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## **SINOCOP RESOURCES (HOLDINGS) LIMITED**

**中銅資源(控股)有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 476)**

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

#### **THE PLACING**

On 5 November 2013 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent, on a fully underwritten basis, 132,000,000 Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons at a price of HK\$0.6 per Placing Share.

The Placing Price of HK\$0.6 represents (i) a discount of approximately 11.76% to the closing price of HK\$0.68 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 11.76% to the average closing price of approximately HK\$0.68 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares prior to the date of the Placing Agreement.

The 132,000,000 Placing Shares represents (i) approximately 9.53% of the existing issued share capital of the Company of 1,384,396,800 Shares as at the date of this announcement; and (ii) approximately 8.70% of the issued share capital of the Company of 1,516,396,800 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$1,320,000.

The gross proceeds and net proceeds from the Placing (after deducting the commission payable to the Placing Agent and other expenses incurred in the Placing) are expected to be HK\$79.2 million and approximately HK\$76.7 million respectively. The Company intends to use the net proceeds from the Placing for the general working capital purpose and future potential investments of the Group. The net proceeds raised per Share upon completion of the Placing will be approximately HK\$0.58 per Share.

The Placing Shares to be placed under the Placing Arrangement will be issued pursuant to the General Mandate to allot, issue and deal with Shares granted to the Directors at the AGM.

**Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **THE PLACING AGREEMENT**

### **Date**

5 November 2013 (after trading hours)

### **Parties**

- (a) the Company; and
- (b) the Placing Agent.

### **Placing Agent**

The Placing Agent has conditionally agreed to place 132,000,000 Placing Shares, on a fully underwritten basis, to the Placees and will receive a placing commission of 3% on the gross proceeds of the number of Placing Shares being placed. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market rate.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of and are not connected with the Company and its connected persons.

### **Placees**

The Placing Shares will be placed to not fewer than six Placees, who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons. It is expected that none of the Placees will become a substantial shareholder of the Company immediately after completion of the Placing. If any of the Placees becomes a new substantial shareholder of the Company after the completion of the Placing, further announcement will be made by the Company.

### **Number of Placing Shares**

The 132,000,000 Placing Shares represents (i) approximately 9.53% of the existing issued share capital of the Company of 1,384,396,800 Shares as at the date of this announcement; and (ii) approximately 8.70% of the issued share capital of the Company of 1,516,396,800 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$1,320,000.

### **Ranking of Placing Shares**

The Placing Shares will rank pari passu in all respects among themselves and with Shares in issue as at the date of allotment and issue of the Placing Shares.

### **Placing Price**

The Placing Price of HK\$0.6 represents:

- (i) a discount of approximately 11.76% to the closing price of HK\$0.68 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and

- (ii) a discount of approximately 11.76% to the average closing price of approximately HK\$0.68 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

### **The Placing Shares**

The Placing Shares will be issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by the Shareholders at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 276,879,360 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate.

### **Conditions of the Placing Agreement**

Completion of the Placing Agreement is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in the Placing Shares; and
- (b) the obligations of the Placing Agent under the Placing Agreement becoming unconditional and not being terminated in accordance with the terms thereof.

If any of the above conditions are not fulfilled on or before 30 November 2013 (or such later date as may be agreed between the parties), the Placing Agreement and all rights and obligations thereunder will cease and terminate and neither party shall have any claim against the other for any costs or losses (save for any antecedent breaches of the Placing Agreement).

### **Completion of the Placing**

Completion of the Placing will take place on the 4<sup>th</sup> Business Day after fulfillment of the conditions set out in the Placing Agreement (or such other date as the Company and the Placing Agent may agree in writing).

### **Lock up**

Pursuant to the Placing Agreement, the Placing Shares, when allotted and issued, will be subject to a lock up period of 10 months from the Completion Date (except with the prior written consent of the Company).

### **Termination of the Placing**

The Placing Agent may terminate the Placing Agreement by notice in writing to the Company at any time up to 10:00 a.m. on the Completion Date if:

- (a) there develops, occurs or comes into force:

- (i) any new law or regulation or any change in existing laws or regulations which in the reasonable opinion of the Placing Agent has or is likely to have material and adverse effect on the financial position of the Company; or
  - (ii) any significant change (whether or not permanent) in local, national or international economic, financial, political or military conditions which in the reasonable opinion of the Placing Agent is or would be materially adverse to the success of the Placing; or
  - (iii) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or exchange controls which in the reasonable opinion of the Placing Agent is or would be materially adverse to the success of the Placing; or make it impracticable or inadvisable or inexpedient to proceed therewith; or
  - (iv) any moratorium, suspension or material restriction of trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (b) any material breach of any of the representations and warranties set out in the Placing Agreement or any event or matter arises which if it had occurred or arisen before the date thereof would have rendered any of such representations and warranties untrue or incorrect in any material respect in such a manner as would in the reasonable opinion of the Placing Agent materially and adversely affect the financial position or business of the Company or there has been a breach of, or failure to perform, any other provision of the Placing Agreement on the part of the Company; or
- (c) there is any such adverse change in the general affairs, management, business, stockholders' equity or in the financial or trading position of the Company which in the reasonable opinion of the Placing Agent is materially adverse to the success of the Placing.

Upon termination of the Placing Agreement pursuant to the above paragraphs, all liabilities of the parties thereto thereunder shall cease and determine and no party thereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

## **REASON FOR THE PLACING AND USE OF PROCEEDS**

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company consist of investment holding, trading of metals and mineral and processing of raw ores.

The Directors have considered various ways of raising funds and consider that the Placing represents an attractive opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Accordingly, the Directors consider the Placing Agreement is in the interest of the Company and the Shareholders as a whole.

The gross proceeds and net proceeds from the Placing (after deducting the commission payable to the Placing Agent and other expenses incurred in the Placing) are expected to be HK\$79.2 million and approximately HK\$76.7 million respectively. The Company intends to use the net proceeds from the Placing for the general working capital purpose and future potential investments of the Group. The net proceeds raised per Share upon completion of the Placing will be approximately HK\$0.58 per Share.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following fund raising activities in the past twelve months from the date of this announcement:

<b>Date of announcement</b>	<b>Fund raising activities</b>	<b>Net proceeds (approximately)</b>	<b>Intended use of proceeds as announced</b>	<b>Actual use of proceeds</b>
29 March 2012	Placing of not less than 265 million and not more than 333.3 million new Shares under specific mandate	Approximately from HK\$154 million to HK\$193 million	For financing the operations of the Target Group under the Acquisition, as respectively defined in the circular of the Company dated 11 October 2013	Will be used as intended

Save as disclosed above, the Company has not conducted any capital raising activities for the 12 months immediately before the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE

The expected changes in the share capital and shareholding structure of the Company resulting from the Placing are as follows:

<b>Shareholders</b>	<b>Existing shareholding as at the date of this announcement</b>		<b>Shareholding immediately upon completion of the Placing</b>	
	<i>Shares</i>	<i>Approximate %</i>	<i>Shares</i>	<i>Approximate %</i>
Mr. Cheung Ngan (Note 1)	311,232,469	22.48	311,232,469	20.53
<b>Public Shareholders</b>				
Places	--	--	132,000,000	8.70
Other public Shareholders	1,073,164,331	77.52	1,073,164,331	70.77
<b>Total</b>	<b>1,384,396,800</b>	<b>100.00</b>	<b>1,516,396,800</b>	<b>100.00</b>

*Note:*

- Mr. Cheung Ngan is the chairman and executive director of the Company.

## GENERAL

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

**Shareholders and potential investors should note that the Placing is subject to conditions under the Placing Agreement to be fulfilled. As the Placing may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

“AGM”	the annual general meeting of the Company held on 30 August 2013
“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which banks are open for business in Hong Kong
“Company”	Sinocop Resources (Holdings) Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional or other investor(s) procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares, on a fully underwritten basis, pursuant to the terms of the Placing Agreement
“Placing Agent”	Yicko Securities Limited, a licensed corporation to carry on business in type 1 (dealing in securities) regulated activity under the SFO

“Placing Agreement”	the conditional placing agreement dated 5 November 2013 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.6 per Placing Share
“Placing Share(s)”	132,000,000 new Shares to be issued pursuant to the Placing Agreement
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board

**Sinocop Resources (Holdings) Limited**  
**Cheung Ngan**  
*Chairman*

Hong Kong, 5 November 2013

*As at the date of this announcement, the Board comprises four executive Directors, namely Messrs. Cheung Ngan, Chan Chung Chun, Arnold, Zhau Chong Dei and Lee Ming Zang, 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.*