

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

### **VOLUNTARY ANNOUNCEMENT – LITIGATION**

This voluntary announcement is made by Yue Da Mining Holdings Limited (the “**Company**”) on a voluntary basis.

#### **BACKGROUND**

Reference is made to the Company’s announcement dated 5 September 2013 (the “**Announcement**”) in relation to the signing of an acquisition agreement (the “**Acquisition Agreement**”) between Yue Da Mining Limited (the “**Purchaser**”), a wholly owned subsidiary of the Company, and Truong Thi Kim Soan (the “**Vendor**”), being a Vietnamese individual, pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the entire issued share capital of Expert Union Investments Limited and Sky Modern Investments Ltd. (the “**Acquisition**”) for a consideration of US\$34 million, of which US\$7 million was paid by the Purchaser to the Vendor as a deposits (the “**Deposit**”).

As certain closing conditions were not fulfilled by the long stop date under the Acquisition Agreement, the Acquisition Agreement was terminated on 15 November 2014. Under the Acquisition Agreement, all money paid by the Purchaser to the Vendor shall be refunded to the Purchaser within 1 month of termination of the Acquisition Agreement.

The Company and its subsidiaries (the “**Group**”) have fulfilled all their contractual obligations under the Acquisition Agreement. Of the total amount of the Deposit, the sum of US\$5,962,783 is still owed by the Vendor to the Purchaser. The Deposit has remained outstanding up to the date of this announcement despite the Group’s repeated demands, which include the payment of the Deposit under, but not limited to, a settlement agreement dated 20 March 2017 entered into between the Vendor, Purchaser and Sao Mai Joint Stock Company (the “**Settlement Agreement**”), the counter parties to the Settlement Agreement have failed to fulfill the obligations under the Settlement Agreement.

## **COMMENCEMENT OF HIGH COURT ACTION NO. 2559/2018 BY THE PURCHASER**

In order to safeguard the legitimate rights and interests of the Group, the Purchaser issued a writ of summons (the “**Writ**”) in the High Court of The Hong Kong Special Administrative Region (“**High Court**”) against the Vendor on 31 October 2018. Pursuant to the Writ, the Purchaser claims against the Vendor the sum of US\$5,962,783, further interest and costs due and owing by the Vendor to the Purchaser.

The Company will continue to take legal advice from its legal advisers during the course of the Litigation to safeguard the Group’s legitimate rights and interests. Further announcement will be made by the Company if there is any material progress in relation to the Litigation.

**In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Yue Da Mining Holdings Limited**  
**Hu Huaimin**  
*Executive Director and Chief Executive*

Hong Kong, 31 October 2018

*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. Wen Songmao, Mr. Mao Naihe, Mr. Hu Huaimin and Mr. Cai Baoxiang; and (c) as independent non-executive Directors, Mr. Cui Shu Ming, Dr. Liu Yongping and Mr. Cheung Ting Kee.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*