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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 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).

Related government bureaus implemented several temporary policies relating to environmental protection and transportation in the first half of 2017, which adversely affects the products delivery and cause certain degrees of disturbance in production plan and product delivery of Tong Ling Guan Hua Mining Company Limited (“**Tong Ling Guan Hua**”), a subsidiary of the Company. Accordingly, the sales revenue of Tong Ling Guan Hua decreased by approximately RMB21,977,000 as compared with the corresponding period in last year.

The Board wishes to inform the Shareholders and potential investors that based on the latest information available to the Board, the policies relating to environmental protection and transportation will not be changed and will remain in force in the foreseeable future. A preliminary valuation report was prepared by taking into account of this factor and it is expected that (a) mining rights; (b) property, plant and equipment; and (c) goodwill related to Tong Ling Guan Hua are to record impairment losses of approximately RMB123,487,000, RMB17,398,000 and RMB2,119,000 respectively on the consolidated financial statement of the Group for the six months ended 30 June 2017. Based on the information currently available to the Board and a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2017, the loss attributable to owners of the Company is expected to be approximately RMB76,047,000 and to increase by more than 204.7% as compared with the corresponding period in 2016. The increase in loss was led by the above impairment losses on assets. If such impairment losses on assets were excluded, the loss attributable to owners of the Company should have been narrowed largely from the last corresponding period, attributable to factors including increase in prices of products.

The Company is still in process of preparing and finalising the interim results of the Group for the six months ended 30 June 2017. 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 interim results announcement of the Company for the six months ended 30 June 2017 which is expected to be released on 21 August 2017.

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 Directors and Chief Executive

Hong Kong, 10 August 2017

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 Guangya; (b) as executive Directors, Mr. Mao Naihe, Mr. Hu Huaimin and Mr. Bai Zhaoxiang; and (c) as independent non-executive Directors, Mr. Cui Shu Ming, Dr. Liu Yongping and Mr. Cheung Ting Kee.