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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 29 January, 2014 (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, a maximum of 89,000,000 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 per Placing Share represents (i) a discount of approximately 14.29% to the closing price of HK\$0.70 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 1.64% to the average closing price of approximately HK\$0.61 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 89,000,000 Placing Shares represents (i) approximately 5.68% of the existing issued share capital of the Company of 1,567,446,800 Shares as at the date of this announcement; and (ii) approximately 5.37% of the issued share capital of the Company of 1,656,446,800 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$890,000.

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\$53.4 million and approximately HK\$51.6 million respectively. The Company intends to use the net proceeds from the Placing for the general working capital purpose and future 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 Agreement 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

29 January 2014 (after trading hours)

Parties

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

Placing Agent

The Placing Agent has conditionally agreed to place a maximum of 89,000,000 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 a 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 89,000,000 Placing Shares represents (i) approximately 5.68% of the existing issued share capital of the Company of 1,567,446,800 Shares as at the date of this announcement; and (ii) approximately 5.37% of the issued share capital of the Company of 1,656,446,800 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$890,000.

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 per Placing Share represents:

- (i) a discount of approximately 14.29% to the closing price of HK\$0.70 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 1.64% to the average closing price of approximately HK\$0.61 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 Shares 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 the Placing is 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 granted to the Directors by the Shareholders at the AGM to allot, issue and deal with Shares 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 allotted and issued a total of 183,050,000 new Shares under the General Mandate as disclosed in the announcements of the Company dated 15 November 2013 and 23 December 2013 and the Directors have the power to issue up to 93,829,360 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:

- (i) the listing of and permission to deal in the Placing Shares in accordance with the terms of the Placing Agreement being granted by the Listing Committee of the Stock Exchange (and such permission and listing not subsequently being revoked) and, where such approval is subject to conditions, such conditions are reasonably acceptable to the Company and the Placing Agent;
- (ii) all requisite consents or approvals (if necessary) from competent authorities for the Placing having been obtained by the Company; and
- (iii) the transactions contemplated by the Placing Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgment or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority) in Hong Kong or other jurisdiction which is applicable to the Company or the Placing Agent.

If any of the conditions precedents under the Placing Agreement is not fulfilled on or before 14 March 2014 (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 a date falling within 7 Business Days after fulfillment of the conditions precedent 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 arrangement may be terminated, if, in the reasonable opinion of the Placing Agent, the success of the Placing or the business or financial prospects of the Group would or is likely to be materially and adversely affected by:

- (i) any material breach of, or any event rendering untrue or incorrect in any material respect, any of the warranties set out in the Agreement; or
- (ii) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than 5 Trading Days (other than in connection with the Placing); or
- (iii) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (iv) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions in any part of the world; or
- (v) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange or occurring due to exceptional financial circumstances or otherwise; or
- (vi) a change or development involving a prospective change in taxation in Hong Kong, Bermuda or the PRC or the implementation of exchange controls which shall or might materially and adversely affect the Group or its present or prospective shareholders in their capacity as such; or
- (vii) any change or deterioration in the conditions of local, national or international securities markets.

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 and the liability of the Company to pay to the Placing Agent all reasonable costs, charges and expenses in accordance with the Placing Agreement.

APPLICATION FOR LISTING

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.

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\$53.4 million and approximately HK\$51.6 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
26 November 2013 and 23 December 2013	Share placing of 51,050,000 Shares, on a best effort basis, under the general mandate, at the placing price of HK\$0.6 per placing share	Approximately HK\$29,600,000	For general working capital purpose and future potential investments of the Group	Not yet utilised
5 November 2013 and 15 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	Used as intended

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
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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 (<i>Note 1</i>)	311,232,469	19.86	311,232,469	18.79
Public Shareholders				
Placees	--	--	89,000,000	5.37
Other public Shareholders	1,256,214,331	80.14	1,256,214,331	75.84
Total	1,567,446,800	100.00	1,656,446,800	100.00

Note:

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

Shareholders and potential investors should note that the Placing is subject to conditions precedents 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”	China Galaxy International Securities (Hong Kong) Co., Limited, a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement dated 29 January 2014 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)”	A maximum of 89,000,000 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, 29 January 2014

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.