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五礦資源有限公司

MINMETALS RESOURCES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1208)

ANNOUNCEMENT CONNECTED TRANSACTION

Sino Mining Trading (as buyer) entered into the Agreement in its ordinary course of business with Sherwin (as seller) on 23 December 2006 to purchase approximately 35,000 tonnes (with +/- 5% variance) of alumina at a price of US\$200 per tonne (equivalent to approximately HK\$1,560 per tonne) subject to the terms and conditions of the Agreement. A total of 36,750 tonnes of alumina was delivered by Sherwin to Sino Mining Trading and the aggregate consideration of US\$7,350,000 (equivalent to approximately HK\$57,330,000) was fully paid. The Agreement was completed in January 2007.

As Sherwin is indirectly owned as to 51% by CMN, which is a controlling shareholder of the Company, Sherwin is regarded as an associate of CMN and therefore is a connected person of the Company under the Listing Rules. As such, the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. However, as each of the relevant percentage ratios for the Agreement is less than 2.5%, the Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 and 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirement. Details of the Agreement will be included in the annual report and accounts of the Company in accordance with Rule 14A.45 of the Listing Rules. The entering into of the Agreement by Sino Mining Trading was reported to the Company in late March 2007 and therefore there has been a delay in the Company's announcement of the transaction. The Company acknowledges that the delay in making an announcement about the Agreement constitutes a breach of Rule 14A.47 of the Listing Rules.

THE AGREEMENT

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The consideration under the Agreement was determined after arm's length negotiations by reference to the then prevailing spot price on a FOB (free on board) basis, amounting to US\$200 per tonne (equivalent to approximately HK\$1,560 per tonne). The aggregate consideration of US\$7,350,000 (equivalent to approximately HK\$57,330,000) was fully paid in January 2007.

REASONS FOR ENTERING INTO THE AGREEMENT

The Group is engaged in the trading of non-ferrous metals (with alumina as its main product), aluminium fabrication and other industrial operations and port logistics services. The Group sources alumina pursuant to spot contracts and long-term contracts. The Group enters into spot contracts from time to time and the Agreement belongs to spot contract.

The Directors (including the independent non-executive Directors) consider that (a) the entering into of the Agreement is on normal commercial terms and in the ordinary and usual course of business of the Company; and (b) the terms of the Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

INFORMATION ABOUT SHERWIN

Sherwin is an alumina refiner engaged in the production of alumina in the United States of America. Sherwin has a current production capacity of 1.6 million tonnes of alumina per annum. As Sherwin is indirectly owned as to 51% by CMN, which is a controlling shareholder of the Company, Sherwin is regarded as an associate of CMN and therefore is a connected person of the Company under the Listing Rules. As such, the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

GENERAL

This announcement is made pursuant to Rule 14A.32 of the Listing Rules. As each of the relevant percentage ratios for the Agreement is less than 2.5%, the Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 and 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirement. Details of the Agreement will be included in the annual report and accounts of the Company in accordance with Rule 14A.45 of the Listing Rules. The entering into of the Agreement by Sino Mining Trading was reported to the Company in late March 2007 and therefore there has been a delay in the Company's announcement of the transaction. The Company acknowledges that the delay in making an announcement about the Agreement constitutes a breach of Rule 14A.47 of the Listing Rules.

DEFINITIONS

“Agreement”	the alumina purchase agreement dated 23 December 2006 entered into between Sino Mining Trading and Sherwin
“CMN”	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Company Limited), a joint stock limited company established on 27 December 2001 under the laws of the PRC which indirectly owns approximately 58.86% of the Company
“Company”	Minmetals Resources Limited (五礦資源有限公司), a company incorporated on 29 July 1988 in Hong Kong with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Sherwin”	Sherwin Alumina Company, a production company operated by Sherwin Alumina L.P., a company owned as to 51% by CMN and 49% by an independent third party of the Company
“Sino Mining Trading”	Sino Mining Trading Pty Ltd., a company incorporated in Australia and indirectly wholly owned by the Company
“PRC or China”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC)
“US\$”	United States dollar(s), the lawful currency of the United States of America

Solely for convenience and except as otherwise noted, this announcement contains translation of US\$ amounts into Hong Kong dollars at a rate of US\$1.00 = HK\$7.80.

By order of the board
Minmetals Resources Limited
Xu Huizhong
Executive Director and President

Hong Kong, 3 April 2007

As at the date of this announcement, the board of directors of the Company comprises eleven directors, of which three are executive directors, namely Mr. Xu Huizhong, Mr. Wang Lixin and Mr. Ren Suotang; five are non-executive directors, namely Mr. Zhou Zhongshu (Chairman), Ms. Shen Ling, Mr. Zhang Shoulian, Mr. Li Linhu and Mr. Zong Qingsheng; and three are independent non-executive directors, namely Mr. Liu Hongru, Mr. Chan Wai Dune and Mr. Ting Leung Huel, Stephen.

“Please also refer to the published version of this announcement in The Standard.”