



CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司

Registered in Cayman Islands

Company Registration No. CT-140095

DISPOSAL OF A DORMANT SUBSIDIARY

1. THE DISPOSAL

As part of the cost containment measures in conserving resources for other investment opportunities and with a view to further streamline the operations of China Mining International Limited (the “Company”) and its subsidiaries (the “Group”), the Board of Directors of the Company hereby announces that the Company, via its wholly-owned subsidiary, Elegant Jade Enterprise Limited (美基企业有限公司), had entered into a sale and purchase agreement to dispose its entire equity interest in a dormant and loss making subsidiary, Whitewood property Corporation (辉活房地产有限公司) (the “Whitewood”) (the “Disposal”), to an unrelated third party for cash of RMB10,000 determined on a ‘willing-buyer-willing-seller’ basis (the “Disposal Consideration”).

Subsequent to the Disposal, Whitewood ceased to be the subsidiary of the Company.

2. FINANCIAL EFFECTS

Gain on Disposal

Based on the management accounts of the Group, the Disposal will result in a gain on Disposal of approximately RMB7.5 million

Proforma Financial Effects

The proforma financial effects of the Disposal set out below, computed based on the latest announced unaudited management account of the Group for the nine-month period ended 30 September 2016 and the following assumptions, are intended for illustration purposes only; they are neither indicative of the actual financial effects of the Disposal on the consolidated net tangible asset (“NTA”) and consolidated loss per share (“LPS”) of the Group nor reflective of the future financial position and performance of the Group:

- (a) For the purpose of the consolidated profit and loss account, the Disposal had been completed on 1 January 2016; and
- (b) For the purpose of the consolidated balance sheet, the Disposal had been completed on 30 September 2016.

Share capital

The Disposal has no effect on the issued share capital of the Company.

NTA

The Disposal would have improved the NTA per share of the Group from 14.96 Singapore cents each to 16.00 Singapore cents each, an increase of about 1.04 Singapore cents for each share of the Group as illustrated below:

	Before the Disposal RMB'000	After the Disposal RMB'000
NTA of the Group as at 30 September 2016	<u>107,293</u>	<u>114,763</u>
NTA per share as at 30 September 2016 (Singapore cents) ⁽¹⁾	<u>14.96 cents</u>	<u>16.00 cents</u>

Note:

(1) Calculated based on exchange rate of S\$1: RMB4.89 as at 30 September 2016 and 146,688,500 ordinary shares (excluding treasury shares) as at 30 September 2016.

LPS

The Disposal would have improved the LPS of the Group from 1.28 Singapore cents each to 0.22 Singapore cents each, a decrease of approximately 1.06 Singapore cents for each share of the Company as illustrated below:

	Before the Disposal RMB'000	After the Disposal RMB'000
Loss of the Group (after tax) attributable to equity holders of the Company	<u>9,027</u>	<u>1,557</u>
LPS (Singapore cents) ⁽¹⁾	<u>1.28 cents</u>	<u>0.22 cents</u>

Note:

(1) Calculated based on the average exchange rates S\$1:RMB4.81 for 9M 2016. Based on the issued ordinary shares of 146,688,500 (excluding treasury shares) as at 30 September 2016.

3. RULE 1006 COMPUTATION

The relative figures computed on the bases pursuant to Rule 1006(a) to (d) of the Listing Manual of the SGX-ST in relation to the Disposal based on the latest announced consolidated accounts of the Company for the financial year ended 30 September 2016 are as follows:

(a)	Rule 1006(a) – the net liability value (net of non-controlling interests) of the disposed Whitewood, compared with the Group's net asset value (net of non-controlling interests) as at 30 September 2016	N.A.
(b)	Rule 1006(b) – the loss before income tax and minority interests attributable to the Whitewood at disposal compared with the Group's loss before tax and minority interests for the financial period 9-months ended 30 September 2016	0.07%
(c)	Rule 1006(c) – the Disposal Consideration compared with the Company's market capitalisation	0.05% ⁽¹⁾
(d)	Rule 1006(d) – the number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	N.A.
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	N.A.

Note:

(1) Based on the closing share price of S\$0.595 of the Company and 146,688,500 issued shares (excluding treasury shares) of the Company at the exchange rate of S\$1: RMB4.80 as at 30 December 2016.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed, none of the Directors or substantial shareholders of the Company has any interest, directly or indirectly, in the Disposal (other than their interest held, directly or indirectly, through shares in the Company).

BY ORDER OF THE BOARD

Mr Li Bin
CEO and Executive Director
16 January 2017