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中銅資源(控股)有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 476)**

## **TERMINATION OF THE VERY SUBSTANTIAL ACQUISITION**

Reference is made to the announcements issued by the Company dated 29 August 2007 (the “First Announcement”), 18 September 2007 and 4 February 2009 (the “Termination Announcement”) in relation to the very substantial acquisition and connected transaction involving the proposed Acquisition by the Purchaser from the Vendor of a 60% interest in the Target which holds certain Mining Concessions in Chile and an application for the Whitewash Waiver. Capitalised terms used herein shall have the same meanings as those defined in the First Announcement unless the context requires otherwise.

The Board would like to provide supplemental information on the background leading to the termination of the Agreement as announced in the Termination Announcement. As disclosed in the First Announcement, the Group would engage technical adviser and valuer in designing and preparing for the drilling program at the mining sites and preparing the Technical Adviser Report and Valuation Report for incorporation into the Circular, which was expected to take approximately 1 to 1.5 years to complete by February 2009.

After the issue of the First Announcement, the Company had approached a valuer for the preparation of the Valuation Report and engaged an international firm of technical adviser in October 2007 to commence the technical review of the mining sites. Site visits were made by the Company and its advisers including financial advisers, valuer and professional accountants to the mining sites in November 2007, and the preliminary topography review by the technical adviser was carried out during November to December 2007. A report on the preliminary design of the drilling program was prepared by the technical adviser in January 2008. Based on the advice of the technical adviser, contractor at Chile was engaged to commence certain

infrastructure and site preparation work, such as construction of necessary roads and passages for exploration at the mining sites during January to April 2008. Due to the unexpected cold and snowy weather at the mining sites and the high altitude at which the mining sites are located, preparation work was temporarily suspended during May to November 2008 and was therefore delayed as compared to the original timetable anticipated by the Company at the time of the First Announcement. In view of the delay in the site preparation work and the economic disruption prompted by the sub-prime mortgage crisis in the United States since September 2008, the Company has been considering different options for the Acquisition and engaged a technical adviser to attend a site visit to evaluate the progress of the project, which site visit and review was performed in December 2008 when the weather condition at the mining sites allowed.

At the time of the Agreement, the copper spot price quoted on the London Metal Exchange was around US\$8,000 per tonne. The price fluctuated between the range of US\$5,700 to US\$8,500 per tonne for most of the time after the Agreement and up to September 2008. There was an abrupt drop in copper price from approximately US\$5,700 per tonne in late September 2008 to around US\$3,300 per tonne by end of January 2009. In view of the significant drop in the copper price and unsatisfactory delay in the site preparation work, the Company commenced discussions with the Vendor in late January 2009. A decision was made by the Board and an agreement was reached between the parties to terminate the Agreement on 4 February 2009 as disclosed in the Termination Announcement. The Board considers that the termination would not have any material adverse effect on the existing business operations or the financial positions of the Company.

On behalf of the Board  
**SINOCOP RESOURCES (HOLDINGS) LIMITED**  
**Chan Chung Chun, Arnold**  
*Director*

Hong Kong, 5 February 2009

*As at the date of this announcement, the Board comprises two executive Directors, namely Messrs. Cheung Ngan and Chan Chung Chun, Arnold; one non-executive Director, namely Mr. Li Shaofeng; and three independent non-executive Directors, namely Messrs. Chan Francis Ping Kuen, Hu Guang and Chan Chak Paul.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*