



CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司

Company Registration No. CT-140095

EMPHASIS OF MATTER BY AUDITORS ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

In compliance with Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Board of Directors ("Board") of China Mining International Limited (the "Company", and together with its subsidiaries, the "Group") wishes to announce that, subsequent to the Announcement made by the Company on 29 April 2014 (the "Announcement"), the independent auditors of the Company, Crowe Horwath First Trust LLP ("Auditors"), had, with the more time granted pursuant to the Announcement in allowing them to carry out further audit works in relation to the matters stated in the Announcement, **without qualifying their opinion**, included an emphasis of matter in the Independent Auditors' Report on the financial statements of the Group for the financial year ended 31 December 2013 (the "Financial Statements") in connection with the following:

1. Amount due from Glossmei Limited ("Glossmei")

As at 31 December 2014, the other receivables comprise of a balance due from Glossmei Limited ("Glossmei") of RMB 68,350,000 which was secured against 30,000 ordinary shares, representing approximately 60% of the equity interest in Climbing Ace (the "Climbing Ace Shares"). Pursuant to a supplemental agreement entered into between Glossmei and Elegant Jade on 23 February 2014, the pledge in respect to the Climbing Ace Shares was lifted so as to facilitate Glossmei to obtain a bank loan.

In February 2014, the Company received repayment of RMB 40,300,000 from Glossmei. Following such repayment, the amount payable from Glossmei decreased to RMB 28,000,000 (the "Balance Due") as at the date of this announcement.

To ensure the recoverability of the Balance Due, the Company had on 5 May 2014 requested that the Chairman of the Company, Mr Guo Yinghui (the "Guarantor"), to execute a deed of guarantee in favor of the Company (the "Deed of Guarantee") to secure the repayment of the Balance Due (the "Guarantee").

As an additional security for the provision of the Guarantee, the Guarantor, charges 110 million ordinary shares beneficially owned by him in the issued and paid-up capital of the Company (the "Guarantee Shares"), in favor of the Company, by way of an equitable charge.

In the event that Glossmei is unable to repay the Balance Due by 31 December 2014, the Guarantor shall forthwith on written demand by the Company to make payment in cash within a period of three months from 31 December 2014 as if he was the principal obligor.

In the event the Guarantor defaults in performing the Guarantee, the Company shall within a period of three months take such necessary action to enforce the Deed of Guarantee against the Guarantor and without any notice to or consent from the Guarantor, realise, sell and/or dispose of the Guarantee Shares or any part of the Guarantee Shares in such manner and consideration the Company may think fit.

2. Property under development

The Group's subsidiary, Xinxiang Huilong Real Estate Co. Ltd ("Xinxiang Huilong") entered into a supplementary agreement with the unrelated buyer (the "Buyer") on 6 May 2014 where the Buyer agrees to waive any recourse against Xinxiang Huilong for the initial deposit of RMB 25,000,000 paid to

Xinxiang Huilong and undertakes to pay the remaining balance of RMB 27,068,000 by 31 December 2015.

As a result, a receivable of RMB 27,068,000 due from Glossmei was recognised as at 31 December 2013 (the "Receivable") and the RMB 25,000,000 of deposit previously recognized in other payable was netted-off against the costs of land use rights.

In view of the uncertainty in the collectability, a full allowance of RMB 27,068,000 was made on the Receivable.

The above emphasis of matters do not tantamount to a qualification of audit opinion by the Auditors. The shareholders of the Company are advised to read this announcement in conjunction with the Financial Statements contained in the 2014 Annual Report of the Company, which will be despatched to them in due course.

By Order of the Board

Mr Libin
Chief Executive Officer
12 May 2014