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JINCHUAN 金川

JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD

金川集團國際資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2362)

CONVERSION OF PERPETUAL SUBORDINATED CONVERTIBLE SECURITIES

This announcement is made by Jinchuan Group International Resources Co. Ltd (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

Reference is made to the announcements (collectively, the “**Announcements**”) of the Company dated 27 August 2013, 26 September 2013 and 14 November 2013, and the circular of the Company dated 30 August 2013 (the “**Circular**”) relating to, among other things, the issuance of the Perpetual Subordinated Convertible Securities (the “**PSCS**”) in an aggregate amount of US\$1,085.4 million convertible into 8,466,120,000 Conversion Shares at an initial Conversion Price of HK\$1.00 per Conversion Share, subject to anti-dilutive adjustments. Terms used herein have the same meanings as defined in the Announcements and the Circular unless otherwise specified.

The Board announces that the Company has recently received conversion notices from various investors including Jinchuan (BVI) Limited (“**Jinchuan BVI**”), an indirect wholly-owned subsidiary of 金川集團股份有限公司 Jinchuan Group Co., Ltd.* (“**Jinchuan Group**”), which in turn is the controlling shareholder of the Company, in respect of the conversion of the PSCS in an aggregate principal amount of US\$996,938,461 into Conversion Shares at the Conversion Price of HK\$1.00 per Share (the “**Conversion**”).

As a result of the Conversion and pursuant to the terms of the PSCS, on 6 June 2018, the Company allotted and issued a total of 7,776,120,000 Conversion Shares to the investors including Jinchuan BVI, representing approximately 61.66% of the number of issued Shares as enlarged by the aforesaid allotment and issue of Conversion Shares. These Conversion Shares shall rank *pari passu*

with all the existing Shares at the date of allotment and among themselves in all respects. The aggregate outstanding principal amount of the PSCS has been reduced to US\$88,461,539 immediately after the Conversion.

The issued share capital of the Company has been increased to 12,609,873,051 Shares upon abovementioned allotment and issue of the Conversion Shares. The Conversion Shares were issued by the Company under the Specific Mandate granted to the Directors by a resolution of the Shareholders passed at the extraordinary general meeting of the Company held on 26 September 2013.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best knowledge of the Company, the table below sets out the shareholding structure of the Company immediately before and after the abovementioned allotment and issue of the Conversion Shares:

Shareholders	Immediately before the Conversion			Upon completion of the Conversion as at the date of this announcement		
	Number of Shares	Number of Shares which may be converted from PSCS	Approximate % of Shares/ underlying Shares over the number of Shares in issue	Number of Shares	Number of Shares which may be converted from PSCS	Approximate % of Shares/ underlying Shares over the number of Shares in issue
Jinchuan Group (Notes 1 and 2)	2,981,205,857	5,276,120,000 (Note 4)	170.82%	7,567,325,857	690,000,000 (Note 4)	65.48%
Jinchuan Group (Hongkong) Resources Holdings Limited (Notes 1 and 2)	2,981,205,857	5,276,120,000 (Note 4)	170.82%	7,567,325,857	690,000,000 (Note 4)	65.48%
Jinchuan BVI (Notes 1 and 2)	2,981,205,857	5,276,120,000 (Note 4)	170.82%	7,567,325,857	690,000,000 (Note 4)	65.48%
<u>Public Shareholders</u>						
Gansu Province Xinye Asset Management Co. Ltd.* 甘肅省新業資產經營有限責任公司 (Note 3)	0	1,110,000,000	22.96%	1,110,000,000	0	8.80%
Gansu Province Economy Cooperation Corporation* 甘肅省經濟合作總公司 (Note 3)	0	1,090,000,000	22.54%	1,090,000,000	0	8.64%
Haitong Securities Co., Ltd. (Note 5)	72,000	401,456,311	8.30%	401,528,311	0	3.18%
Taikang Asset Management Co., Ltd* 泰康資產管理有限責任公司 (Note 6)	483,000,000	0	9.99%	483,000,000	0	3.83%
Other Shareholders	1,369,475,194	588,543,689	40.50%	1,958,018,883	0	15.52%
	<u>4,833,753,051</u>	<u>8,466,120,000</u>		<u>12,609,873,051</u>	<u>690,000,000</u>	

Notes:

1. Jinchuan Group directly owns 100% of the issued share capital of Jinchuan Group (Hongkong) Resources Holdings Limited (“**Jinchuan HK**”) which in turn owns 100% of the issued share capital of Jinchuan BVI which owns 100% of the issued share capital of each of Jinchuan (BVI) 1 Limited, Jinchuan (BVI) 2 Limited and Jinchuan (BVI) 3 Limited. Therefore, Jinchuan Group, Jinchuan HK and Jinchuan BVI are deemed to have interests in 1,888,449,377 shares, 557,834,372 shares and 534,922,108 shares of the Company currently held by Jinchuan (BVI) 1 Limited, Jinchuan (BVI) 2 Limited and Jinchuan (BVI) 3 Limited, respectively, under the SFO.
2. Prior to the Conversion, Jinchuan BVI directly held PSCS in the amount of US\$676,425,641 which might be converted into 5,276,120,000 Shares of the Company at an initial Conversion Price of HK\$1.00. Under the SFO, Jinchuan BVI was deemed to be interested in the 5,276,120,000 Shares of the Company underlying the PSCS prior to the Conversion. The aggregate outstanding principal amount of the PSCS has been reduced to US\$88,461,539 immediately after the Conversion. Under the SFO, Jinchuan BVI was interested in/deemed to be interested in the 7,567,325,857 Shares and 690,000,000 Shares of the Company underlying the outstanding PSCS immediately after the Conversion. Besides, based on the relations set out in note 1 above, Jinchuan Group and Jinchuan HK were also deemed to be interested in the aforesaid Shares pursuant to the SFO.
3. To the best knowledge of the Company, these companies are state-owned enterprises established in the PRC.
4. According to the information currently available to the Company, Jinchuan BVI had entered into agreement(s) to transfer the remaining principal amount of US\$88,461,539 of the PSCS convertible into 690,000,000 Conversion Shares at an initial Conversion Price of HK\$1.00 per Conversion Share.
5. Haitong Securities Co., Ltd. is the ultimate controlling shareholder of Haitong International Financial Solutions Limited and West Ridge Investment Company Limited which in turn held PSCS convertible into 190,000,000 Conversion Shares and 211,456,311 Conversion Shares, respectively, immediately before the Conversion. As at the date of this announcement, Haitong Securities Co., Ltd. was also deemed to be interested in a short position of 72,000 Shares held by Haitong International Financial Solutions Limited.
6. Taikang Asset Management Co., Ltd* owned 99.17% of the issued share capital of Shandong Hi-Speed Urbanization Fund Management Centre (Limited Partnership)* which in turn owned 99% of the issued share capital of SD Hi-Speed Huanbohai (Tianjin) Equity Investment Fund (Limited Partnership) which owned 100% of the issued share capital of SD Hi-Speed Investment HK Limited. Therefore, Taikang Asset Management Co., Ltd*, Shandong Hi-Speed Urbanization Fund Management Centre (Limited Partnership)* and SD Hi-Speed Huanbohai (Tianjin) Equity Investment Fund (Limited Partnership) were deemed to have interest in the 483,000,000 shares of the Company held by SD Hi-Speed Investment HK Limited under the SFO.

* *For identification purpose only*

By order of the Board
Jinchuan Group International Resources Co. Ltd
Gao Tianpeng
Executive Director

Hong Kong, 6 June 2018

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Gao Tianpeng and Mr. Qiao Fugui; three non-executive directors, namely Mr. Chen Dexin, Mr. Zhang Youda and Mr. Zeng Weibing; and three independent non-executive directors, namely Mr. Wu Chi Keung, Mr. Yen Yuen Ho, Tony and Mr. Poon Chiu Kwok.