



CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司

(Incorporated in the Cayman Islands)

(Company Registration No. CT-140095)

REPLIES TO THE ADDITIONAL QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) IN CONNECTION WITH THE ANNOUNCEMENT MADE BY CHINA MINING INTERNATIONAL LIMITED (THE “COMPANY”) ON 21 MARCH 2014 (THE “ANNOUNCEMENT”) CONCERNING THE COMPANY’S RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 (“FY2013”) AS ANNOUNCED BY THE COMPANY ON 1 MARCH 2014 (THE “RESULTS ANNOUNCEMENT”).

Unless otherwise stated, all capitalized terms herein shall have the same meanings as that ascribed in the Announcement.

We append below our replies to the following additional queries raised by the SGX-ST on 31 March 2014 concerning the Results Announcement and the Announcement.

The SGX-ST’s Query 1

We refer to the Company’s announcement on 21 March 2014 (“Announcement”) relating to the Company’s responses to SGX queries. The Company disclosed in the Announcement that on 15 November 2010, the Group’s subsidiary, Xinxiang Huilong Real Estate Co., Ltd, entered into a sale and purchase agreement with an unrelated third party to dispose a piece of land located at Xinxiang New District, Western District of Xinxiang city (“Xinxiang Land”) for a total cash consideration of RMB52.07million (the “Disposal”). We note that there was no SGXNET announcement made in relation to the Disposal. Please show the relative figures when computed on the bases set out in Rule 1006 of the Listing Manual at the point of Disposal, and the disclosure requirements set out in Rule 1010 of the Listing Manual, if applicable.

The Company’s reply

No announcement was made in connection with the Disposal as the Disposal was carried out as part of the ordinary course of business of the Group.

The relative figures for the Disposal as computed using the applicable bases of comparison set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Basis	
(a)	Net asset value of the assets to be disposed of compared to the Group’s net asset value ⁽¹⁾	5.7%
(b)	The net profits attributable to the assets acquired or	Not Applicable

disposed of, compared with the group's net profits.

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| (c) | The aggregate value of the consideration for the Disposal as compared with the Company's market capitalisation as at 15 November 2010, being the market day immediately preceding the date of the Disposal | 16.0% ⁽²⁾ |
| (d) | Number of consideration shares to be issued by the Company as consideration for the Disposal, compared with the number of equity securities of the Company previously in issue | Not Applicable |

Notes:

- (1) Net asset value is defined as total assets less total liabilities. Based on (i) the net asset value of the Xinxiang Land of RMB52.1 million; and (ii) the Group's then latest announced unaudited consolidated net asset value of RMB919.8 million as at 30 September 2010 (the earliest available date of results announcement before the Disposal on 15 November 2010)
- (2) Based on (i) the disposal consideration for the Disposal of RMB52.1 million and (ii) the market capitalisation of approximately RMB324.6 million (equivalent to approximately S\$63.6 million) of the Company as at 15 November 2010 (being the date of Disposal). The market capitalisation of the Company is derived by multiplying the number of shares in issue of 978,000,000 by the volume weighted average price of S\$0.065 on 15 November 2010 (being the market day on the date of the Disposal)

The SGX-ST's Query 2

The Company explained the "impairment losses on property under development for sales" of RMB 52.1 million was due to the lack of visibility in the fulfilment of certain conditions with respect to the conversion of Xinxiang Land from its existing industrial use to residential/commercial use. Further, the lack of visibility in the fulfilment of certain conditions "relates to the protracted process and uncertainty by the relevant Chinese authorities in seeing the Land Use Right Conversion through due to reasons unknown to us." It is not clear why the "protracted process and uncertainty" in the conversion of land would result in the balance of RMB27.07 million being impaired. Please explain. Please also disclose whether the Company would still need to account for impairment of Xinxiang Land if the Disposal does not proceed eventually.

The Company's reply

As mentioned in the Announcement, the Land Use Right Conversion entails the relevant Chinese authorities to either have the land use right of the Xinxiang Land converted from its existing industrial use to residential/commercial use or have the Xinxiang Land substituted with suitable land parcels with rights to residential/commercial use. The relevant Chinese authorities elects to pursue the latter and, in so doing, had took back the Xinxiang Land with suitable substituted land parcels for residential/commercial use yet to be delivered to us for reasons unknown to us. In view of this and for reason of prudence, the Xinxiang Land can no longer be held as "Property under Development for Sale" in the balance sheet of the Group, and hence needs to be fully impaired by RMB52.1 million.

If the Disposal does not proceed eventually, no further impairment is needed.

The SGX-ST's Query 3

With respect to the 2 iron mines in Henan Province and Xinjiang Province, please provide details on the tenure of the mining reserves, expiry of exploration rights, the type of concession obtained for the mines and the remaining value of the mines carried in the Company's books.

The Company's reply

We tabulate the requisite details as follows:

	Iron ore mine located in the Xinjiang Province of the PRC	Iron ore mine located in the Henan Province of the PRC
Tenure of the mining reserves	15.6 million tons of iron	23.7 million tons of iron
Type of concession obtained for the mines	Exploration license	Exploration license
Expiry of exploration rights	27 Mar 2015	9 Nov 2014
Book value as at 31 December 2013	RMB84.0 million	-

The SGX-ST's Query 4

We refer to the Company's response to question 5 of the Announcement on details of the Group's completed properties held for sale. The Company has not provided details on the percentage sold, unsold units and delivery of units. Please provide the outstanding information.

The Company's reply

We tabulate the requisite details with regard to the Xinxiang Sunny Town Project (新乡阳光新城项目) as follows:

No of unsold units as at 31 December 2013	No of completed units delivered in FY2013	No of completed units sold as a percentage of total no of units
757 units	416 units	80.9%

The SGX-ST's Query 5

We refer to the Company's response to question 6 of the Announcement. The Company explained that the decrease in properties under development for sale "by RMB74.4 million was attributed mainly to impairment of Xinxiang Project". It was provided that the impairment loss relating to Xinxiang Land was RMB 27.07 million. Please provide an explanation for the remaining RMB 47.33 million decrease in properties under development for sale.

The Company's reply

The decrease in our properties under development for sale by RMB74.4 million was due to (i) the impairment loss of RMB52.1 million attributed to the Xinxiang Land (as explained above); and (ii) the re-classification of the remaining balance in respect of completed units under the account of "Properties under Development for Sale" being transferred to the account of "Completed Properties for Sale".

The SGX-ST's Query 6

The Company explained that advances of RMB 3.7 million were made to Mining Joint Ventures "in support of their operational need" although the Mining Joint Ventures have "yet to commence operation". Please elaborate in detail with what the expenditure relating to "operational need" refer to.

The Company's reply

The advances were used to support the daily operating expenses of the Mining Joint Ventures' 2 iron ore mines located in the Henan Province and Xinjiang Province, including the maintenance costs for the site-offices, administrative costs and business related traveling costs.

BY ORDER OF THE BOARD

Mr Li Bin
Chief Executive Officer & Executive Director

2 April 2014