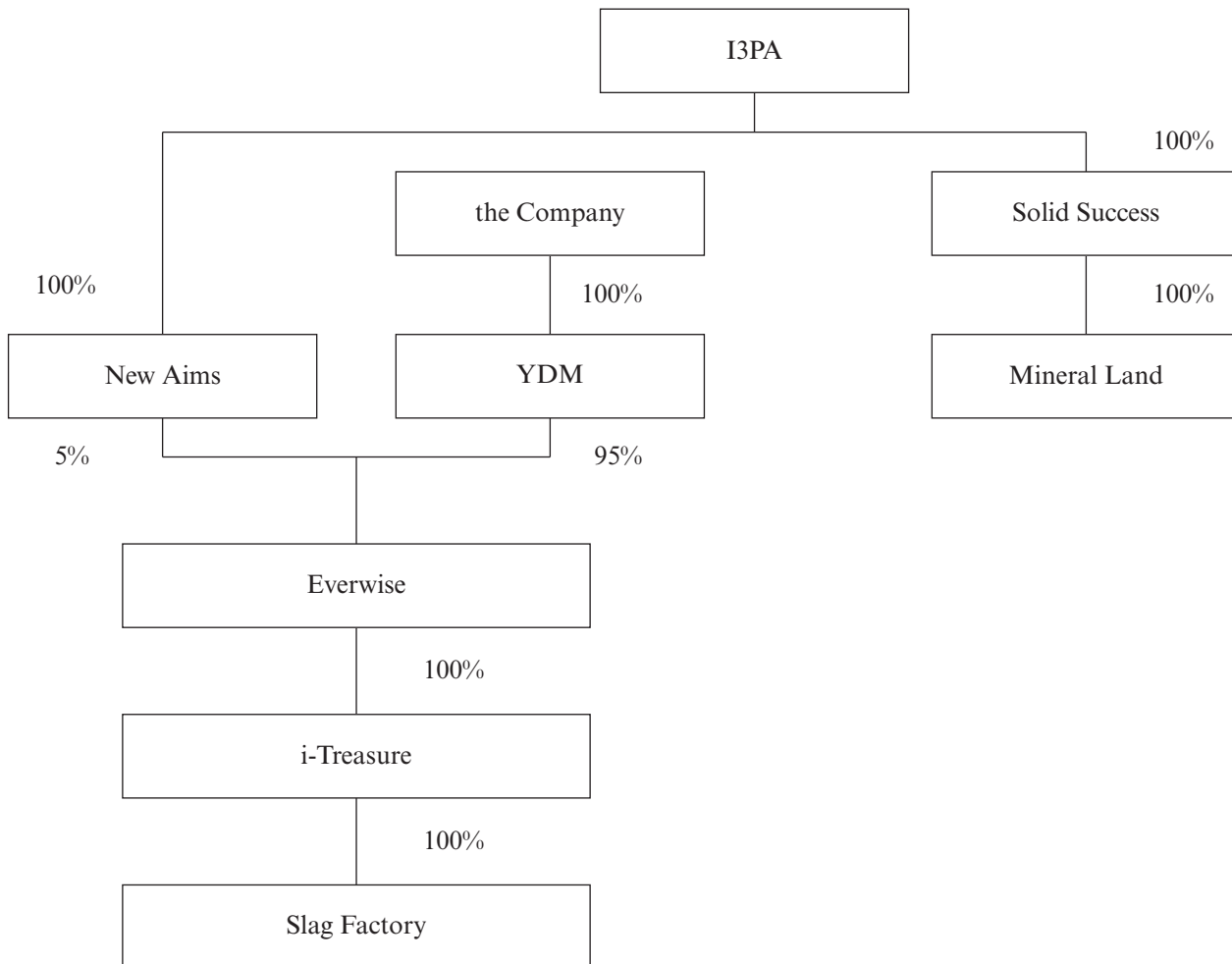
CORPORATE STRUCTURE OF THE TARGET GROUP UPON SUBSCRIPTION COMPLETION

As disclosed in the Circular, the following corporate chart depicts the shareholding structure of the Target Group immediately after Subscription Completion:



CORPORATE STRUCTURE OF THE TARGET GROUP UPON COMPLETION OF THE EXERCISE OF THE EVERWISE OPTION AND THE SF OPTION

Assuming the completion of the ML SP Agreement (i.e. the Option Acquisition Completion as defined in the Circular) has not taken place, the following corporate chart depicts the shareholding structure of the Target Group immediately after completion of the exercise of the Everwise Option and the SF Option:



REASONS FOR THE ENTERING INTO OF THE CALL OPTION AGREEMENTS

The market prices of slags are at the relative low range due to the financial crisis in recent years. The Directors believe that the economy of the PRC will continue to grow and the recovery of the world economy will increase the demand for national consumption as well as slags in the near future. The Call Option Agreements provide the Group with the right to acquire more interests in Slag Factory and allow the Group to enjoy the benefit from possible recovery of slags price at a minimal cost. The Directors will consider factors such as the slag price, the then financial condition of the Group and general economic conditions when deciding whether to exercise the Everwise Option.

In light of the above, the Directors consider the terms of the Everwise Option Agreement are fair and reasonable and are in the interest of the Shareholders as a whole.

The Company may or may not exercise the Everwise Option to acquire the Everwise Option Shares after the Subscription Completion. If the Company exercises the Everwise Option after the Subscription Completion, the transaction contemplated thereunder may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. **Shareholders and investors should exercise caution when dealing in securities of the Company.**

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

Hong Kong, 17 October 2013

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.