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CHINA PRECIOUS METAL RESOURCES HOLDINGS CO., LTD.

中國貴金屬資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1194)

**WRITTEN RESOLUTION AND AMENDED PROPOSAL IN RESPECT OF
THE CONSENT SOLICITATION RELATING TO
THE TERMS AND CONDITIONS AND TRUST DEED OF
HK\$1,028,000,000 7.25 PER CENT. CONVERTIBLE BONDS DUE 2018
(ISIN: XS0880097620)**

Reference is made to the Consent Solicitation Announcements dated 21 December 2015 and 23 December 2015, the Undertaking Announcement dated 7 January 2016, the Bondholders Meeting Announcement dated 12 January 2016, the Share Election Announcement dated 19 January 2016, the Poll Result Announcement dated 25 January 2016, and the announcement of the Company dated 28 January 2016 in relation to the Settlement Date in respect of the Consent Solicitation (the “**Settlement Date Announcement**”).

The Settlement Date of the Proposals and the Undertaking was 29 January 2016. The settlement conditions were not met and the Supplemental Trust Deed was not executed by the Company on the Settlement Date of 29 January 2016.

The Company has, on 29 January 2016 (after trading hours), given notice (the “**Notice of Written Resolution**”) to the Bondholders pursuant to paragraph 19 of Schedule 3 of the Trust Deed to request them to consider the Proposals contained in the Consent Solicitation Memorandum as reaffirmed and amended by the written resolution (the “**Written Resolution**”) set out in the Notice of Written Resolution (the “**Amended Proposal**”).

THE WRITTEN RESOLUTION

The Written Resolution is being proposed as a written resolution, which is required to be signed by Bondholders holding not less than 90% of the aggregate principal amount of the Bonds outstanding, who for the time being are entitled to receive notice of a meeting, in order to be passed.

The principal terms of the Written Resolution are:

- (1) to reaffirm the Extraordinary Resolution of the Bondholders passed on 12 January 2016, save that:
 - (a) the Settlement Date will be changed from 29 January 2016 to 16 March 2016 (the “**New Settlement Date**”);
 - (b) the reset floor price of the Conversion Price will be changed from HK\$0.2741 to HK\$0.25 under Condition 6(E)(ii)(a) of the terms and conditions of the Bonds as amended by the Extraordinary Resolution, for the period commencing on the New Settlement Date and ending on 4 February 2018; and
 - (c) the issue price of the Consent Shares and Full Consent Shares to be issued to Bondholders electing to substitute their Bonds with Consent Shares or Full Consent Shares will be changed from HK\$0.2741 to HK\$0.25;

The changes set out in 1(b) and 1(c) above correspond to the changes in relation to the Undertaking, as more particularly described in the Undertaking Announcement;

- (2) to replace the calculations in the Extraordinary Resolution, such that:
- (a) the outstanding principal amount of each Bond per HK\$1,000,000 nominal amount of the Bonds on the New Settlement Date, after taking into account the Principal Paydown Amount plus interest accrued thereon, shall be decreased to HK\$655,497.92 (compared to HK\$672,907.99 under the Proposals); and
 - (b) the number of Shares issuable pursuant to (i) an election to substitute Bonds with Consent Shares based on the outstanding principal amount of the Bonds plus accrued interest thereon prior to payment of the Principal Paydown Amount plus accrued interest thereon, will be decreased to 4,033,833 Shares per HK\$1,000,000 nominal amount of each Bond (compared to 4,140,972 Shares per HK\$1,000,000 nominal amount of each Bond under the Proposals and the Undertaking); and (ii) an election to substitute Bonds with Consent Shares based on the outstanding principal amount of the Bonds plus accrued interest thereon after payment of the Principal Paydown Amount plus accrued interest thereon, will be decreased to 2,621,991 Shares per HK\$1,000,000 nominal amount of each Bond (compared to 2,691,632 Shares per HK\$1,000,000 nominal amount of each Bond under the Proposals and the Undertaking);
- (3) the interest accrued to, but excluding, 4 February 2016 in relation to the Bonds shall be paid on 4 February 2016 and the interest payable on 4 August 2016 shall be HK\$18,217.38 per Calculation Amount;
- (4) to waive any Event of Default that may have occurred or may occur (a) pursuant to Condition 8(D) (*Redemption – Redemption at the Option of the Bondholders*) of the Terms and Conditions; or (b) as a result of the settlement as contemplated in the Notice of Meeting not occurring on 29 January 2016 pursuant to the Proposals under the Extraordinary Resolution; and
- (5) the Share Election Instructions received as set out in the Notice of Share Election Results dated 19 January 2016 (the “**Share Election Instructions**”) shall remain effective and shall apply to the Extraordinary Resolution as reaffirmed and amended by the Written Resolution.

The effectiveness of the Written Resolution will be subject to new settlement conditions as set out in the Notice of Written Resolution, which include but are not limited to (i) the payment of the Principal Paydown Amount plus accrued interest thereon; (ii) the existence of an effective ordinary resolution of shareholders of the Issuer approving the Proposals under the Extraordinary Resolution as reaffirmed and amended by the Written Resolution as at the New Settlement Date; and (iii) delivery by the Issuer of the Consent Shares to Bondholders that have previously submitted valid Share Election Instructions.

The amendments contemplated in the Extraordinary Resolution as reaffirmed and amended by the Written Resolution shall not become effective until a supplemental trust deed is executed between the Issuer and the Trustee on the New Settlement Date.

THE AMENDED PROPOSAL

Interest Payment on 4 February 2016

The Company shall pay accrued interest on the Bonds on the next Interest Payment Date, being 4 February 2016.

Time for Delivery of Electronic Instructions and Effective Date of the Amended Proposal

Bondholders have been asked to deliver valid electronic instructions through the relevant clearing systems in accordance with the procedures of, and within the time limit specified by, the clearing systems for receipt by the Tabulation Agent no later than 5:00 p.m. (CET) on 3 February 2016/12:00 a.m. (Hong Kong time) on 4 February 2016.

The Company expects to know whether the Written Resolution has been passed by the Bondholders on 4 February 2016. If the Written Resolution is passed (and subject to the New Settlement Conditions set out below), the Amended Proposal will become effective from the New Settlement Date of 16 March 2016, by means of a supplemental trust deed being executed on the same date.

New Settlement Conditions

The effectiveness of the Amended Proposal is subject to the following new settlement conditions (which shall replace the original settlement conditions set out in the Notice of Meeting and the Consent Solicitation Memorandum): (i) the payment of the Principal Paydown Amount plus accrued interest thereon (on a pro rata basis) to each Bondholder; (ii) the existence of an effective resolution of Shareholders approving the Amended Proposal; and (iii) delivery by the Company of the Shares to be issued at HK\$0.2500 per Share in substitution for Bonds to Bondholders that have previously submitted valid Share Election Instructions (together, the “**New Settlement Conditions**”).

None of the payment of the Principal Paydown Amount, the issue of the Consent Shares or the adjustment to the Conversion Price pursuant to the Extraordinary Resolution shall trigger any adjustments under Condition 6(C) (*Conversion – Adjustments to Conversion Price*) of the Terms and Conditions.

The Amended Proposal will only be effective if the New Settlement Conditions are satisfied on or before the New Settlement Date of 16 March 2016. If the New Settlement Conditions are not satisfied, the Amended Proposal will not come into effect and will not be binding on any of the Bondholders. If passed, the Written Resolution will be binding upon all Bondholders, whether or not they voted, subject to the conditions described in the Notice of Written Resolution.

SHARES ISSUABLE UPON THE AMENDED PROPOSAL BECOMING EFFECTIVE

The total number of Shares issuable under the Proposals and the Undertaking (including the Full Consent Shares, the Consent Shares and any other Conversion Shares issuable upon conversion of the Bonds) was 2,117,182,315, representing approximately (i) 38.36% of Shares issued as at the date of this announcement and prior to the Proposals and the Undertaking becoming effective and (ii) 27.73% of Shares issued as at the date of this announcement, following the Proposals and the Undertaking becoming effective and upon conversion of the Bonds. The total number of Shares in issue would have been 7,636,213,078 Shares.

If the Written Resolution is passed and the New Settlement Conditions are met on or before the New Settlement Date, the total number of Shares issuable under the Amended Proposal (including the Full Consent Shares, the Consent Shares and any other Conversion Shares issuable upon conversion of the Bonds) is 2,062,404,706 Shares, representing approximately (i) 37.37% of Shares issued as at the date of this announcement and prior to the Amended Proposal becoming effective and (ii) 27.20% of Shares issued as at the date of this announcement, following the Amended Proposal becoming effective and upon conversion of the Bonds. The total number of Shares in issue would be 7,581,435,469 Shares.

LISTING RULES IMPLICATIONS

Please refer to the Consent Solicitation Announcements, the Undertaking Announcement and the Settlement Date Announcement for details of implications under the Listing Rules, which shall be the same for the purposes of this announcement.

TERMS USED IN THIS ANNOUNCEMENT

Except as set out above, capitalised terms used but not defined in this announcement shall, unless the context otherwise requires, have the meanings set out in the Consent Solicitation Announcements (as updated by the Undertaking Announcement), the Bondholders' Meeting Announcement, the Share Election Announcement, the Poll Result Announcement and the Settlement Date Announcement.

By order of the Board
China Precious Metal Resources Holdings Co., Ltd.
LI Xianghong
Chairman

Hong Kong, 31 January 2016

As at the date of this announcement, the executive directors of the Company are Mr. Li Xianghong, Mr. Chang Yim Yang, Mr. Zhang Shuguang, Mr. Zhang Liwei, Mr. Lam Cham, Mr. Deng Guoli, Mr. Zhang Lirui, Mr. Liu Liyang; and the independent non-executive directors of the Company are Professor Wong Lung Tak Patrick, BBS, PhD, J.P., Mr. Chan Kin Sang, Mr. Xiao Rong Ge and Mr. Wang Hao.