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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)

PROFIT WARNING

This announcement is made by Yue Da Mining Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (“**Board**”) of directors of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on the information currently available to the Board and the preliminary unaudited consolidated management accounts of the Group for the year ended 31 December 2014 (the “**Preliminary Management Accounts**”), the Group is expected to record revenue from continuing operation of approximately RMB128 million, representing a decrease of approximately 33% as compared to the revenue from continuing operation of approximately RMB191 million for the year ended 31 December 2013. The Group is also expected to record gross loss from continuing operation of approximately RMB10 million for the year ended 31 December 2014 as compared to the gross profit of approximately RMB23 million for the year ended 31 December 2013. The Board considers that the main reasons for the decrease in revenue and change in gross profit position to gross loss position from continuing operation of the Group include: (i) continued the decrease in the price of gold and iron (the “**Gold & Iron Prices Decrease**”) during the year ended 31 December 2014; (ii) the production of certain subsidiaries of the Company were temporarily reduced in the first half of the year (the “**Reduced Production**”) for technology improvement and optimisation of production process (the Gold & Iron Prices Decrease and the Reduced Production were disclosed in the Company’s interim results announcement for the six months ended 30 June 2014); and (iii) temporary suspension in the mine operation of Tengchong Ruitu Mining and Technology Company Limited, a subsidiary of the Company, from June 2014 to November 2014 in order to facilitate safety inspection which was completed in early November 2014 (details of which were set out in the announcements of the Company dated 30 June 2014 and 14 November 2014). Based on information currently available to the Board, the Group is expected to record a loss for the year ended 31 December 2014.

Further to the information revealed in the Preliminary Management Accounts, the management of the Company is conducting impairment review on the related assets of property, plant and equipment and mining rights with reference to the prevailing market conditions for the Board’s review.

Reference is made to the Company's announcement dated 24 December 2014 ("**December 2014 Announcement**") relating to the respective legal disputes between the Group and (i) the Vendor of the Sao Mai Acquisition over the repayment of Deposits of a total amount of US\$7 million made by the Group for the said acquisition; and (ii) Mineral Land as borrower over the repayment of a secured Loan in the total sum of US\$9 million (comprising principal sum of US\$8 million plus accrued interest of US\$1 million) to the Group under the Loan Agreement. The Acquisition Agreement for the Sao Mai Acquisition lapsed and was terminated on 15 November 2014 (details contained in the announcement of the Company dated 17 November 2014). Repayment of the Loan (plus accrued interest) was due on 23 January 2015. Both the Deposits and the Loan (plus accrued interest) remain outstanding as at the date of this announcement. The Company is seeking legal opinion on the aforesaid legal disputes and the management of the Company is assessing their possible related financial impacts to the Group and recoverability for the Board's review. Capitalised terms used here above have the meanings ascribed to them in the December 2014 Announcement.

Should there be impairment losses on the related assets of property, plant and equipment and mining rights of the Group recognised by the Group and/or provision made for the amount receivables under the Sao Mai Acquisition and the Loan Agreement for the year ended 31 December 2014, further loss will be recorded for the Group for the year ended 31 December 2014. Accordingly, the loss of the Group for the year ended 31 December 2014 may or may not be more than those for the year ended 31 December 2013.

The Company is still in the process of preparing and finalising the final results of the Group for the year ended 31 December 2014. The information contained in this announcement is only based on the preliminary unaudited consolidated management accounts of the Group and the information currently available which have not been audited or reviewed by the auditor of the Company. The Company will make further announcement(s) to update the Shareholders and the investing public as and when appropriate. Financial information and other operating details of the Group will be disclosed in the final results announcement of the Company for the year ended 31 December 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Yue Da Mining Holdings Limited
Hu Huaimin
Executive Director

Hong Kong, 10 February 2015

As at the date of this announcement, the Board comprises the following members: (a) as non-executive Directors, Mr. Wang Lian Chun and Mr. Qi Guang Ya; (b) as executive Directors, Mr. Liu Xiaoguang, Mr. Hu Huaimin and Mr. Bai Zhaoxiang; and (c) as independent non-executive Directors, Ms. Leung Mei Han, Mr. Cui Shu Ming and Dr. Liu Yongping.