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Hidili Industry International Development Limited

恒鼎實業國際發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01393)

COMMENCEMENT OF TENDER OFFER AND CONSENT SOLICITATION FOR THE OUTSTANDING 8.625% SENIOR NOTES DUE 2015

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

On 16 September 2014, the Company commenced (i) the Tender Offer to purchase for cash of its outstanding Notes up to the Maximum Acceptance Amount, and (ii) the Consent Solicitation. For a detailed statement of the terms and conditions of the Tender Offer and Consent Solicitation, Holders and beneficial owners of the Notes should refer to the Tender Offer Statement.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

1. TENDER OFFER AND CONSENT SOLICITATION

On 4 November 2010, the Company issued 8.625% senior notes due 2015 with an aggregate principal amount of US\$400,000,000. The Notes are listed on the SGX-ST. The Common Code of the Restricted Global Note and Regulation S Global Note is 055621349 S and 055621497, respectively.

The ISIN number of the Restricted Global Note and Regulation S Global Note is US42952UAA16 and USG44403AB26, respectively.

The board of directors of the Company is pleased to announce that on 16 September 2014, the Company commenced (i) the Tender Offer to purchase for cash its outstanding Notes up to the Maximum Acceptance Amount, and (ii) the Consent Solicitation, upon the terms and subject to the conditions set out in the Tender Offer Statement.

In conjunction with the Offer, the Company is soliciting Consents from the Holders to (i) the Proposed Amendments and Waivers; and (ii) the execution and delivery of the Supplemental Indenture in order to effect the Proposed Amendments, upon the terms and subject to the conditions of the Consent Solicitation. If the Proposed Amendments and Waivers become operative, the Proposed Amendments and Waivers would eliminate substantially all of the restrictive covenants and certain Events of Default and certain other provisions contained in the Indenture, and waive any and all actual and potential Defaults and Events of Default that have occurred and are continuing as well as any and all potential Defaults or Events of Default that may have occurred or may be continuing under the Indenture.

If Holders decide to tender their Notes, they are required to tender their Notes and deliver their Consents concurrently. Holders who validly tender their Notes will be deemed to have consented to the Proposed Amendments and Waivers in their entirety and to the execution and delivery of the Supplemental Indenture. Notes may be tendered only in minimum denominations of US\$100,000 principal amount and integral multiples of US\$1,000 principal amount in excess thereof.

The Company proposes to accept for purchase Notes validly tendered (and not validly withdrawn) up to the Maximum Acceptance Amount, which the Company may increase or decrease, whereupon the Company will promptly announce such changes and extend the Tender Offer (if necessary). If the Company decides to accept for purchase valid tenders of Notes in the Tender Offer and the aggregate principal amount of the Notes validly tendered is greater than the Maximum Acceptance Amount, it will accept tenders of Notes for purchase subject to scaling on a pro rata basis such that the aggregate principal amount of Notes accepted for purchase is no greater than the Maximum Acceptance Amount.

The final acceptance amount will be determined as soon as practicable following the Expiration Date if proration of the tendered Notes is required. Therefore, Notes validly tendered on or prior to the Expiration Date will remain subject to proration irrespective of whether such tenders or delivery occurred prior to the Early Tender Deadline or otherwise. No proration shall be applied in respect of any Consents validly delivered on or prior to the Consent Expiration Date.

Subject to the satisfaction or waiver of the conditions of the Offer as set out below, Holders who validly tender (and do not validly withdraw) their Notes:

- (a) at or prior to the Early Tender Deadline, will be entitled to receive:
 - (i) the Early Tender Consideration i.e. US\$680 per US\$1,000 principal amount of Notes tendered and accepted for purchase by the Company pursuant to the Tender Offer and not validly withdrawn at or prior to the Early Tender Deadline; and
 - (ii) the Consent Payment i.e. US\$20 per US\$1,000 principal amount of the Notes in respect of which Consents are validly delivered and accepted by the Company and not validly revoked on or prior to the Consent Expiration Date; and
- (b) after the Early Tender Deadline but on or prior to the Expiration Date, will be entitled to receive the Tender Consideration i.e. US\$650 per US\$1,000 principal amount of Notes tendered and accepted for purchase by the Company pursuant to the Tender Offer and not validly withdrawn on or prior to the Expiration Date.

Holders who tender Notes after the Early Tender Deadline will not be entitled to the Consent Payment unless the Consent Expiration Date has been extended and such Notes are validly tendered and not validly withdrawn on or prior to the Consent Expiration Date as so extended (and the Consent in respect thereof is accepted by the Company).

In accordance with the terms and subject to the conditions of the Offer, in addition to the Early Tender Consideration or the Tender Consideration, as the case may be, Holders who validly tender and do not validly withdraw their Notes in the Offer are entitled to receive the Accrued Interest if the Notes are accepted for purchase by the Company.

If the Company decides to accept for purchase valid tenders of Notes in the Tender Offer and the aggregate principal amount of the Notes validly tendered is greater than the Maximum Acceptance Amount, it will accept tenders of Notes for purchase subject to scaling on a pro rata basis such that the aggregate principal amount of Notes accepted for purchase is no greater than the Maximum Acceptance Amount. Holders will only receive the Early Tender Consideration or the Tender Consideration (as applicable) in respect of those Notes validly tendered and not withdrawn and accepted for purchase by the Company.

In addition, Holders may choose to deliver Consents without tendering Notes. In accordance with the terms and subject to the conditions set forth in the Tender Offer Statement, Holders who validly deliver (and do not validly revoke) their Consents to the Proposed Amendments and Waivers without tendering Notes on or prior to the Consent Expiration Date will be entitled to receive the Consent Payment in respect of which Consents are delivered (and not validly revoked) by such Holder and accepted by the Company in the Consent Solicitation.

For the avoidance of doubt, no proration shall be applied in respect of any Consent validly delivered and accepted by the Company. Holders will receive the Consent Payment in respect of all Notes for which a Consent has been validly delivered and not validly revoked, whether or not such Notes are accepted for purchase by the Company pursuant to the Tender Offer.

The Company will pay (subject to the satisfaction or waiver of the conditions to the Offer) the Early Tender Consideration, the Tender Consideration and the Consent Payment, as applicable, on the Settlement Date.

The Proposed Amendments and Waivers

(a) The Proposed Amendments

The Proposed Amendments involve, among other things:

- (i) the elimination of substantially all of the restrictive covenants contained in the Indenture; and
- (ii) the elimination of certain Events of Default with respect to the Notes and certain other provisions contained in the Indenture and the Notes.

(b) The Proposed Waivers

All capitalised terms used in this paragraph (b) shall have the meanings given to them in the Indenture, unless otherwise defined in this announcement.

The Company has breached the following covenants under the Indenture, including the limitation on the incurrence of indebtedness; limitation on liens; limitation on restricted payments; limitation on asset sales; future share pledges and subsidiary guarantees; and provision of certain information to the Trustee and Collateral Agent, certain of which constituted Events of Default under the Notes, details of which are set out below:

(i) Limitation on Incurrence of Indebtedness

The repurchase obligation under the Huaneng Trust Transaction constituted an Indebtedness under the Indenture which caused a breach of the Fixed Charge Coverage Ratio and the Permitted Subsidiary Indebtedness to exceed 15% of the Total Assets. Such Indebtedness did not constitute Permitted Indebtedness. In addition, substantially all of the Indebtedness that the Company and the Restricted Subsidiaries incurred after the Huaneng Trust Transaction, including the Yunnan Dongyuan Guarantee, was not Permitted Indebtedness and was incurred in breach of the Fixed Charge Coverage Ratio and the Indenture's limit on the incurrence of Permitted Subsidiary Indebtedness.

(ii) Limitation on Liens

The Indebtedness incurred by the Restricted Subsidiaries in the Huaneng Trust Transaction and thereafter did not qualify as Permitted Subsidiary Indebtedness. Consequently, the Liens granted to creditors in connection with the incurrence of such Indebtedness did not qualify as Permitted Liens and accordingly breached this covenant under the Indenture.

(iii) Limitation on Restricted Payments

The Company repurchased 29,500,000 ordinary shares in June 2013 at a time when the Company was unable to satisfy the Fixed Charge Coverage Ratio requirement. As such, it constituted a Restricted Payment and accordingly, breached this covenant in the Indenture. In addition, the repurchases of equity interests in the PRC Subsidiaries from Huaneng Trust also constituted Restricted Payments and were effected at a time when the Company was unable to satisfy the Fixed Charge Coverage Ratio requirement. Therefore, they also breached the covenant under the Indenture.

(iv) Limitation on Asset Sales

The Asset Sales under the Huaneng Trust Transaction was consummated at a time when a Default had occurred and was continuing under the Indenture. As such, it constituted a breach of this covenant under the Indenture. In addition, the completion of the Yunnan Dongyuan Transaction, the Jinhe Transaction, the Dongguaao Transaction and the Sichuan Guoli Transaction breached this covenant since they were consummated at a time when a Default had occurred and was continuing under the Indenture.

(v) Future Share Pledges and Subsidiary Guarantees

Under the Indenture, the Company is required to create a Lien on the shares of each person that becomes a Restricted Subsidiary (other than persons organized under the laws of the PRC) after the date of the Indenture in favor of the Collateral Agent, and to cause each of its future Restricted Subsidiaries (other than persons organized under the laws of the PRC) after the date of the Indenture to execute and deliver to the Trustee a Guarantee of the Notes. Since the date of the Indenture, the Company has established several Restricted Subsidiaries outside the PRC in respect of which the Company has not complied with these obligations under the Indenture. As such, it constituted a breach of this covenant under the Indenture.

(vi) Provision of Certain Information to the Trustee and Collateral Agent

Under the Indenture, the Company is required to furnish to the Trustee and/or the Intercreditor/Collateral Agent certain information within certain prescribed periods. The Company has failed to provide such certificates and documents to the Trustee and/or the Intercreditor/Collateral Agent and therefore, is in breach of this covenant under the Indenture.

Certain loan agreements of the Company contain cross-default provisions which entitle the lenders thereunder to declare all amounts owing thereunder immediately due and payable in the event of a default under certain other indebtedness of the Company, including the Notes. As of the date of this Statement, the total principal amount under these agreements is approximately US\$234,000,000, of which the aggregate outstanding principal amount is approximately US\$210,050,000.

In addition, certain credit facility agreements where Hidili Industry (China) Group Co., Ltd. and Sichuan Hidili, both of which are the Company's PRC subsidiaries, are borrowers contain cross-default provisions. As a consequence, the existing defaults under the Indenture entitle the lenders under these agreements to declare the loans immediately due and payable. As of the date of the Tender Offer Statement, the total credit amount under these credit agreements is approximately RMB3,400,000,000, of which the aggregate outstanding principal amount is approximately RMB1,400,000,000.

If any of the above loans is declared immediately due and payable, a cross-default or cross-acceleration may be triggered under other loan agreements of the Company or its subsidiaries and if any of our lenders chooses to accelerate the loans, the Company might not have sufficient funds to repay or refinance all such loans.

As of the date of the Tender Offer Statement, none of our lenders has declared any of our loans immediately due and payable.

(c) Effects of the Proposed Amendments and Waivers

If the Offer is consummated and the Proposed Amendments and Waivers become effective and operative, Holders of the Notes that are not purchased pursuant to the Tender Offer for any reason will no longer be entitled to the benefits of substantially all of the restrictive covenants and certain Events of Default contained in the Indenture as currently in effect and any and all Events of Default that have occurred and are continuing as a result of non-compliance with the Indenture, as well as any and all potential Events of Default that may have occurred or may be continuing under the Indenture, whether or not specifically described in the Tender Offer Statement, will have been waived.

The Proposed Amendments and Waivers would, among other things, eliminate substantially all of all restrictive covenants contained in the Indenture and certain Events of Default and certain other provisions contained in the Indenture and the Notes. As a result, if the Proposed Amendments and Waivers become effective and operative, the Notes will no longer limit the ability of the Company, among other things, to incur additional indebtedness and grant liens on its assets to secure the additional indebtedness and to take other actions that could materially increase its credit risk or could otherwise be materially adverse to the Holders and could negatively impact the price at which the outstanding Notes may trade.

If the Proposed Amendments and Waivers become effective and operative, Holders (i) who do not tender their Notes on or prior to the Expiration Date, and (ii) who continue to hold Notes that are not accepted for purchase by the Company (as a result of defective tendering, proration or otherwise) will nonetheless be bound by the Proposed Amendments and Waivers.

In the event of the proration of tenders in circumstances where the Requisite Consents are received and accepted and the Supplemental Indenture is executed and becomes effective and the Proposed Amendments become operative, Holders should note that Notes returned to tendering Holders as a result of such proration will be subject to the Proposed Amendments set out in the Supplemental Indenture. For the avoidance of doubt, no proration shall be applied in respect of any Consent validly delivered and accepted by the Company. Accordingly, Holders will receive Consent Payment in respect of all Notes for which a Consent has been validly delivered and not validly revoked on or prior to the Consent Expiration Date and accepted by the Company, whether or not such Notes have been accepted for purchase by the Company pursuant to the Tender Offer.

Conditions of the Offer

The Company's obligation to accept for purchase, and to pay for, the Notes validly tendered and Consents validly delivered pursuant to the Offer is subject to the satisfaction of a number of conditions, including, among other things:

- (a) the satisfaction of all of the Supplemental Indenture Condition and the General Conditions; and
- (b) the Company's acceptance of the Notes validly tendered (and not validly withdrawn) for purchase pursuant to the Tender Offer and the Consents validly delivered (and not validly revoked) pursuant to the Consent Solicitation.

Unless the conditions outlined above are satisfied or waived in accordance with the Tender Offer Statement, the Company will not accept for purchase, and will not pay for, the Notes validly tendered and not validly withdrawn pursuant to the Tender Offer and Consents validly delivered and not validly revoked pursuant to the Consent Solicitation. There can be no assurance that the Offer will be consummated or that any failure to consummate the Offer will not have a negative effect on the market price and liquidity of the Notes.

The Company expressly reserves the right, in its sole and absolute discretion, subject to applicable law and the terms of the Offer, at any time and from time to time:

- (a) to waive any condition of the Offer;
- (b) to terminate the Offer and not accept for purchase any Notes, upon failure of any of the conditions of the Offer or otherwise;

- (c) to amend any terms of the Offer, including, without limitation, modifying the Early Tender Consideration, the Tender Consideration or the Consent Payment, provided that in the event if the Early Tender Consideration, the Tender Consideration or the Consent Payment is being modified, the Offer, will be extended if necessary such that the Early Tender Deadline and the Expiration Date are at least ten business days from the date of such modification. In the event the Maximum Acceptance Amount is changed and there are fewer than ten business days from and including the date of such announcement to the Expiration Date, the Offer will be extended so that at least ten business days remain until the Expiration Date; and
- (d) to transfer or assign, in whole at any time or in part from time to time, to one or more of affiliates of the Company, the right to purchase any Notes tendered pursuant to the Tender Offer.

The Expected Timetable

On 16 September 2014, the Company launched the Offer.

Each of the Early Tender Deadline, the Consent Expiration Date and the Withdrawal Time is 5:00 P.M., New York City time, on 29 September 2014, unless extended or earlier terminated by the Company.

The Expiration Date is 11:59 P.M., New York City time, on 14 October 2014, unless extended or earlier terminated by the Company.

The Settlement Date is expected to be 21 October 2014, the fifth business day following the Expiration Date.

If the Company has received the Requisite Consents, the Supplemental Indenture will be executed on or promptly after the Expiration Date.

Any Notes that are not tendered or purchased pursuant to the Tender Offer will no longer have the benefit of substantially all of the restrictive covenants, certain Events of Default formerly applicable to such Notes and certain other provisions contained in the Indenture and the Notes.

Sources of Funds

The Company expects to fund the payment of the Early Tender Consideration and the Tender Consideration, as applicable, the Consent Payment, and Accrued Interest and all related fees and expenses incurred in connection with the Offer from cash on hand and bank borrowings.

For a detailed statement of the terms and conditions of the Tender Offer and Consent Solicitation, Holders should refer to the Tender Offer Statement. The Tender Offer Statement will be distributed to Holders by the Information and Tender Agent. Any questions regarding the Offer from the Holders should be directed to the Information and Tender Agent or the Dealer Manager at:

Information and Tender Agent

In New York:

D.F. King & Co., Inc.
48 Wall Street, 22nd Floor
New York, New York 10005
Banks and brokers: +1(212) 269 5550
Tel: +1 (800) 829-6554 (toll-free)

In London:

D.F. King (Europe) Limited
11th Floor, Citypoint
1 Ropemaker Street
London EC2Y 9AW
United Kingdom
Tel.: +44 20 7920 9700

Email: hidili@dfking.com

Website: www.dfking.com/hidili

Dealer Manager

UBS AG, Hong Kong Branch
52/F Two International Finance Centre
8 Finance Street,
Central, Hong Kong
Attention: Global Capital Markets
Tel: +852 2971 6159

Email: OL-LM-Asia@ubs.com

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The Company will from time to time issue announcements to inform the shareholders of the Company and potential investors of the progress of the Offer as and when necessary pursuant to the Listing Rules and other relevant rules and regulations.

2. PURPOSES OF THE OFFER

The principal purposes of the Offer are to (i) acquire all outstanding Notes of the Company up to the Maximum Acceptance Amount; (ii) obtain Consents to eliminate substantially all of the restrictive covenants, certain of the Events of Default applicable to the Notes and certain other provisions contained in the Indenture and the Notes; and (iii) waive any and all actual and potential Defaults or Events of Default that have occurred and are continuing as well as any and all potential Defaults or Events of Default that may have occurred or may be continuing under the Indenture and the Notes whether or not specifically described in the Tender Offer Statement.

3. RESULTS UPDATE

Holders of the Notes should read the interim results announcement for the six months ended 30 June 2014 of the Company, published on 7 August 2014 and are available on the website of the Company (www.hidili.com.cn) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) for detailed information of the Company's current business.

4. FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including those statements relating to the Offer, are based on current expectations, assumptions, estimates and projections about the Company and its industry. These statements are not guarantees of future performance and that the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates may differ materially from those made in, or suggested by, the forward-looking statements in this announcement. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Important factors that could cause those differences include, but are not limited to, changes in the competitive environment and regulatory environment of the coal and coke industry in the PRC, changes in the business and financial condition of the Company and its subsidiaries and changes in the general economic trend in the PRC.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

5. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Accrued Interest”	the accrued and unpaid interest from and including the last interest payment date up to, but not including, the Settlement Date
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“Ample Mile”	Ample Mile Limited, a company incorporated under the laws of the British Virgin Islands and is an indirect wholly-owned subsidiary of the Company
“Company”	Hidili Industry International Development Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Consent(s)”	consent(s) from Holders to (i) the Proposed Amendments and Waivers; and (ii) the execution and delivery of the Supplemental Indenture in order to effect the Proposed Amendments
“Consent Payment”	has the meaning given to it in paragraph (a)(ii) on page 3 of this announcement
“Consent Solicitation”	solicitation of Consents by the Company
“Dealer Manager”	the dealer manager for the Offer, UBS AG, Hong Kong Branch
“Default”	any event that is, or after notice or passage of time or both would be, an Event of Default
“Dongguaao Transaction”	the disposal of the coal mine located at Baiguozen, Panxian, Liupanshui, Guizhou, the PRC by 盤縣恒吉工業有限公司 (Panxian Hengji Industry and Trade Co., Ltd*), an indirect non wholly-owned subsidiary of the Company, to 貴州豐鑫源礦業有限公司 (Guizhou Fengjinyuan Mining Co., Ltd*) and 盤縣慶源煤業有限公司 (Panxian Qingyuan Coal Mine Co., Ltd*), details of which are set out in the announcement of the Company dated 2 September 2013
“Early Tender Consideration”	has the meaning given to it in paragraph (a)(i) on page 3 of this announcement
“Early Tender Deadline”	has the meaning given to it in the section headed “The Expected Timetable” of this announcement
“Events of Default”	the events of default of the Notes under the Indenture
“Expiration Date”	has the meaning given to it in the section headed “The Expected Timetable” of this announcement
“Hidili Investment”	Hidili Investment Holding Limited, a company incorporated under the laws of the British Virgin Islands and is a direct wholly-owned subsidiary of the Company

“Hidili Lithium”	Hidili Lithium Limited, a company incorporated under the laws of the British Virgin Islands and is an indirect wholly-owned subsidiary of the Company
“Hidili Lithium Industry”	Hidili Lithium Industry Investment Co., Ltd., a company incorporated under the laws of the British Virgin Islands and a direct wholly-owned subsidiary of the Company
“Holders”	the holders of the Notes
“Huaneng Trust”	華能貴誠信託有限公司 (Huaneng Guicheng Trust Co., Ltd.*), a company established in the PRC with limited liability
“Huaneng Trust Transaction”	an arrangement entered into by certain PRC subsidiaries of the Company and Huaneng Trust on 28 August 2012 in relation to the injection of RMB1.5 billion into certain PRC subsidiaries of the Company in exchange for minority equity interests in such subsidiaries of the Company, details of which are set out in the announcement of the Company dated 28 August 2012
“Indenture”	an indenture dated 4 November 2010 entered into by the Company, the Subsidiary Guarantors as guarantors and the Trustee as trustee, governing the Notes
“Information and Tender Agent”	the Information and Tender Agent for the Offer, D. F. King & Co., Inc.
“Inside Information Provisions”	has the meaning as ascribed in the Listing Rules
“Jinhe Transaction”	the disposal of the coal mine located at Baiguozen, Panxian, Liupanshui, Guizhou, the PRC by Liupanshui Hidili to 貴州豐鑫源礦業有限公司 (Guizhou Fengjinyuan Mining Co., Ltd*) and 盤縣慶源煤業有限公司 (Panxian Qingyuan Coal Mine Co., Ltd*), details of which are set out in the announcement of the Company dated 2 September 2013
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Liupanshui Hidili”	六盤水恒鼎實業有限公司 (Liupanshui Hidili Industry Company Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company

“Maximum Acceptance Amount”	an aggregate amount of US\$228 million of the Notes, subject to an increase or decrease by the Company in accordance with the terms and subject to the conditions of the Offer
“Notes”	the US\$400,000,000 8.625% senior notes due 2015 issued by the Company, which are guaranteed by the Subsidiary Guarantors and listed on the SGX-ST
“Offer”	collectively, the Tender Offer and the Consent Solicitation
“PRC”	the People’s Republic of China
“PRC Subsidiaries”	certain restricted subsidiaries of the Company established in the PRC, details of which are set out in the announcement of the Company dated 28 August 2012
“Proposed Amendments”	the proposed amendments to the Indenture where substantially all of the restrictive covenants and certain Events of Default will be eliminated
“Proposed Amendments and Waivers”	collectively, the Proposed Amendments and the Proposed Waivers as a single proposal
“Proposed Waivers”	the proposed waivers to be obtained from the Holders to waive any and all actual and potential Events of Default that have occurred and are continuing as well as any and all potential Events of Default that may have occurred or may be continuing under the Indenture directly or indirectly, from or in connection with, any non-compliance or potential non-compliance with the Indenture
“Requisite Consents”	written Consent(s) of at least a majority of the aggregate principal amount of outstanding Notes not owned by the Company or any of its affiliates
“Restricted Global Note”	the Note sold within the United States to “qualified institutional buyers” as defined in and pursuant to Rule 144A of the Securities Act
“Regulation S Global Note”	the Note sold outside the United States in offshore transactions in reliance on Regulations S under the Securities Act
“Restricted Subsidiaries”	the restricted subsidiaries of the Company incorporated in the PRC as described in the Indenture

“RMB”	Renminbi, the lawful currency of the PRC
“Securities Act”	The United States Securities Act of 1933, as amended
“Settlement Date”	has the meaning given to it in the section headed “The Expected Timetable” of this announcement
“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Sichuan Guoli Transaction”	the disposal of 100% equity interest in 四川恒鼎鋰業科技有限公司 (Sichuan Hidili Lithium Technology Co., Ltd*), 四川德鑫礦業資源有限公司 (Sichuan Dexin Mining Resources Co., Ltd*) and 阿壩恒鼎鋰鹽有限公司 (Aba Hidili Lithium Carbonates Co., Ltd*), each an indirect wholly-owned PRC subsidiary of the Company, by Sichuan Hidili to 四川國理鋰材料有限公司 (Sichuan Guoli Lithium Materials Co., Ltd*), details of which are set out in the announcement of the Company dated 29 November 2013
“Sichuan Hidili”	四川恒鼎實業有限公司 (Sichuan Hidili Industry Co., Ltd.*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	collectively, Hidili Investment, Ample Mile, Hidili Lithium Industry and Hidili Lithium
“Supplemental Indenture”	a supplemental indenture amending certain terms of the Indenture to be executed by the Company, the Subsidiary Guarantors as guarantors and the Trustee as trustee
“Supplemental Indenture Condition and the General Conditions”	each as defined in the Tender Offer Statement
“Tender Consideration”	has the meaning given to it in paragraph (b) on page 3 of this announcement
“Tender Offer”	a tender offer by the Company to purchase for cash its outstanding Notes upon the terms and subject to the conditions set out in the Tender Offer Statement

“Tender Offer Statement”	an offer to purchase and consent solicitation statement dated 16 September 2014 pursuant to which the Tender Offer and Consent Solicitation are being made, as amended and supplemented from time to time
“Trustee” or “Intercreditor/ Collateral Agent”	The Bank of New York Mellon
“Withdrawal Time”	has the meaning given to it in the section headed “The Expected Timetable” of this announcement
“Yunnan Dongyuan”	雲南東源煤業集團有限公司 (Yunnan Dongyuan Coal Group Company Limited*), a company incorporated in the PRC with limited liability
“Yunnan Dongyuan Transaction”	the disposal of 50% equity interests in 雲南恒鼎煤業有限公司 (Yunnan Hidili Coal Industry Co., Ltd*), an indirect non wholly-owned subsidiary of the Company, by 攀枝華市恒鼎煤焦化有限公司 (Panzhihua Hidili Coal Industry Co., Ltd.*), an indirect wholly-owned subsidiary of the Company, to Yunnan Dongyuan, details of which are set out in the announcement of the Company dated 24 May 2013
“US\$”	United States dollar, the lawful currency of the United States of America

By Order of the Board of
Hidili Industry International Development Limited
 恒鼎實業國際發展有限公司
Xian Yang
Chairman

Hong Kong
 17 September 2014

As at the date of this announcement, the executive directors of the Company are Mr. Xian Yang (Chairman) and Mr. Sun Jiankun and the independent non-executive directors of the Company are Mr. Chan Chi Hing, Mr. Chen Limin and Mr. Huang Rongsheng.

* For identification purpose only