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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)

TERM SHEET IN RESPECT OF A POSSIBLE ACQUISITION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that on 10 March 2014, the Company entered into a non-legally binding Term Sheet with the Target Company in relation to the Possible Acquisition.

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into by the Company and the Target Company as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition materialises, it may constitute a notifiable transaction of the Company pursuant to the Listing Rules.

Shareholders and the potential investors of the Company are urged to exercise caution when dealing in the Shares. Further announcement in respect of the Possible Acquisition will be made by the Company in the event that any Formal Agreement has been signed.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

POSSIBLE ACQUISITION

The Board is pleased to announce that on 10 March 2014, the Company entered into a non-legally binding Term Sheet with the Target Company in relation to the Possible Acquisition. Completion of the Possible Acquisition is subject to the entering of a formal sale and purchase agreement between the Company and the Target Company.

TERM SHEET

Date:

10 March 2014

Parties

Purchaser: the Company; and

Target Company: Rimac Automobili d.o.o., a company incorporated in the Republic of Croatia with limited liability

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the Target Company and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Subject matter

Under the Term Sheet, it is proposed that the Company will subscribe for 10% of the enlarged share capital of the Target Company.

The Target Company is principally engaged in researching, designing, developing, manufacturing, marketing and selling (i) the vehicles, powertrains and battery technology systems for use in vehicles, bikes, bicycles and other motor vehicles; and (ii) replacement parts and support equipment and related services, in each case, for such powertrains and battery technology systems.

Consideration

Pursuant to the Term Sheet, the proposed consideration for the Possible Acquisition shall be satisfied by the Company in the following manner:

- (i) EUR5 million shall be paid in cash; and
- (ii) HK\$20 million shall be satisfied by way of the allotment and issue by the Company of new Shares.

Conditions precedent

The Company will conduct the due diligence review on the Target Company. If the Possible Acquisition materialises, completion of the Possible Acquisition will be subject to the following conditions being fulfilled:

- (i) the results of the due diligence review to be conducted by the Company on the legal and financial aspect of the Target Company being to the reasonable satisfaction of the Company;
- (ii) the business plan of the Target Company to be mutually agreed by the Company and the Target Company;
- (iii) the Company satisfies that the Target Company owns, or has obtained the right to use, free and clear of all liens, claims and restrictions, all trademarks and copyrights, and applications, licenses and rights with respect to the foregoing, and all trade secrets, including know-how, inventions, designs, processes, data and information used and sufficient for use in the Target Company's business as proposed under the business plan, without infringing upon or violating any right, or claim of others;
- (iv) the Company and the Target Company have mutually satisfied with the documentation, including the articles of association of the Target Company, employment agreements with all key personnel of the Target Company and any other documents considered reasonably necessary by the Company and the Target Company for the completion of the transaction contemplated hereby; and
- (v) other conditions precedent to be mutually agreed by the Company and the Target Company in the Definitive Agreement.

The Company and the Target Company have agreed to negotiate the Definitive Agreement in good faith and aim to sign the Definitive Agreement on or before 31 May 2014. If the Definitive Agreement is not entered into on or before 31 May 2014, the parties confirm and agree that the provisions of the Term Sheet shall be ceased, and none of the parties shall have any claim against the others.

DEFINITIVE AGREEMENT

The Term Sheet does not constitute a legally-binding commitment of the parties to the Term Sheet in respect of the Possible Acquisition. The Possible Acquisition is subject to the execution and completion of the Definitive Agreement.

If the Definitive Agreement materialises, the Possible Acquisition may constitute a notifiable transaction of the Company pursuant to the Listing Rules and thus the Company will comply with the relevant requirements under the Listing Rules as and when appropriate.

REASONS FOR THE POSSIBLE ACQUISITION

The principal activities of the Group consist of investment holding, trading of metals and mineral and processing of raw ores.

As advised by the Target Company, the Target Company is focused on the development of high performance propulsion systems, components and vehicles. Since the Group has captured the technology of the battery system for electric buses and intended to commence its market position in the new energy industry, the Directors consider that the Possible Acquisition represents a good opportunity for the Group to further invest in such industry. The Directors are of the view that the terms of the Term Sheet are fair and reasonable and the Possible Acquisition is in the interests of the Company and the Shareholders as a whole.

GENERAL

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into by the Company and the Target Company as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition materialises, it may constitute a notifiable transaction of the Company pursuant to the Listing Rules.

Shareholders and the potential investors of the Company are urged to exercise caution when dealing in the Shares. Further announcement in respect of the Possible Acquisition will be made by the Company in the event that any Formal Agreement has been signed.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“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 to it under the Listing Rules
“Definitive Agreement”	the formal sale and purchase agreement which may or may not be entered into by the Company and the Target Company in relation to the Possible Acquisition
“Director(s)”	the director(s) of the Company
“EUR”	Euros, the lawful currency of the member states of the European Union
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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

“Possible Acquisition”	the possible subscription of 10% newly issued shares of the Target Company as contemplated under the Term Sheet and subject to execution of the Definitive Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Rimac Automobili d.o.o., a company incorporated in the Republic of Croatia with limited liability
“Term Sheet”	the non-legally binding term sheet entered into between the Company and the Target Company on 10 March 2014 in respect of the Possible Acquisition
“%”	per cent

By order of the Board
Sinocop Resources (Holdings) Limited
Cheung Ngan
Chairman

Hong Kong, 10 March 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.