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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 — UPDATE OF INFORMATION

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). Reference is made to the announcement (“**Announcement**”) of the Company dated 10 February 2015. Capitalised terms used therein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary valuation report currently available to the Board, principally due to (i) a general decline in the price of gold, iron and lead in the international commodity market during the year ended 31 December 2014 and the related price outlook; (ii) the tightening of safety and environmental requirements by government of the People’s Republic of China on mining industry which increased the complexity of production processes and thus the direct production costs; and (iii) the general increase in raw material and production costs during the year ended 31 December 2014, (a) mining rights; and (b) property, plant and equipment held by indirectly owned subsidiaries of the Company, namely Tengchong Ruitu Mining and Technology Company Limited, Baoshan Feilong Nonferrous Metal Co., Ltd., Yaoan Feilong Mining Co., Ltd., Zhen’an County Daqian Mining Development Co., Ltd. and Tong Ling Guan Hua Mining Company Limited, are expected to record an impairment losses of approximately RMB170 million and RMB50 million on the consolidated financial statement of the Group for the year ended 31 December 2014. The Group has made impairment losses of RMB116,768,000 and RMB19,215,000 on (a) mining rights; and (b) property, plant and equipment, respectively, for the year ended 31 December 2013.

The Group currently holds 49% interests in Weng Niu Te Qi San Xiang Mining Co., Ltd., Weng Niu Te Qi Xiang Da Mining Co., Ltd., and Chi Feng Yi Da Mining Co., Ltd., (collectively the “Weng Qi Group”), and recorded the investment costs and related shareholder’s loans as available-for-sale investments and other receivables, respectively. The principal assets of Weng Qi Group include a zinc and lead mine and a processing factory in Wengniute Banner, Inner Mongolia. Principally due to (i) a general decline in the price of lead in the international commodity market during the year ended 31 December 2014 and the related price outlook; (ii) the tightening of safety and environmental requirements by government of the People’s Republic of China on mining industry which increased the

complexity of production processes and thus the direct production costs; (iii) the general increase in raw material and production costs during the year ended 31 December 2014; and (iv) adjustment to future production schedule due to the weak commodity market, impairment losses on (a) available-for-sale investments; and (b) other receivable for Weng Qi Group of approximately RMB11 million and RMB11 million, respectively is expected to be recorded on the consolidated financial statement of the Group for the year ended 31 December 2014. No impairment losses on available-for-sale investments and other receivables were recorded in respect of the Weng Qi Group for the year ended 31 December 2013.

The Group is still assessing whether any provision should be made for the amount receivables under the Sao Mai Acquisition and the Loan Agreement for the year ended 31 December 2014 and further announcement will be made in case any provision is made for the year ended 31 December 2014. Based on the information currently available, the Group is expected to record a substantial increase in loss for the year ended 31 December 2014.

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 have not been audited or reviewed by the auditor of the Company.

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 which is expected to be released on 30 March 2015.

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, 25 March 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. 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.