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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 26 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 best effort basis, 140,000,000 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 9.09% to the closing price of HK\$0.66 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 7.69% to the average closing price of approximately HK\$0.65 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 140,000,000 Placing Shares represents (i) approximately 9.23% of the existing issued share capital of the Company of 1,516,396,800 Shares as at the date of this announcement; and (ii) approximately 8.45% of the issued share capital of the Company of 1,656,396,800 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$1,400,000.

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\$84.0 million and approximately HK\$81.4 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

26 November 2013 (after trading hours)

Parties

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

Placing Agent

The Placing Agent has conditionally agreed to place 140,000,000 Placing Shares, on a best effort 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 is the third party independent of and is not connected with the Company and its connected persons.

Placees

The Placing Agent will place, on a best effort basis, the 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. 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 140,000,000 Placing Shares represents (i) approximately 9.23% of the existing issued share capital of the Company of 1,516,396,800 Shares as at the date of this announcement; and (ii) approximately 8.45% of the issued share capital of the Company of 1,656,396,800 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$1,400,000.

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 9.09% to the closing price of HK\$0.66 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 7.69% to the average closing price of approximately HK\$0.65 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.

Prior to the date of the Placing Agreement, the Company has utilised the power to allot and issue 132,000,000 new Shares as disclosed in the announcement of the Company dated 15 November 2013 pursuant to such mandate and has the power to issue up to 144,879,360 Shares under the General Mandate as at the date of this announcement. Accordingly, the issue of the Placing Shares is not subject to the Shareholders' approval.

Conditions of the Placing Agreement

Completion of the Placing Agreement is conditional upon, among other things, the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares.

If the above condition is not fulfilled on or before 13 December 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 4th 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).

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) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date hereof) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of such Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
 - (iii) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which affect the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing; or
- (b) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under this Placing Agreement ; or
- (c) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days save for the purposes of clearing of any announcement relating to this Placing Agreement or circulars relating to the Placing and/or the sale and purchase agreement and the ancillary agreements thereto; or
- (d) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in this Placing Agreement was, when given, untrue or inaccurate or would in any material respect be untrue or inaccurate and the Placing Agent, in its reasonable opinion, determines that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole or will otherwise likely to have a material prejudicial effect on 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\$84.0 million and approximately HK\$81.4 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:

Date of announcement	Fund raising activities	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
5 November 2013	Share placing of 132,000,000 Shares, on a fully underwritten basis, under the general mandate, at the placing price of HK\$0.6 per placing share	Approximately HK\$76,700,000	For general working capital purpose and future potential investments of the Group	Not yet utilised
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:

Shareholders	Existing shareholding as at the date of this announcement		Shareholding immediately upon completion of the Placing	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Cheung Ngan (Note 1)	311,232,469	20.53	311,232,469	18.79
Public Shareholders				
Places	--	--	140,000,000	8.45
Other public Shareholders	1,205,164,331	79.47	1,205,164,331	72.76
Total	1,516,396,800	100.00	1,656,396,800	100.00

Note:

1. 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 best effort basis, pursuant to the terms of the Placing Agreement
“Placing Agent”	Kingsway Financial Services Group 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 26 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)”	140,000,000 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, 26 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.