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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**  
**DISPOSAL OF PLEASURE RESOURCES LIMITED AND**  
**OTHER TARGET BVI COMPANIES**

The Directors announce that on 2 June 2015 after trading hours, the Vendor entered into the Disposal Agreement with the Purchaser for the Disposal of the Sale Shares and the Sale Loan.

The Consideration for the Disposal was RMB39,000,000.

As the applicable percentage ratios calculated under Chapter 14 of the Listing Rules exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to announcement requirement under Chapter 14 of the Listing Rules.

**THE DISPOSAL AGREEMENT DATED 2 JUNE 2015**

**Parties to the Disposal Agreement**

Vendor: Yue Da Mining Limited (悦達礦業有限公司), a wholly owned subsidiary of the Company

Purchaser: An independent third party

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is a third party independent of the Company and its connected person(s) (as defined under the Listing Rules) and are not connected persons of the Company.

Asset to be disposed: The assets to be disposed of by the Vendor comprise the Sale Shares (representing 49% of the entire issued share capital of each of the Target BVI Companies) and the Sale Loan (which currently has the amount of RMB38,034,822.42).

The Vendor is a direct wholly-owned subsidiary of the Company. Immediately before the signing of the Disposal Agreement, it is the owner of 49% interest in each of the Target BVI Companies (which in turn are the sole holding companies of the respective Target PRC Companies), and Feng Hua is the owner of the remaining balance of 51% interest in each of the Target BVI Companies.

Immediately after completion of the Disposal, the Group cease to hold any interest in the Target Group and the Purchaser will hold 49% interest in each of the Target BVI Companies and Feng Hua will hold 51% interest in each of the Target BVI Companies.

Consideration and payment terms:

The Consideration for the Disposal was RMB39,000,000 (subject to adjustment).

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendor with reference to, among other things, the value of the Sale Loan as well as the total unaudited combined net deficiency in assets of the Target BVI Companies as at 31 December 2014 of approximately RMB69,082,000.

The consideration of approximately RMB39,000,000 pursuant to the Disposal Agreement will be payable on the Completion Date.

The Directors (including the independent non-executive Directors) consider the Consideration is fair and reasonable to the Group and on normal commercial terms and that the entering into of the Disposal Agreement is in the interest of the Company and the Shareholders as a whole.

Conditions precedent:

Completion of the Disposal is subject to the following conditions having been fulfilled:

1. there shall not be any material breaches of the representations and warranties given by the Vendor in the Disposal Agreement; and
2. all necessary approvals, consents and authorizations in relation to the transaction contemplated under the Disposal Agreement.

If the conditions set out above have not been satisfied on or before 30 September 2015 (or such other date as agreed between the parties), the Disposal Agreement shall cease and terminate and none of the parties shall have any claim against or liability to the other parties under the Disposal Agreement save as otherwise specified in the Disposal Agreement and save in respect of any antecedent breaches of the Disposal Agreement.

Completion:

Completion of the Disposal shall take place on the Completion Date.

Immediately after Completion, the Group will cease to hold any equity interests in the Target Group and there will be no outstanding loan owed by Target BVI Companies to the Vendor.

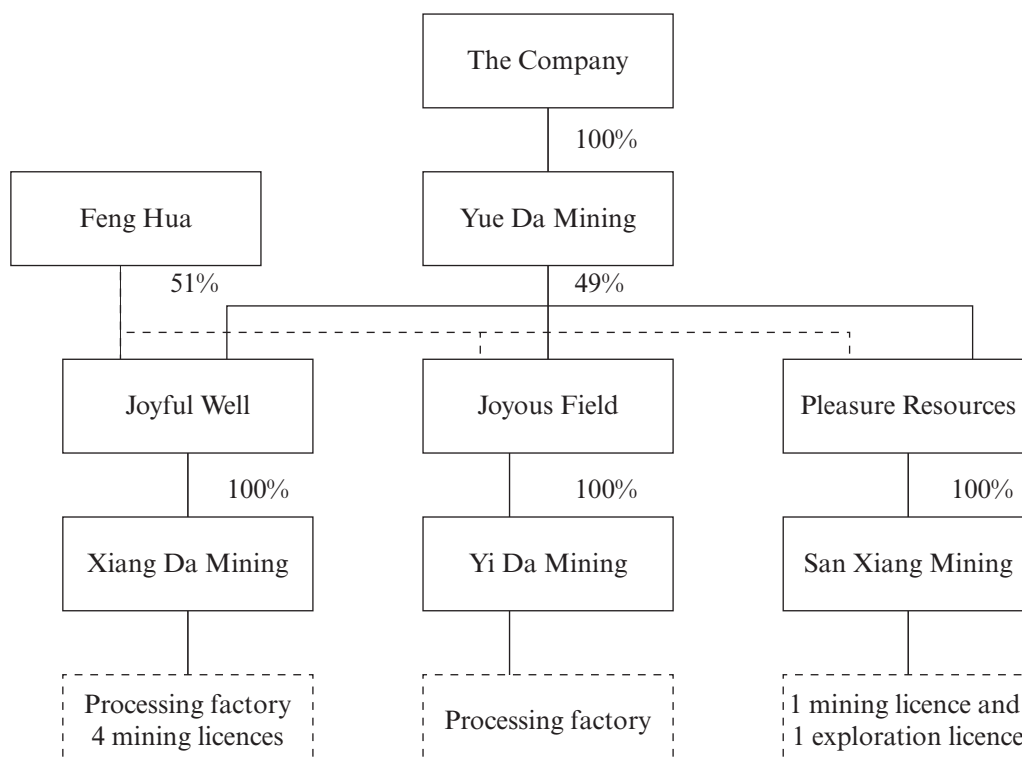
The Directors, including the independent non-executive Directors, consider that the terms of the Disposal Agreement are of normal commercial terms and are fair and reasonable and that the Disposal is in the interests of the Company and the Shareholders as a whole.

## INFORMATION OF THE PURCHASER

The Purchaser is a permanent PRC resident. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is third parties independent of the Company and its connected persons.

## INFORMATION ON THE TARGET GROUP

Each of the Target PRC Companies is solely owned by the respective Target BVI Companies. Immediately before the entering into of the Disposal Agreement, each of the Target BVI Companies were owned as to 51% by Feng Hua and 49% by the Vendor respectively.



Each of the Target BVI Companies is a company incorporated in BVI and is an investment holding company, which directly owns the entire equity interest in the corresponding Target PRC Companies. The Target PRC Companies are holders of certain exploration and mining licences in respect of certain mines located at Wengniuteqi, Chifeng City, Inner Mongolia, the PRC. The predominant minerals in the mines are lead and zinc. The Target PRC Companies are principally engaged in the exploration, mining and processing of lead ore and zinc ore extracted from these mines.

Based on the unaudited combined financial statements of the Target Group made as at 31 December 2014, the net deficiency in assets of the Target Group was approximately RMB69,082,000.

Based on the unaudited combined financial statements of the Target Group, the unaudited loss on ordinary activities before and after tax of the Target Group for the year ended 31 December 2013 and 31 December 2014 are as follows:

<b>Year Ended</b>	<b>Loss before/after tax (RMB'000)</b>
31 December 2013	6,315
31 December 2014	6,773

## **REASONS FOR AND BENEFIT OF THE DISPOSAL**

The principal activities of the Group consist of exploration, mining, processing and sale of zinc, lead, iron and gold ore.

The Directors constantly reviews the Company's business strategy in maximizing the value of the Company and its Shareholders. The mines of the Target BVI Companies are of relatively lower grade and the Target BVI Companies are operating at a loss for the year ended 31 December 2013 and 2014. The Directors consider the Disposal can release funds for higher return potential investment and working capital of the Group.

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

## **FINANCIAL EFFECT OF THE DISPOSAL**

Subject to audit by the external auditor of the Company, it is presently estimated that the Group will have a profit of approximately RMB16,340,000 arising from the Disposal, which is calculated based on the net proceeds of approximately RMB39,000,000 from the Disposal less the book value of the Sale Shares and the Sale Loan of approximately RMB22,660,000 as at 31 December 2014. The net proceeds received by the Group are intended to be used as its working capital and other potential investment.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and therefore the Company is subject to the reporting and announcement requirements thereunder.

## **DEFINITIONS**

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Board”	the board of Directors
“BVI”	British Virgin Islands

“Company”	Yue Da Mining Holdings Limited 悦達礦業控股有限公司, a company incorporated in the Cayman Islands and the issued shares of which are listed on the main board of the Stock Exchange
“Completion Date”	the next business day after all conditions precedents to completion of the Disposal Agreement are satisfied (or such other date as may be agreed by both parties)
“Consideration”	RMB39,000,000, the total consideration of the Disposal
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares and the Sale Loan by the Vendor
“Disposal Agreement”	the disposal agreement dated 2 June 2015 and entered into between the Vendor and the Purchaser
“Feng Hua”	Feng Hua Group Limited (豐華集團有限公司)
“Group”	collectively, the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	An independent third party
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Loan”	a shareholder’s loan of RMB38,034,822.42 owed by the Target BVI Companies to the Vendor
“Sale Shares”	49% interest of each of the Target BVI Companies
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target BVI Companies”	Pleasure Resources Limited (愉悦資源有限公司), Joyous Field Investments Limited (悦田投資有限公司) and Joyful Well Investments Limited (悦偉投資有限公司), each a company incorporated in the BVI, each which immediately before the Disposal was owned as to 49% by the Vendor
“Target Group”	Target BVI Companies and Target PRC Companies

“Target PRC Companies”	Weng Niu Te Qi San Xiang Mining Co., Ltd (翁牛特旗三湘礦業有限公司), Chi Feng Yi Da Mining Co., Ltd. (赤峰市億達礦業有限公司) and Weng Niu Te Qi Xiang Da Mining Co., Ltd. (翁牛特旗湘大礦業有限公司), each a company incorporated in the PRC, and a wholly owned subsidiary of Pleasure Resources Limited, Joyous Field Investments Limited, and Joyful Well Investments Limited respectively
“Vendor”	Yue Da Mining Limited (悅達礦業有限公司), a company incorporated in the British Virgin Islands and a direct wholly owned subsidiary of the Company
“%”	per cent

*In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB0.8 to HK\$1.00, and vice versa. Such exchange rate has been used, where applicable, for the purposes of illustration only and do not constitute a representation that any amounts were or may have been exchanged at such rate or any other rates or at all.*

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

Hong Kong, 2 June 2015

*As at the date of this announcement, the Board comprises the following members: (a) as non-executive Directors, Mr. Wang Lianchun and Mr. Qi Guangya; (b) as executive Directors, Mr. Hu Huaimin and Mr. Bai Zhaoxiang; and (c) as independent non-executive Directors, Mr. Cui Shu Ming and Dr. Liu Yongping.*