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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)

**MEETINGS OF HOLDERS AND CONSENT SOLICITATION IN RELATION TO
THE PROPOSED AMENDMENT OF
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 (i) the Bond Announcement and (ii) the announcement of the Company dated 21 December 2015 as clarified by the clarification announcement of the Company dated 23 December 2015, each in relation to the meeting of Bondholders and consent solicitation in relation to the Bonds (such announcements in (ii) above together, the “**Consent Solicitation Announcements**”). As described in an announcement by the Company dated 4 February 2013, the Company issued the Bonds on 4 February 2013. For further details of the Bonds please refer to the Bond Announcement, and for further details of the consent solicitation and the Proposals please refer to the Consent Solicitation Announcements.

VOLUNTARY UNDERTAKING OF THE COMPANY

In the Consent Solicitation Announcements, the Company requested the agreement of the Bondholders to the Proposals by way of passing an Extraordinary Resolution, which shall itself be subject to the subsequent approval of the Shareholders of the Company, to be sought at an Extraordinary General Meeting.

The Company has voluntarily undertaken, provided that the Extraordinary Resolution is duly passed, and subject to the subsequent approval of the Shareholders of the Company, to:

- (1) lower the reset floor price of the Conversion Price 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 (the “**Amended Conditions**”) for the period commencing on the Settlement Date and ending on 4 February 2018; and
- (2) lower 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 from HK\$0.2741 to HK\$0.25.

In addition, the number of new Shares to be issued under the Specific Mandate shall be increased from 4,000,000,000 to 4,300,000,000.

The terms of the Proposals (including the Extraordinary Resolution) remain unchanged.

The Extraordinary General Meeting of the Company is now expected to be held on or around 25 January 2016.

EFFECT OF THE BONDS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming:

- (1) full conversion of the Bonds at the modified conversion price of HK\$0.4283 per Share, the Bonds will be convertible into 1,611,962,628 Shares, representing approximately 29.21% of the issued share capital of the Company as at the date of this announcement and approximately 22.60% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.
- (2) full substitution of the Bonds for Consent Shares at the lower issue price of the Consent Shares of HK\$0.25 per Share, the Bonds will be convertible into 2,761,614,375 Shares, representing approximately 50.04% of the issued share capital of the Company as at the date of this announcement and approximately 33.35% of the issued share capital of the Company as enlarged by the issue of the Consent Shares.

- (3) full substitution of the Bonds for Full Consent Shares at the lower issue price of the Full Consent Shares of HK\$0.25 per Share, the Bonds will be convertible into 4,248,637,500 Shares, representing approximately 76.98% of the issued share capital of the Company as at the date of this announcement and approximately 43.50% of the issued share capital of the Company as enlarged by the issue of the Full Consent Shares.

Set out below is the shareholding structure of the Company (i) as at 30 December 2015; (ii) immediately after the allotment and issue of the Conversion Shares upon the exercise of conversion rights attaching to the Bonds in full, and assuming that there being no other change to the share capital and shareholding structure of the Company or further reset to the Conversion Price from the date of this announcement, (iii) upon substitution by each Bondholder of the Bonds for Consent Shares, and assuming that there being no other change to the share capital and shareholding structure of the Company from the date of this announcement, and (iv) upon substitution by each Bondholder of the Bonds for Full Consent Shares, and assuming that there being no other change to the share capital and shareholding structure of the Company from the date of this announcement. The analysis under scenarios (ii), (iii) and (iv) are shown for illustrative purposes only.

	As at 30 December 2015 ^a		Shareholding upon the conversion of the Bonds in full into Shares at the Conversion Price of HK\$0.4283 each		Shareholding upon the substitution of the Bonds in full into Consent Shares at the Consent Share offer price of HK\$0.25 each		Shareholding upon the substitution of the Bonds in full into Full Consent Shares at the Full Consent Share offer price of HK\$0.25 each	
	Number of Approximate Shares	% ^b	Number of Approximate Shares	% ^b	Number of Approximate Shares	% ^b	Number of Approximate Shares	% ^b
CHANG Yim Yang (Note 1)	473,340,382	8.58	473,340,382	6.64	473,340,382	5.72	473,340,382	4.85
KOO Yuen Kim	347,465,600	6.30	347,465,600	4.87	347,465,600	4.20	347,465,600	3.56
Munsun Assets Management Limited (Note 2)	314,503,450	5.70	314,503,450	4.41	314,503,450	3.80	314,503,450	3.22
Bank of New York Mellon Corporation (Note 3)	290,116,857	5.26	290,116,857	4.07	290,116,857	3.50	290,116,857	2.97
Other directors (Note 4)	133,967,821	2.43	133,967,821	1.88	133,967,821	1.62	133,967,821	1.37
Holders of the Bonds	—	—	1,611,962,628	22.60	2,761,614,375	33.35	4,248,637,500	43.50
Other public Shareholders	3,959,636,653	71.73	3,959,636,653	55.53	3,959,636,653	47.81	3,959,636,653	40.53
Total	5,519,030,763	100.00	7,130,993,391	100.00	8,280,645,138	100.00	9,767,668,263	100.00

^a 30 December 2015 being the latest practicable date for which the Company has details of shareholdings of the Shareholders.

^b Rounded to two decimal places

Notes:

- (1) CHANG Yim Yang is an executive director of the Company and is interested in the shares of the Company by virtue of his personal interest and his 100% interest in Lead Pride Holdings Limited.
- (2) Munsun Assets Management Ltd. is interested in the shares of the Company by virtue of (i) Munsun Asset Management (Asia) Limited (which is wholly-owned by Munsun Assets Management Ltd.) being the investment manager of certain investment funds which hold 291,103,450 Shares (representing approximately 5.27% of the issued shares of the Company); and (ii) its direct holding of 23,400,000 Shares.
- (3) The Bank of New York Mellon has long positions in 290,116,857 Shares and 290,116,857 Shares in lending pool. Since The Bank of New York Mellon is wholly owned by The Bank of New York Mellon Corporation, The Bank of New York Mellon Corporation is also taken to be interested in the shares held by The Bank of New York Mellon pursuant to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).
- (4) These Directors include Mr. Li Xianghong (holding of 12,000,000 Shares), Mr. Lam Cham (holding 107,417,821 Shares), Mr. Zhang Shuguang (holding 13,732,000 Shares), Mr. Zhang Lirui (holding of 18,000 Shares), and Mr. Chan Kin Sang (holding 800,000 Shares).

SPECIFIC MANDATE TO ISSUE NEW SHARES

At the EGM, subject to approval from the Shareholders for the increase of the authorised share capital of the Company, the Company will seek a Specific Mandate from the Shareholders to issue not more than 4,300,000,000 new Shares (representing approximately 77.91% of the issued share capital of the Company as at the date of this announcement, approximately 60.30% of the enlarged issued share capital immediately after conversion of the maximum number of Conversion Shares at the Conversion Price, approximately 51.93% of the enlarged issued share capital immediately after substitution for the maximum number of Consent Shares, and approximately 44.02% of the enlarged issued share capital immediately after substitution for the maximum number of Full Consent Shares).

LISTING RULES IMPLICATIONS

Please refer to the Consent Solicitation Announcements for details of implications under the Listing Rules, which shall be the same for the purposes of this announcement except that the circular is expected to be despatched to the Shareholders on or before 9 January 2016.

TERMS USED IN THIS ANNOUNCEMENT

The terms provided in the Consent Solicitation Announcements shall have the same meanings in this announcement unless the context requires otherwise in respect of this announcement, and except as set out below:

“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company due to be held on or around 25 January 2016 convened for the purpose of considering and, if thought fit, passing the resolution in respect of the Proposals, as well as the increase in authorised share capital and the granting of a specific mandate for the issuance of Conversion Shares, Consent Shares and Full Consent Shares
“Reference VWAP”	the 10 day volume weighted average price of the Company’s shares as at 21 December 2015, being HK\$0.3426
“Specific Mandate”	the specific mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and otherwise deal with not more than 4,300,000,000 new Shares to be issued as Conversion Shares, Consent Shares or Full Consent Shares

By order of the Board

China Precious Metal Resources Holdings Co., Ltd.

LI Xianghong

Chairman

Hong Kong, 7 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.