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If you have sold or transferred all your securities in Sinocop Resources (Holdings) Limited (the "Company"), you should at once hand this circular to the purchaser, transferee or the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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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)

**(1) DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF THE REMAINING
49% EQUITY INTEREST IN TARGET GROUP
(2) REFRESHMENT OF GENERAL MANDATE
(3) PROPOSED CHANGE OF COMPANY NAME
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

Financial adviser to the Company



**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**

Nuada Limited
Corporate Finance Advisory

A letter from the board of directors of the Company is set out on pages 7 to 26 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 27 to 28 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 29 to 46 of this circular.

A notice convening the SGM to be held on Monday, 5 May 2014 at 11:00 a.m. at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong is set out on pages 55 to 59 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the principal place of business of the Company located at 37th Floor, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the appointed time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM and any adjournment thereof (as the case may be) should you so wish.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 30 August 2013 in which the Shareholders had approved, among other matters, the Existing General Mandate
“associate(s)”	has the meaning ascribed to it 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
“BVI”	the British Virgin Islands
“Call Exercise Price”	HK\$253,650,000
“Call Option”	the call option to acquire the Sale Shares at the Call Exercise Price granted by the Vendors to the Subscriber
“Call Option Deed”	the call option deed dated 12 March 2014, entered into between the Subscriber and the Vendors in relation to the Call Option
“Call Option Period”	within 5 years from the date of the Call Option Deed
“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
“Consideration Shares”	new Shares to be allotted and issued by the Company to the Vendors upon the exercise of the Options
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Existing General Mandate”	the general mandate approved at the AGM to grant to the Directors to allot and issue Shares of up to 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution, i.e. 30 August 2013
“Green Dynamic EV”	Green Dynamic Electric Vehicle Limited, a company incorporated in Hong Kong with limited liability, being a wholly-owned subsidiary of the Target Company
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Yung Ka Wo, being the guarantor of the Subscription Agreement dated 5 March 2014
“HKPC”	the Hong Kong Productivity Council
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising Mr. Chan Francis Ping Kuen, Mr. Hu Guang and Mr. Chan Chak Paul, all of whom are independent non-executive Directors, established to advise the Independent Shareholders in respect of the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate
“Independent Financial Adviser” or “Nuada”	Nuada Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activities as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate
“Independent Shareholders”	Shareholder(s) other than the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates

DEFINITIONS

“Issue Price”	the issue price of HK\$0.95 of each Consideration Share
“Last Trading Day”	12 March 2014, being the last trading day of the Shares immediately prior to the date of the Option Deeds
“Latest Practicable Date”	8 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2014 (or such later date as the relevant parties to the Option Deeds may agree in writing)
“New General Mandate”	the general mandate proposed to be granted to the Directors at the SGM to allot, issue and otherwise deal in additional Shares not exceeding 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution
“Option(s)”	the Call Option to be granted to the Subscriber in relation to the Call Option Deed and the Put Option to be granted to the Vendors in relation to the Put Option Deed, together referred to as Options
“Option Deed(s)”	the call option deed and the put option deed, entered into between the Subscriber and the Vendors in relation to the Call Option and the Put Option respectively, together referred to as Option Deeds
“PRC”	the People’s Republic of China
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “Sinocop Resources (Holdings) Limited” to “China Dynamics (Holdings) Limited” and the Chinese name of the Company from “中銅資源(控股)有限公司” to “中國動力(控股)有限公司”
“Put Exercise Price”	49% of Target Value but not more than HK\$253,650,000

DEFINITIONS

“Put Option”	the put option to sell the Sale Shares at the Put Exercise Price granted by the Subscriber to the Vendors
“Put Option Deed”	the put option deed dated 12 March 2014, entered into between the Subscriber and the Vendors in relation to the Put Option
“Put Option Period”	within 5 years from the date of the Put Option Deed
“R&D Project”	the project entitled “Development of Intelligent eBus with Light Body Structure and High Efficient Traction Motor System” to be collaboratively carried out by HKPC and Green Dynamic EV
“Refreshment of General Mandate”	the proposed refreshment of the Existing General Mandate to the grant of the New General Mandate
“Sale Shares”	a total of 490 Target Company’s Shares to be sold and purchased pursuant to the Option Deeds, representing 49% of the issued share capital of the Target Company; out of which 392 and 98 Target Company’s Shares are legally and beneficially owned by Mr. Yung Ka Wo and Mr. Xie Dan respectively
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, the Transaction inclusive of the grant of the Specific Mandate, the Refreshment of General Mandate, and the Proposed Change of Company Name
“Share(s)”	ordinary share(s) of HK\$0.01 each in the existing share capital of the Company
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company

DEFINITIONS

“Specific Mandate”	the specific mandate to be granted by the Shareholders to the Board at the SGM for the issuance and allotment of up to a maximum number of 267,000,000 new Consideration Shares under the Put Option Deed
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	CE Investment Limited, a company incorporated in Samoa with limited liability and an indirectly wholly-owned subsidiary of the Company
“Subscription Agreement”	the agreement entered into between the Subscriber, the Target Company and the Guarantor dated 5 March 2014 pursuant to which the Subscriber has conditionally agreed to subscribe for and the Target Company has conditionally agreed to allot and issue to the Subscriber, an aggregate of 510 new issued shares of the Target Company at a consideration of HK\$20,000,000, payable by the Subscriber in cash on the completion of the subscription in accordance with the terms and conditions of the said agreement
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Dynamic Union International Limited, a company incorporated in BVI with limited liability
“Target Company’s Share(s)”	the ordinary share(s) of US\$1.00 each in the Target Company
“Target Group”	the group of companies comprising the Target Company and Green Dynamic EV
“Target Value”	an amount equals to 6 times of the average of audited consolidated annual net profit after taxation and before extraordinary items of the Target Group calculated in accordance with Hong Kong Financial Reporting Standards for three consecutive financial years within the Put Option Period

DEFINITIONS

“Transaction”	the sale and purchase of the Sale Shares under the Option Deeds
“US\$”	the United States dollars, being the lawful currency of the United States of America
“Vendors”	Mr. Yung Ka Wo and Mr. Xie Dan, being the owner of 39.2% and 9.8% equity interest of Target Company as at the date of Option Deeds respectively
“%”	per cent

LETTER FROM THE BOARD



SINOCOP RESOURCES (HOLDINGS) LIMITED

中銅資源（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 476)

Executive Directors:

Mr. Cheung Ngan (*Chairman*)
Mr. Chan Chung Chun, Arnold (*Deputy Chairman*)
Mr. Zhou Chong Dei
Mr. Lee Ming Zang

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Director:

Mr. Li Shaofeng

*Head office and principal place of
business in Hong Kong:*

37th Floor
China Online Centre
333 Lockhart Road
Wanchai
Hong Kong

Independent Non-executive Directors:

Mr. Chan Francis Ping Kuen
Mr. Hu Guang
Mr. Chan Chak Paul

11 April 2014

To the Shareholders,

Dear Sir or Madam,

**(1) DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF THE REMAINING
49% EQUITY INTEREST IN TARGET GROUP
(2) REFRESHMENT OF GENERAL MANDATE
(3) PROPOSED CHANGE OF COMPANY NAME
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement dated 12 March 2014 of the Company regarding the Option Deeds and the transactions contemplated thereunder.

LETTER FROM THE BOARD

The purpose of this circular is to provide you, among other things, (i) further information on the Transaction; (ii) details of the Refreshment of General Mandate; (iii) details of the Proposed Change of Company Name; (iv) the recommendations of the Independent Board Committee to the Independent Shareholders; (v) the advice of the Independent Financial Adviser in relation to the Transaction and the Refreshment of General Mandate; and (vi) the notice of the SGM to be convened and held for purpose of considering, if thought fit, approving the Transaction inclusive of the grant of the Specific Mandate, the Refreshment of General Mandate, and the Proposed Change of Company Name.

CALL OPTION DEED

Date

12 March 2014

Parties

- (1) the Subscriber, a indirectly wholly-owned subsidiary of the Company;
- (2) Mr. Yung Ka Wo, who owns 39.2% equity interest of Target Company as at the date of Call Option Deed; and
- (3) Mr. Xie Dan, who owns 9.8% equity interest of Target Company as at the date of Call Option Deed.

((2) and (3) are collectively known as the “Vendors”)

As the Vendors are deemed substantial shareholders of the Target Company and the Company holds 51% equity interest in the Target Group indirectly, the Vendors are therefore the connected persons of the Company.

Subject matter

Pursuant to the Call Option Deed, the Vendors have conditionally agreed to grant the Call Option to the Subscriber to purchase the Sale Shares at the consideration of HK\$253,650,000, which shall be satisfied by way of the allotment and issue by the Company of the 267,000,000 Consideration Shares at the Issue Price.

LETTER FROM THE BOARD

Call Option Period

The Call Option may be exercised by the Subscriber at any time within 5 years from the date of the Call Option Deed.

The Company will comply with the applicable requirements under Chapter 14 and Chapter 14A of the Listing Rules including announcement and (if applicable) Independent Shareholder's approval, upon the exercise of Call Option.

In the event that the Call Option has not been exercised by the Subscriber within the Call Option Period, or the Put Option has been exercised by the Vendors within the Put Option Period, the Call Option shall lapse and be of no further effect.

Conditions Precedent to the grant of Call Option

The grant of the Call Option under the Call Option Deed shall be conditional upon and subject to the fulfilment and satisfaction of the following conditions:

- (i) if required under applicable laws, regulations and relevant rules of the Stock Exchange, the prior approval by the Shareholders on the Call Option Deed and the transactions contemplated thereunder (including but not limited to the issuance of Consideration Shares) at its shareholders' general meeting;
- (ii) the listing of and permission to deal in the Consideration Shares in accordance with the terms of the Call Option Deed being granted by the Listing Committee of the Stock Exchange (and such permission and listing not subsequently being revoked); and
- (iii) the completion of the subscription of 51% equity interest in Target Company in accordance with the terms and conditions of the Subscription Agreement entered into between the Subscriber, the Target Company and the Guarantor.

None of the above conditions is capable of being waived. If the above conditions shall not have been fulfilled and satisfied in full on or before the Long Stop Date, or such later date as the relevant parties to the Call Option Deed may agree in writing, the Call Option Deed shall cease to have force and effect.

Prior to the date of the Call Option Deed, the Subscriber has completed the subscription for 51% issued share capital of the Target Company.

The Call Option will be granted and vested on the day when the last outstanding conditions precedent under the Call Option Deed shall have been fulfilled and satisfied.

LETTER FROM THE BOARD

Transferability

None of the parties to the Call Option Deed may assign or transfer any right, benefit, claim or interest in the Call Option Deed without the prior written consent of the other parties.

Call Exercise Price

The Call Exercise Price shall be HK\$253,650,000 to be settled by the issue of the Consideration Shares at the Issue Price of HK\$0.95 each by the Company. The Call Exercise Price was determined after arm's length negotiations between the parties to the Call Option Deed. On the basis that the Target Group is still in development stage with no supporting track record, the Board believes that setting the Call Exercise Price at a premium over the acquisition cost of 51% interest of the Target Group under the Subscription Agreement is in the interests of the Group as it can be treated as a target and motivation for improvement of the value of the Target Group. In addition, having considered (i) the prevailing market condition in the Hong Kong new energy industry to promote zero-emission environment; (ii) the expectation of the long-term growth prospect of the Target Group in view of the exemption from paying registration tax for electric vehicles in Hong Kong; and (iii) the business opportunity for the Target Group upon the achievement in R&D project in relation to eBus development. The Board considers that the Call Exercise Price is fair and reasonable.

If the Call Option is exercised, the Consideration Shares represent approximately 9.94% of the issued shares of the Company as at the Latest Practicable Date and approximately 9.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

ISSUE PRICE OF THE CALL OPTION DEED

The Issue Price was determined after arm's length negotiation between the Company and the Target Company, with reference to the prevailing trading price of the Shares as at the date of the Call Option Deed. The Issue Price represents:

- (i) a discount of approximately 15.93% to the closing price of the Shares of HK\$1.13 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 8.65% to the closing price of the Shares of HK\$1.04 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 6.13% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Day of approximately HK\$1.012 per Share;

LETTER FROM THE BOARD

- (iv) a premium of approximately 1.28% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day of approximately HK\$0.938 per Share; and
- (v) a premium of approximately 1,087.50% over the unaudited net asset value of HK\$0.08 per Share as at 30 September 2013 (based on the unaudited consolidated net assets of the Group of approximately HK\$210,522,000 as at 30 September 2013 as shown in the Company's interim report for the six months ended 30 September 2013 and 2,685,746,800 Shares in issue as at the Latest Practicable Date).

PUT OPTION DEED

Date

12 March 2014

Parties

- (1) the Subscriber, a indirectly wholly-owned subsidiary of the Company;
- (2) Mr. Yung Ka Wo, who owns 39.2% equity interest of Target Company as at the date of Put Option Deed; and
- (3) Mr. Xie Dan, who owns 9.8% equity interest of Target Company as at the date of Put Option Deed.

((2) and (3) are collectively known as the "Vendors")

As the Vendors are deemed substantial shareholders of the Target Company and the Company holds 51% equity interest in the Target Group indirectly, the Vendors are therefore the connected persons of the Company.

Subject matter

Pursuant to the Put Option Deed, the Subscriber has conditionally agreed to grant the Put Option to the Vendors to sell the Sale Shares at the consideration equal to 49% of Target Value but not more than HK\$253,650,000, such amount shall be satisfied by way of allotment and issue by the Company with not more than 267,000,000 Consideration Shares at the Issue Price.

LETTER FROM THE BOARD

Put Option Period

The Put Option may be exercised by the Vendors at any time within 5 years from the date of the Put Option Deed.

The Company will comply with the applicable requirements under Chapter 14 and Chapter 14A of the Listing Rules upon the exercise of Put Option.

In the event that the Put Option has not been exercised by the Vendors within the Put Option Period, or the Call Option has been exercised by the Subscriber within the Call Option Period, the Put Option shall lapse and be of no further effect.

Target Value

Pursuant to the Put Option Deed, the Subscriber agreed with the Vendors that the Put Exercise Price for the Sale Shares shall be an amount equals to 49% of the Target Value but not more than HK\$253,650,000. The Target Value will be an amount represents 6 times of the average of audited consolidated annual net profit after taxation and before extraordinary items of the Target Group calculated in accordance with Hong Kong Financial Reporting Standards for three consecutive financial years within the Put Option Period, in which extraordinary items represent non-recurring items from the unusual courses of business such as, if any, fair value gain on available-for-sale investments and exchange difference arising from translation of foreign operations, etc. The Target Value was determined with reference to (i) the price-earnings multiples of companies in local market with similar business nature with the Target Group; and (ii) the future development and growth potential of new energy industry in Hong Kong.

Conditions Precedent to the grant of Put Option

The grant of the Put Option under the Put Option Deed shall be conditional upon and subject to the fulfilment and satisfaction of the following conditions:

- (i) if required under applicable laws, regulations and relevant rules of the Stock Exchange, the prior approval by the Shareholders on the Put Option Deed and the transactions contemplated thereunder (including but not limited to the issuance of Consideration Shares) at its shareholders' general meeting;
- (ii) the listing of and permission to deal in the Consideration Shares in accordance with the terms of the Put Option Deed being granted by the Listing Committee of the Stock Exchange (and such permission and listing not subsequently being revoked);

LETTER FROM THE BOARD

- (iii) the completion of the subscription of 51% equity interest in Target Company in accordance with the terms and conditions of the Subscription Agreement entered into between the Subscriber, the Target Company and the Guarantor; and
- (iv) the Call Option Deed having become effective.

None of the above conditions is capable of being waived. If the above conditions shall not have been fulfilled and satisfied in full on or before the Long Stop Date, or such later date as the relevant parties to the Put Option Deed may agree in writing, the Put Option Deed shall cease to have force and effect.

Prior to the date of the Put Option Deed, the Subscriber has completed the subscription for 51% issued share capital of the Target Company.

The Put Option will be granted and vested on the day when the last outstanding conditions precedent under the Put Option Deed shall have been fulfilled and satisfied.

Transferability

None of the parties to the Put Option Deed may assign or transfer any right, benefit, claim or interest in the Put Option Deed without the prior written consent of the other parties.

Put Exercise Price

The Put Exercise Price shall be equal to 49% of Target Value but not more than HK\$253,650,000 to be settled by the issue of the Consideration Shares at the Issue Price of HK\$0.95 each by the Company. The Put Exercise Price was determined after arm's length negotiations between the parties to the Put Option Deed.

If the Put Option is exercised, the Consideration Shares represent approximately 9.94% of the issued shares of the Company as at the Latest Practicable Date and approximately 9.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

LETTER FROM THE BOARD

ISSUE PRICE OF THE PUT OPTION DEED

The Issue Price was determined after arm's length negotiation between the Company and the Target Company, with reference to the prevailing trading price of the Shares as at the date of the Put Option Deed. The Issue Price represents:

- (i) a discount of approximately 15.93% to the closing price of the Shares of HK\$1.13 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 8.65% to the closing price of the Shares of HK\$1.04 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 6.13% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Day of approximately HK\$1.012 per Share;
- (iv) a premium of approximately 1.28% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day of approximately HK\$0.938 per Share; and
- (v) a premium of approximately 1,087.50% over the unaudited net asset value of HK\$0.08 per Share as at 30 September 2013 (based on the unaudited consolidated net assets of the Group of approximately HK\$210,522,000 as at 30 September 2013 as shown in the Company's interim report for the six months ended 30 September 2013 and 2,685,746,800 Shares in issue as at the Latest Practicable Date).

INFORMATION ON THE TARGET GROUP

Background information on the Target Group

The Target Company is a company incorporated in BVI with limited liability on 3 January 2014. The Target Company is principally engaged in investment holding and as at the date of the Subscription Agreement, the Target Company holds 100% interest in Green Dynamic EV. Other than the holding of the entire issued share capital of Green Dynamic EV, the Target Company does not have any other material asset.

Green Dynamic EV is a company incorporated in Hong Kong with limited liability. The proposed principal activity of Green Dynamic EV is to engage in the product development in energy saving and environmental protection industries. As advised by the Target Company, Green Dynamic EV possesses a management team with solid experience and extensive network in the development of electric motor system.

LETTER FROM THE BOARD

Set out below are the brief biographies of the key management members of the Green Dynamic EV:

Yung Ka Wo – Chairman

Mr. Yung is the founder and chairman of Green Dynamic EV and has involved in the development of operational as well as business initiatives of the Target Group. He has over 30 years of experience in marketing particularly the promotion of green transport in the environmental protection industries. He was taken up various management positions in several corporations in Hong Kong and the PRC. In recent years, he has dedicated in gathering with environmental protection experts and associating green partners to work out the green solutions and innovation services for the public. He is currently the chairman of Innovation and Technology Commission (“創新科技署”) and HKPC eBus Project Steering Committee and also the vice-chairman of Green Technology Consortium (“環保科技聯盟”).

Xie Dan – Research and Development Director

Mr. Xie is the Research and Development Director of Green Dynamic EV. He graduated from South China University of Technology and obtained a degree in Telecommunication Engineering. He joined the Target Group in early 2014 and is responsible for the design and implementation of the development of electric motor system for electric vehicles. As an expert in servomotors and control technologies, he has devoted over 20 years to vehicle industry and has succeeded in retrofitting traditional vehicle into electric vehicle which reduces carbon emission and improve vehicle efficiency.

Green Dynamic EV has also employed a technical consultant, who is responsible for the bus design and fabrication of high strength aluminium frame. In addition to their qualifications and experiences above, the management team has extensive network not only in the local market but also in Taiwan, Macau and the PRC market including Chongqing and Anhui. Their track records and efforts in marketing for new products over the last 20 years have secured a number of solid supports and liaisons from the environmental protection and motor vehicle industries. The Company will retain the existing management team of the Target Group and the key members will continue to engage in the business of Green Dynamic EV.

Green Dynamic EV has not carried out any business since its incorporation save for the proposal to participate in the R&D Project, which aims to develop pure electric buses through the collaboration with HKPC for local and domestic market. The R&D project can be divided into seven major sections comprising traction motor, body structure, battery, charger, vehicle system controller, remote diagnosis controller and type approval preparation. The project team will cooperate with different research institutes and technical advisers for the implementation of different specific sections. Green Dynamic EV, being the project sponsor, will be responsible for the eBus body structure design as well as the selection of ritual components such as aluminium structural materials, battery modules for electric vehicles and traction motors.

LETTER FROM THE BOARD

Financial information on the Target Group

The Target Group has not carried out any business and did not record any turnover for the year ended 31 December 2013. No audited financial statement of Green Dynamic EV has been prepared since its incorporation on 9 May 2013. For the year ended 31 December 2013, Green Dynamic EV recorded unaudited loss (both before and after taxation) of HK\$15,770. As at 31 December 2013, the unaudited net liabilities of Green Dynamic EV amounted to HK\$15,769.

Pursuant to the Company's announcement on 12 March 2014, the Subscriber has completed the subscription for 51% issued share capital of the Target Company in accordance with the terms and conditions of the Subscription Agreement. Therefore, the Company holds 51% equity interest in the Target Group and the financial results of the Target Group will be consolidated into the results of the Group.

Upon the exercise of Option and the issue of Consideration Shares under the Option Deeds, the Target Group will become a wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE OPTION DEEDS

In view of the promotion of use of electric vehicles in Hong Kong, there is an increasing demand of battery system with high durability and customization for motor system on electric buses. The Directors expect that the R&D Project held by the Target Group will create a platform with full coverage on not only the technical aspects but also knowhow for product commercialisation. In addition, Mr. Cheung Ngan, the chairman of the Company, was aware that the energy saving technologies would be one of the key components to succeed in the new energy industry, thus he brought in several experts specializing in mechanical and chemical engineering to the Group. The above experts have experience in battery applications and technical knowledge on the production of durable lithium-ion battery pack which will benefit the development of electric vehicles. Upon the successful tender as disclosed in the announcement of the Company dated 24 February 2014, it has been shown that the Group has captured the technology of the battery system for electric buses, the Directors believe that the entering into of the Option Deeds offers a good opportunity for the Group to further invest in the new energy industry.

As disclosed in the Company's announcement on 12 March 2014, the Company holds 51% equity interest in the Target Group upon the completion of the Subscription Agreement. Since the Group is optimistic about a steady business growth in the new energy industry in future, by acquiring the remaining 49% of the issued share capital of the Target Company, all profits generated by the Target Group will be attributable to the Company. In order to enhance the return from the Target Group, the Group would increase the motivation of the Vendors by entering into the Option Deeds. Under the Option Deeds, the Vendors have an opportunity to enjoy the potential benefit when becoming the shareholders of the Company after exercising the Option Deeds.

LETTER FROM THE BOARD

Taking into consideration the favourable government policies and the strategic value in terms of green environment and energy security, the Group is optimistic towards the new energy industry in both Hong Kong and the PRC and has set its investment focus on the development of electric vehicles. Given the Target Group is still in its early development stage, the Directors believe that there is a huge business potential in the R&D Project held by the Green Dynamic EV which, effectively, the Group can further explore business development by collaboration with the project team. The Option Deeds are therefore entered into and the Call Exercise Price is set and fixed at present in order to seal the consideration for the purchase of Sale Shares and provide stability in attaining the Group's long-term objectives.

In light of the above, the Directors are of the view that the terms of the Option Deeds are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Subscriber and the Vendors may or may not exercise the Options pursuant to the Option Deeds. The Subscriber and the Vendors will review the latest business development of the Target Group before deciding on the exercise of the Options. The Company will comply with the applicable requirements under the Listing Rules if any of the Options is exercised.

FUTURE PLAN OF THE GROUP

The principal activities of the Group consist of investment holding, trading of metals and mineral and processing of raw ores. The Board considers that the existing business can provide a steady income stream to the Group as a result of the continuous development and expansion of the mining business of the Group. On the other hand, the Board is of the view the prospect on the new energy business in Hong Kong is promising. Therefore, the Group will run its new energy business in parallel with its existing trading and mining business.

Regarding the business plan of the Target Group, the Target Group aims to develop the first eBus for local market with "Hong Kong Brand" and its performance will be optimized to fit for the typical traffic condition as well as to promote zero-emission environment in Hong Kong. Upon the achievement in the R&D project in relation to eBus development, the Board expects that the eBus will be easily accepted by the bus service providers and residents in both Hong Kong and the PRC. In the future, the Group will strategically collaborate with business partners in four regions including Hong Kong, the PRC, Macau and Taiwan and leverage their existing market share and sales channels for the promotion of eBus.

LETTER FROM THE BOARD

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following chart sets out the possible effects of the exercise of the Option on the shareholding structure of the Company, assuming that there are no other changes to the shareholding structure of the Company from the Latest Practicable Date to the date of the exercise of the Option:

Shareholders	As at the Latest Practicable Date		Upon the exercise of the Option and issue of the Consideration Shares	
	No. of Shares	Approx. %	No. of Shares	Approx. %
Mr. Cheung Ngan (<i>Note 1</i>)	311,232,469	11.59	311,232,469	10.54
Sino PowerHouse Corporation (<i>Note 2</i>)	84,000,000	3.13	84,000,000	2.85
Vendors	–	–	267,000,000	9.04
Other public Shareholders	<u>2,290,514,331</u>	<u>85.28</u>	<u>2,290,514,331</u>	<u>77.57</u>
Total	<u><u>2,685,746,800</u></u>	<u><u>100.00</u></u>	<u><u>2,952,746,800</u></u>	<u><u>100.00</u></u>

Note:

1. Mr Cheung Ngan is the chairman and executive director of the Company.
2. The 84,000,000 shares represent beneficial interest of Sino PowerHouse Corporation, which is owned as to 51% by Mr. Cheung Ngan and as to 49% by Mr. Chan Chung Chun, Arnold. Mr. Chan Chung Chun, Arnold is an executive director of the Company.

REFRESHMENT OF GENERAL MANDATE

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to issue not more than 276,879,360 Shares, being 20% of the aggregate nominal amount of the issued share capital of the Company of 1,384,396,800 Shares as at the date of passing of such resolution.

LETTER FROM THE BOARD

During the period from the grant of the Existing General Mandate to the Latest Practicable Date, the Existing General Mandate had been utilised as to 272,050,000 Shares, representing approximately 98.26 % of the Existing General Mandate. As disclosed in the announcements dated 15 November 2013, 23 December 2013 and 12 February 2014, each of the placing agreements for the placing of 132,000,000, 51,050,000 and 89,000,000 Shares respectively had been completed. The aggregate net proceeds raised from the said placing activities amounted to approximately HK\$76.7 million, HK\$29.6 million and HK\$51.6 million respectively and were intended to be utilised by the Group for the general working capital purpose and future investments of the Group. The aggregate net proceeds have not yet been fully utilised as at the Latest Practicable Date.

Since the AGM and except for the proposed grant of the New General Mandate herein, the Company has not refreshed its general mandate granted at the AGM.

PROPOSED GRANT OF NEW GENERAL MANDATE

At the SGM, ordinary resolutions will be proposed to the Independent Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the share capital of the Company in issue as at the date of passing the relevant ordinary resolution; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company consisted of 2,685,746,800 Shares. Subject to the passing of the ordinary resolutions for the approval of the New General Mandate and on the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Company would be allowed under the New General Mandate to allot and issue up to 537,149,360 Shares, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

LETTER FROM THE BOARD

REASONS FOR THE REFRESHMENT OF GENERAL MANDATE

The proceeds raised in the past twelve months which have not yet utilised up to the Latest Practicable Date was approximately HK\$636.9 million, which was intended to be used as to (i) approximately HK\$156 million representing the capital expenditure for phase I of the glauberite mine project for the coming twelve months as disclosed in the circular of the Company dated 11 October 2013; (ii) approximately HK\$200 million for the working capital of the projects relating to the development of electric vehicles as disclosed in the circular of the Company dated 17 March 2014; (iii) approximately HK\$55 million for the possible subscription for interest in a target company as disclosed in the announcement of the Company dated 10 March 2014; and (iv) the remaining balance of HK\$225.9 million for the future investments, including the capital expenditure required for phase I of the glauberite mine project for the coming thirteen to twenty-four months, and the potential investment required for the electric vehicles, as well as the working capital of the Group.

In regard to the future business development plan of the Company as set out in the paragraph headed “Future Plan of the Group” above, the commencement of new energy business activities may require significant and continuous capital investment. The Board would like to develop both mining and new energy business and thus sufficient financial resources is necessary to provide flexibility for the Company for its future business development and for general corporate purposes, in particular, for the working capital of the glauberite mine development in Guangxi for the upcoming phase, through equity financing.

Although the Company at present does not have any concrete plan regarding the utilisation of the New General Mandate which will dilute the shareholding of the existing Shareholders, it has continually been looking for appropriate opportunities to raise further fund in order to improve the Group’s liquidity position and to develop its operating activities in new energy industry. The Company is currently reviewing its development status in order to allocate appropriate resources to individual projects. Therefore, the Company would conduct fund raising activities to raise additional capital when suitable opportunities emerge, but it will also be subject to other factors including the then prevailing market conditions, the then business performance of the Group and the then financial position of the Company. On the other hand, the New General Mandate provides a means for the Company to raise funds expeditiously for its operations or expansion, such that, apart from the reason disclosed above, should attractive terms for investment in the Shares become available from potential investors, the Board will be able to respond to the market promptly because fund raising exercise pursuant to a general mandate (i) provides the Company with a more simple and straight forward manner than other types of fund raising exercises and (ii) avoids the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner.

LETTER FROM THE BOARD

Taken into the above consideration, the Directors opine that the New General Mandate which provides a flexible means of financing to the Group is fair and reasonable. It is also crucial and consistent with the Group's objective to maintain a prudent treasury management objective while provide flexibility for the Company to raise funds to satisfy its possible future operating and investment opportunities funding requirements.

Given that equity financing under general mandates (i) does not incur interest obligations on the Group as compared with bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising or prospective investment opportunities in a timely manner, the Directors consider that the potential dilution to the shareholdings of the existing public Shareholders is justifiable. Moreover, the Directors believe such dilution effect to be acceptable having considered the benefits of overall mining and new energy business development of the Group and the said positive effect on financial flexibility to the Group. The Board therefore proposes to the Independent Shareholders a resolution to grant the New General Mandate such that the Directors can exercise the power of the Company to allot, issue and deal with new Shares up to 20% of the issued share capital of the Company as at the date of the SGM.

As the refreshment of the Existing General Mandate is prior to the next annual general meeting of the Company, the granting of the New General Mandate is subject to the Independent Shareholders' approval at the SGM which will be taken on a poll. On the balance of the benefits of the proposed New General Mandate and its possible drawback, the Board believes that the grant of the New General Mandate is necessary, fair and reasonable, and in the interests of the Company and the Shareholders as a whole by virtue of maintaining the financial flexibility for the Group's future business development and opportunities of funding which may arise urgently at any time.

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following fund raising activities in the past twelve months from the Latest Practicable Date:

Date of announcement	Fund raising activities	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
4 March 2014, 17 March 2014 and 7 April 2014	Share placing of 450,000,000 Shares, on a best effort basis, under specific mandate, at the final placing price of HK\$0.83 per placing share	Approximately HK\$362,060,000	As to (i) approximately HK\$200,000,000 for the projects relating to development of electric vehicles as disclosed in the circular of the Company dated 17 March 2014; (ii) approximately HK\$55,000,000 for the possible acquisition for interest in a target company as disclosed in the announcement of the Company dated 10 March 2014; and (iii) the remaining balance for the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013	Not yet utilised
29 March 2012, 14 February 2014 and 28 February 2014	Share placing of 333,300,000 Shares, on a fully underwritten basis, under specific mandate, at the placing price of HK\$0.6 per placing share.	Approximately HK\$193,600,000	For financing the operations of the Target Group under the Acquisition, as respectively defined in the circular of the Company dated 11 October 2013	Not yet utilised
29 January 2014 and 12 February 2014	Share placing of 89,000,000 Shares on a best effort basis, under general mandate, at the placing price of HK\$0.6 per placing share	Approximately HK\$51,600,000	For the general working capital purpose and future potential investments of the Group, including the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013	Not yet utilised
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 the general working capital purpose and future potential investments of the Group, including the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013	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 the general working capital purpose and future potential investments of the Group	As to (i) approximately HK\$40,000,000 has been used for the general working capital of the Group relating to corporate and professional fee; (ii) approximately HK\$20,000,000 has been used for the acquisition of interest in the Target Group as disclosed in the announcement of the Company dated 5 March 2014; and (iii) the remaining balance for the working capital of the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013

LETTER FROM THE BOARD

Save as disclosed above, the Company has not conducted any capital raising activities for the 12 months immediately before the Latest Practicable Date.

SPECIFIC MANDATE

Pursuant to the Put Option Deed, Consideration Shares will be issued under the Specific Mandate to be approved by the Independent Shareholders at the SGM, and will rank *pari passu* in all respects with the then issued Shares. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “Sinocop Resources (Holdings) Limited” to “China Dynamics (Holdings) Limited” and the Chinese name of the Company from “中銅資源(控股)有限公司” to “中國動力(控股)有限公司”. The Proposed Change of Company Name will be subject to the following conditions:

- (i) the passing of a special resolution by the Shareholders at the SGM to approve to Proposed Change of Company Name; and
- (ii) the Registrar of Companies in Bermuda approving the Proposed Change of Company Name.

Subject to the fulfilment of the above conditions, the Proposed Change of Company Name will take effect from the date on which the Registrar of Companies in Bermuda enters the new name on the register in place of the existing name. Thereafter, the Company will carry out the necessary filing procedures with the Companies Registry in Hong Kong.

Reasons for the Proposed Change of Company Name

The principal activities of the Group consist of investment holding, trading of metals and mineral and processing of raw ores. In view of the Group’s activities also include new energy business, the Proposed Change of Company Name will better reflect the future expansion and emphasize the business focus of the Group. The proposed new company name will provide the Company a better identification and strengthen the Company’s corporate image. The Board considers that the Proposed Change of Company Name is in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Effect of the Proposed Change of Company Name

The Proposed Change of Company Name will not affect any rights of the holders of securities of the Company. The existing certificates of securities in issue bearing the present name of the Company will, after the Proposed Change of Company Name becoming effective, continue to be valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for exchange of the existing certificates of securities for new certificates bearing the new name of the Company. Once the Proposed Change of Company Name becoming effective, new certificates of securities will be issued only in the new name of the Company.

Further announcement(s) will be made by the Company to inform the Shareholders of the results of the SGM, the effective date of the Proposed Change of Company Name and the new stock short name of the Company for trading of the shares of the Company on the Stock Exchange.

IMPLICATIONS UNDER THE LISTING RULES

As the Vendors are deemed substantial shareholders of the Target Company and the Company holds 51% equity interest in the Target Group indirectly, the Vendors are therefore the connected persons of the Company under Chapter 14A of the Listing Rules. Given the sale and purchase of all of the Sale Shares pursuant to the Option Deeds shall be completed simultaneously, the Transaction constitutes a connected transaction of the Company under the Listing Rules.

The Transaction, when aggregated with the consideration of the subscription of 51% equity interest in the Target Group under the Subscription Agreement, constitutes a discloseable transaction of the Company on the basis that one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceed 5% but is below 25%. As such, it is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules. The Vendors and their respective associates are required to abstain from voting on the relevant resolutions to be proposed at the SGM to approve the Transaction inclusive of the grant of the Specific Mandate.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has a material interest in the Option Deeds and the transaction contemplated thereunder and thus is required under the Listing Rules to abstain from voting on the relevant resolutions at the SGM.

LETTER FROM THE BOARD

Pursuant to Rule 13.36(4) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the SGM at which any of the controlling Shareholders and their associates, or where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executives and their respective associates shall abstain from voting in favour of the resolution approving the Refreshment of General Mandate. Since the Company has no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM.

As at the Latest Practicable Date, Mr. Cheung Ngan, the chairman of the Board and executive Director was interested in 311,232,469 shares, representing approximately 11.59% of the total issued share capital of the Company; and Sino PowerHouse Corporation, a company which is owned as to 51% by Mr. Cheung Ngan and as to 49% by Mr. Chan Chung Chun, Arnold, an executive Director, was interested in 84,000,000 Shares. Therefore Mr. Cheung Ngan, Mr. Chan Chung Chun, Arnold and their respective associates will abstain from voting in favour of the relevant resolution to approve the Refreshment of General Mandate at the SGM. Other than Mr. Cheung Ngan and his associates, no other Shareholders are required to abstain from voting in favour of the relevant resolution to approve the Refreshment of General Mandate at the SGM. As at the Latest Practicable Date, Mr. Cheung Ngan and his associates had indicated that they have no intention to vote against the resolution to approve the Refreshment of General Mandate at the SGM. A special resolution will also be proposed at the SGM to seek approval from the Shareholders by way of poll for the Proposed Change of Company Name.

An Independent Board Committee comprising Mr. Chan Francis Ping Kuen, Mr. Hu Guang and Mr. Chan Chak Paul, all of them being the independent non-executive Directors, has been established to advise the Independent Shareholders in connection with the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate. Nuada has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on such matters.

SPECIAL GENERAL MEETING

The SGM will be held on Monday, 5 May 2014 at 11:00 a.m. at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong at which ordinary resolutions will be proposed to Independent Shareholders to consider, and if thought fit, approve the Transaction inclusive of the grant of the Specific Mandate and the Refreshment of General Mandate. A special resolution will also be proposed at the SGM to seek approval from the Shareholders for the Proposed Change of Company Name. A notice convening the SGM is set out on pages 55 to 59 of this circular.

LETTER FROM THE BOARD

A form of proxy for the SGM is enclosed with this circular. Whether or not you intend to attend the SGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business in Hong Kong located at 37th Floor, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of this proxy form will not preclude you attending and voting at the meeting if you so wish.

The vote of the Shareholders at the SGM will be taken by way of poll in accordance with Rule 13.39(4) of the Listing Rules and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 27 to 28 of this circular which contains its recommendation to the Independent Shareholders; and (ii) the letter from the Independent Financial Adviser set out on pages 29 to 46 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate and the principal factors and reasons considered by it in arriving at such advice.

The Independent Board Committee, having taken into account of the advice of the Independent Financial Adviser, considers that the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate to be fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the SGM.

The Directors also recommend the Shareholders to vote in favour of the special resolution in respect of the Proposed Change of Company Name at the SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the information contained in the appendix to this circular.

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



SINOCOP RESOURCES (HOLDINGS) LIMITED

中銅資源（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 476)

11 April 2014

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF THE REMAINING
49% EQUITY INTEREST IN TARGET GROUP
AND
REFRESHMENT ON GENERAL MANDATE**

We refer to the circular of Sinocop Resources (Holdings) Limited (the “Company”) dated 11 April 2014 (the “Circular”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider the Transaction and the Refreshment of General Mandate and to advise you as to whether, in our opinion, the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate are fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

Nuada has been appointed as the Independent Financial Adviser to advise us and you in respect of the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate. Details of its advice, together with the principal factors and reasons it has taken into consideration in arriving at its recommendations, are set out in the “Letter from the Independent Financial Adviser” on pages 29 to 46 of the Circular. Your attention is also drawn to the “Letter from the Board” set out on pages 7 to 26 of the Circular and the additional information set out in the appendix to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate and the advice of the Independent Financial Adviser and the other principal factors contained in the “Letter from the Board” in this circular, we are of the opinion that the terms of the Option Deeds, the Transaction and the Refreshment of General Mandate are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the SGM to in relation to the Transaction inclusive of the grant of the Specific Mandate and the Refreshment of General Mandate.

Yours faithfully,

The Independent Board Committee

Mr. Chan Francis Ping Kuen

Mr. Hu Guang

Mr. Chan Chak Paul

Independent non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice to the Independent Board Committee and Independent Shareholders from the Independent Financial Adviser dated 11 April 2014 prepared for incorporation in this circular.

Nuada Limited

Corporate Finance Advisory

Unit 1805-08, 18/F, New Victory House
93-103 Wing Lok Street
Sheung Wan, Hong Kong
香港上環永樂街93-103號
樹福商業大廈18樓1805-08室

11 April 2014

*To the Independent Board Committee
and the Independent Shareholders
of Sinocop Resources (Holdings) Limited*

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF THE REMAINING 49% EQUITY INTEREST IN TARGET GROUP AND REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the proposed acquisition of the remaining 49% equity interests in the Target Group, details of which are set out in the letter from the board (the “**Letter from the Board**”) contained in the circular to the Shareholders dated 11 April 2014 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 12 March 2014, the Subscriber (a wholly-owned subsidiary of the Company) entered into the Option Deeds with the Vendor. Pursuant to the Call Option Deed, the Vendors have conditionally agreed to grant the Call Option to the Subscriber to purchase the Sale Shares at the consideration of HK\$253,650,000. Pursuant to the Put Option Deed, the Subscriber has conditionally agreed to grant the Put Option to the Vendors to sell the Sale Shares at the consideration equal to 49% of Target Value but not more than HK\$253,650,000.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pursuant to the Put Option Deed, Consideration Shares will be issued under the Specific Mandate to be approved by the Independent Shareholders at the SGM, and will rank pari passu in all respects with the existing issued Shares. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

Upon the exercise of Options and the issue of Consideration Shares under the Option Deeds, the Target Company will become a wholly-owned subsidiary of the Company.

As the Vendors are deemed substantial shareholders of the Target Company and the Company holds 51% equity interest in the Target Group indirectly, the Vendors are therefore the connected persons of the Company under Chapter 14A of the Listing Rules. Given the sale and purchase of all of the Sale Shares pursuant to the Option Deeds shall be completed simultaneously, the Transaction constitutes a connected transaction of the Company under the Listing Rules. The Transaction, when aggregated with the consideration of the subscription of 51% equity interest in the Target Group under the Subscription Agreement, constitutes a discloseable transaction of the Company on the basis that one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceed 5% but is below 25%. As such, it is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules. The Vendors and their respective associates are required to abstain from voting on the relevant resolutions to be proposed at the SGM to approve the Transaction inclusive of the grant of the Specific Mandate.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has a material interest in the Option Deeds and the transaction contemplated thereunder and thus is required under the Listing Rules to abstain from voting on the relevant resolutions at the SGM.

As at the Latest Practicable Date, only a further 4,829,360 Shares could be issued under the Existing General Mandate which was granted by the Shareholders to the Directors at the AGM after the completion of various placing of the Shares as set out in the Company's announcements dated 15 November 2013, 23 December 2013 and 12 February 2014 (the "**Placing Announcements**"). Therefore, the Board proposes to seek approval of the Independent Shareholders for the refreshment of the Existing General Mandate such that the Directors will be granted the authority to allot, issue and deal with new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing the relevant resolution at the SGM. Pursuant to Rule 13.36(4) of the Listing Rules, the granting of the New General Mandate requires the approval of the Independent Shareholders at the SGM at which any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates are required to abstain from voting in favour of the resolution proposed for the approval of such grant, and under Rule 13.39 of the Listing Rules, any vote of the shareholders at the general meeting must be taken by way of poll.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, Mr. Cheung Ngan, being the chairman of the Board, the executive Directors and substantial Shareholder of the Company, was interested in 311,232,469 Shares, representing approximately 11.59% of the issue share capital of the Company; and Sino PowerHouse Corporation, a company which is owned as to 51% by Mr. Cheung Ngan and as to 49% by Mr. Chan Chung Chun, Arnold, an executive Director, was interested in 84,000,000 Shares. Therefore Mr. Cheung Ngan, Mr. Chan Chung Chun, Arnold and their respective associates will abstain from voting in favour of the relevant resolution to approve the Refreshment of General Mandate at the SGM. Other than Mr. Cheung Ngan and his associates, no other Shareholders are required to abstain from voting in favour of the relevant resolution to approve the Refreshment of General Mandate at the SGM. As at the Latest Practicable Date, Mr. Cheung Ngan and his associates had indicated that they have no intention to vote against the resolution to approve the Refreshment of General Mandate at the SGM.

The SGM will be convened for the purpose of, among others, considering, and if thought fit, approving the Option Deeds, including the issue and allotment of the Consideration Shares under the Put Option Deed, the Transaction and the Refreshment of General Mandate. The Vendors or their associates are required to abstain from voting on the relevant resolutions to be proposed at the SGM to approve the Transaction inclusive of the grant of the Specific Mandate and Mr. Cheung Ngan and his associates are required to abstain from voting in favour of the resolution proposed for the approval of the relevant resolution to approve the Refreshment of General Mandate.

The Independent Board Committee comprising, Mr. Chan Francis Ping Kuen, Mr. Hu Guang and Mr. Chan Chak Paul, all of them being the independent non-executive Directors, has been established to give advice and recommendation to the Independent Shareholders in respect of the terms of the Option Deeds, Transaction and the Refreshment of the General Mandate. We, Nuada Limited, have been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have relied on the accuracy of the information, opinions and representations contained or referred to in the Circular and provided to us by the Company, the management of the Company and the Directors. We have assumed that all information, opinions and representations contained or referred to in the Circular and all information, opinions and representations which have been provided by the Company, the management of the Company and the Directors, for which they are solely and wholly responsible, were true, accurate and complete at the time when they were made and continue to be so as at the date of the SGM.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Accordingly, we have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information, opinions and representations contained in the Circular, or the reasonableness of the opinions expressed by the management of the Company and the Directors provided to us. The Directors collectively and individually accept full responsibility for the accuracy of the information in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statements in the Circular misleading. Furthermore, we relied on the Company that they have provided us sufficient information to reach an informed view and to provide a reasonable basis for our opinions. We have relied on such information and opinions but have not, however, conducted any independent in-depth investigation into the business, financial conditions and affairs or the future prospects of the Company nor have we considered the taxation implication on the Company or the Shareholders as a result of the completion of the Transaction and the Refreshment of General Mandate.

A. THE TRANSACTION

Principal factors and reasons considered

In arriving at our advice with regard to the fairness and reasonableness of the terms of the Option Deeds, we have taken into consideration the following factors and reasons:

1. *Reasons for and benefits of the acquisition of the Sale Shares*

(i) Business of the Group

The principal activity of the Group consist of investment holding, trading of metals and mineral and processing of raw ores. The Board considers that the existing business can provide a steady income stream to the Group as a result of the continuous development and expansion of mining business of the Group. On the other hand, the board is of the view that the prospect on the new energy business in Hong Kong is promising. Therefore, the Group will run its new energy business in parallel with its existing trading and mining business.

On 24 February 2014, the Company announced that, Sinocop New Energy Technology Company Limited, a non-wholly owned subsidiary of the Group received an official confirmation from HKPC that its tender for the design, supply and fabrication of Permanent Magnet Synchronized Motor System for electric buses has been accepted. According to the Directors, the successful bid marks another business opportunity for the Group and allows the Group to enter into the renewable energy industry. In addition, on 5

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

March 2014, the Group subscribed 51% equity interest in Green Dynamic EV through the acquisition of 51% equity interest in Target Company, a company incorporated in Hong Kong with limited liability. The proposed principal activity of Green Dynamic EV to engage in the product development in energy saving and environmental protection industries. According to the Directors, as at the Latest Practicable Date, the main project of Green Dynamic EV is a research and development project entitled “Development of Intelligent eBus with Light Body Structure and High Efficient Traction Motor System” collaboratively carried out with the HKPC, which aims to develop pure electric buses for local and domestic market, including the PRC market (the “R&D Project”).

According to the Company interim report for the six month ended 30 September 2013, the unaudited turnover of the Group decreased from approximately HK\$211 million for the six month period ended 30 September 2012 to approximately HK\$68 million for the same period in 2013. The decrease in turnover was mainly due to the decrease in sales volume and selling price of nickel ores during the period as a result of global economic uncertainty.

Given the unfavourable financial result of the Group for the six month period ended 30 September 2013, according to the Directors, it is the policy of the Group to broaden the revenue base of the Group through further strengthening management, deepening market coordination, and exploring new business in all aspect. Therefore, the entering into the renewable energy industry is in line with the Group’s policy to broaden the revenue base of the Group through exploring new business.

We are of the view and concur with the view of the Directors that the acquisition of the remaining 49% equity interest in the Target Company represents an opportunity for the Group to further invest in the renewable energy industry in Hong Kong market and is in line with the business policy of the Group.

(ii) Information of the Target Company and reason for and benefit of entering into the Option Deeds

Please refer to the Letter from the Board for the background information on the Target Group.

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According to the management of the Company, the aims of the R&D Project is to develop pure electric buses through the collaboration with HKPC for local and domestic market, including the PRC market. According to the management of the Company and the Letter from the Board, we understand that the key management team of Green Dynamic EV is Mr. Yung Ka Wo (“**Mr. Yung**”) and Mr. Xie Dan (“**Mr. Xie**”). Mr. Yung is the founder and chairman of Green Dynamic EV and has involved in the development of operational as well as business initiatives of the Target Group. He has over 30 years of experiences in marketing particularly the promotion of green transport in the environmental protection industries. Mr. Xie is the Research and Development Director of Green Dynamic EV. He graduated from South China University of Technology (華南理工大學) and obtained a degree in Telecommunication Engineering. As an expert in servomotors and control technologies, he has devoted over 20 years to vehicle industry and has succeeded in retrofitting traditional vehicle into electric vehicle which reduces carbon emission and improve vehicle efficiency.

According to “A Clean Air Plan for Hong Kong” published by Environment Bureau in collaboration with Transport & Housing Bureau, Food & Health Bureau and Development Bureau in March 2013, one of the way to reduce air pollution in Hong Kong is to reduce roadside air pollution. In order to achieve the aforesaid goal, the Hong Kong government imposed some requirements in the franchises of the three bus operators, that required the bus operators to acquire most environmentally-friendly buses in terms of vehicles exhaust emissions (with the ultimate objective of acquiring zero emission buses) that are technologically-proven and commercially available when buying new buses. The same provision will be included in the other franchises of other bus operators upon their expiry in 2016-2017. In addition, the Hong Kong Government allocated HK\$180 million for franchised bus operators to purchase 36 electric buses for trial runs to assess their operational efficiency and performance under the local conditions.

According to the Letter from the Board and the Directors, we understand that the Group will run its new energy business in parallel with its existing trading and mining business. Please refer to the section headed “Future Plan of the Group” for the detailed information regarding the business plan of the Group.

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Based on the above government policy, we are of the view and concur with the view of the Directors that, development of pure electric bus in Hong Kong market is positive and the entering into the Option Deeds provide an opportunity to further invest in the pure electric bus in Hong Kong and is in line with the Company's policy to broaden the revenue base of the Group through exploring new business and is in the interests of the Company and the Shareholders as a whole.

2. *Exercise price of the Option Deeds and funding for the acquisition of the Sale Shares*

(i) The Call Exercise Price

As stated in the Letter from the Board, the Call Exercise Price shall be HK\$253,650,000. Since the Target Group is still in development stage with no supporting track record, we cannot opine the amount of the Call Exercise Price as at the date of this circular. However, we are of the view that the fixing of the Call Exercise Price is justifiable as (i) the positive outlook of the pure electric bus in Hong Kong market as stated above; (ii) the fixing of the Call Exercise Price can set the ceiling price of the Sale Shares; (iii) the Call Option is an option to the Company, but not an obligation, to exercise; (iv) according to the Directors, the exercise of the Call Option will depend on the business performance of the Target Group; and (v) according to the Directors and the Letter from the Board, the Company will comply with Chapter 14 and 14A requirements upon the exercise of the Call Option, which including announcement and (if applicable) the approval of the independent Shareholders.

(ii) Basis of the exercise price of the Option Deeds

As stated in the Letter from the Board, the Call Exercise Price shall be HK\$253,650,000 and the Put Exercise Price shall be equal to 49% of Target Value but not more than HK\$253,650,000. Therefore, the consideration for the Sale Shares shall not more than HK\$253,650,000.

According to the Directors, the Company would exercise the Call Option Deed depends on (i) the market condition of pure electric bus in local market; and (ii) the profitability of the Target Group within the Call Option Period.

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Since we are not the expert in the pure electric bus industry, we cannot predict the future trend of the aforesaid market. However, based on (i) the policy of Hong Kong Government in relation to the pure electric bus in Hong Kong as stated above; and (ii) experiences of the management team of Target Group as stated in the Letter from the Board, we are of the view and concur with the view of the Directors that the outlook of the Target Group is positive.

As stated above, the Put Exercise Price shall be equal to 49% of Target Value but not more than HK\$253,650,000 and the Target Value will be calculated at 6 times of the average of audited consolidated annual net profit after taxation and before extraordinary items of the Target Group calculated in accordance with Hong Kong Financial Reporting Standards for three consecutive financial years within the Put Option Period (the “**Target P/E Ratio**”). In order to assess the fairness of the Target P/E Ratio, we compare the price to earnings ratio of companies that listed on the Stock Exchange and with similar business with the Target Group, i.e. invested and/or established research and development in electric vehicles. Through our research via the website of the Stock Exchange, we, on a best efforts basis, have identified six listed companies fulfil the aforesaid requirements (the “**Comparable Companies**”) and note that the range of their price to earnings ratio as at the date of the Put Option Deed is from 6.55 times to 13.56 times (we exclude two of the Comparable Companies as one of them was loss marking in its latest financial year and the other with price to earnings ratio of approximately 188.79 times which we consider is extreme case). The table below shows the detailed information of the Comparable Companies:

No.	Name of Listed Company (Stock Code)	Share closing price as at the date of Option Deeds (HK\$)	Earnings per share of Comparable Companies as at the respective latest annual report (RMB1: HK\$1.26)	Price to earnings Ratio (times)
1.	Great Wall Motor Company Limited (2333)	32.4	RMB2.70 (HK\$3.40)	9.53
2.	Dongfeng Motor Group Company Limited (489)	10.3	RMB1.01 (HK\$1.27)	8.11
3.	BYD Company Limited (1211)	54.75	RMB0.23 (HK\$0.29)	188.79

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No.	Name of Listed Company <i>(Stock Code)</i>	Share closing price as at the date of Option Deeds <i>(HK\$)</i>	Earnings per share of Comparable Companies as at the respective latest annual report (RMB1: HK\$1.26)	Price to earnings Ratio <i>(times)</i>
4.	Guangzhou Automobile Group Company Limited (2238)	7.05	RMB0.41 (HK\$0.52)	13.56
5.	Geely Automobile Holdings Limited (175)	2.62	RMB0.32 (HK\$0.40)	6.55
6.	Hybrid Kinetic Group Limited (1188)	0.117	(loss making)	Nil
	The Company	—	—	6

Source: The website of the Stock Exchange

As the Target P/E Ratio is below the range of the price to earnings ratio of the Comparable Companies, we are of the view and concur with the view of the Directors that the Target P/E Ratio is justifiable.

(iii) Funding for the Acquisition

As stated in the Letter from the Board, the Call Exercise Price and the Put Exercise Price shall be satisfied by the Company by the issue and allotment of 267,000,000 Consideration Shares at the Issue Price of HK\$0.95 per Consideration Shares.

In assessing the fairness and reasonableness of the Issue Price, we compare the Issue Price with closing price of the Shares. In order to demonstrate the recent trend of the closing price of the Shares, we compare the Issue Price with the average monthly closing price of the Shares for a six months period from 12 September 2013 up to the date of the Option Deeds, i.e. 12 March 2014 (the “**Review Period**”).

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Set out below are the average 30 days period closing price of the Shares:

No.	Period	Number of trading day	Average 30 days closing price of the Shares (HK\$)
1.	From 12 September 2013 to 11 October 2013	20	0.50
2.	From 12 October 2013 to 11 November 2013	20	0.69
3.	From 12 November 2013 to 11 December 2013	22	0.66
4.	From 12 December 2013 to 11 January 2014	19	0.61
5.	From 12 January 2014 to 11 February 2014	20	0.61
6.	From 12 February 2014 to 12 March 2014	21	0.83
	The Issue Price		<u><u>0.95</u></u>

Source: *The website of the Stock Exchange*

According to the table as stated above, we understand that the Issue Price represents a premium of approximately 90.0% over the lowest average 30 days closing price of the Share (i.e. the 1st period) and represents a premium of approximately 14.5% over the highest average 30 days closing price of the Share (i.e. the 6th Period) within the Review Period.

In addition, according to the Letter from the Board, the Issue Price represents a premium of approximately 1,087.50% over the unaudited net asset value of HK\$0.08 per Share as at 30 September 2013.

Based on the above, we are of the view and concur with the view of the Directors that the Issue Price is justifiable.

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3. Alternatives to the issue of the Consideration Shares

Based on our discussion with the management of the Company, we note that the Directors have considered other fund raising methods to satisfy the Call Exercise Price and the Put Exercise Price. However, having considered that the issue of the Consideration Shares as a mean of settlement (i) will help the Group to preserve its cash resources that would enable the Company to reserve the cash readily available for financing its business development and other investment opportunities in a timely manner when such opportunities arise or to save the Company from any financial burden to raise the adequate funding for the acquisition of the Sale Shares; (ii) will not result in an increase in the financial gearing of the Company; and (iii) will enlarge the capital base of the Company, all of which would improve the Company's overall financial position, we are of the view and concur with the view of the Directors that payment by way of issue of the Consideration Shares is justifiable.

4. Financial effects of the exercise of Option Deeds on the Group

Since the acquisition of the Sale Shares is settled by the issue of the Consideration Shares, there would not have any immediate financial effect on the Group. Upon exercise of the Option Deeds, the Target Group would become the wholly-owned subsidiary of the Group and the financial information of the Target Group would consolidate in the Group's financial account.

Shareholders should note that as a result of the issue of the Consideration Shares, the shareholdings of public Shareholders will be diluted from approximately 85.28% to 77.57% inevitably. Taking into account that the terms of the issue of the Consideration Shares are in our opinion fair and reasonable, we consider that the aforementioned level of dilution to the shareholding interests as a result of the acquisition of the Sale Shares and the issue of the Consideration Shares are acceptable as far as the Independent Shareholders are concerned.

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RECOMMENDATION

Having considered the above principal factors, in particular, (i) Reasons for and benefits of the acquisition of the Sale Shares; (ii) Exercise price of the Option Deeds and funding for the acquisition of the Sale Shares; (iii) Alternatives to the issue of the Consideration Shares; and (iv) Financial effects of the exercise of the Option Deeds on the Group, we are of the opinion that the terms of the Option Deeds and the Transaction are on normal commercial terms and fair and reasonable and in the interests of the Company and Shareholders as a whole and would advise the Independent Board Committee to recommend to the Independent Shareholder to vote in favour of the resolution to approve the Option Deeds and the Transaction to be proposed at the SGM and we recommend the Independent Shareholders to vote in favour of the ordinary resolution in this regard at the SGM.

B. REFRESHMENT OF GENERAL MANDATE

Principal factors and reasons considered

In arriving at our opinion in respect of the Refreshment of General Mandate, we have taken into consideration the following principal factors and reasons:

(i) Background information of the Refreshment of General Mandate

The Directors were authorised to allot and issue up to 276,879,360 new Shares under the Existing General Mandate which was granted to the Directors at the AGM.

As set out in the Placing Announcements, an aggregate of 272,050,000 new Shares (the “**Placing Shares**”) were issued under the Existing General Mandate (the “**Placings**”). Since all of the Placing Shares were issued under the Existing General Mandate, the Existing General Mandate has been substantially utilised to the extent that only 4,829,360 Shares remain issuable under the Existing General Mandate as at the Latest Practicable Date.

Given that the Existing General Mandate has been substantially utilised as a result of the Placings, the Board proposes to seek approval of the Independent Shareholders for the proposed grant of the New General Mandate such that the Directors will be granted the authority to allot, issue and deal with new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing the relevant resolution at the SGM.

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As at the Latest Practicable Date, the Company had 2,685,746,800 Shares in issue. On the basis that no Share would be issued be/or repurchased by the Company, no share option of the Company would be exercised from the Latest Practicable Date up to the date of the SGM, the New General Mandate would allow the Directors to allot, issue and deal with up to 537,149,360 new Shares, representing 20% of the total issued share capital of the Company as at the date of the SGM.

(ii) Reasons for the proposed grant of the New General Mandate

With reference to the Letter from the Board, the Board would like to provide flexibility for the Company to manage its business.

Given that equity financing (i) does not incur any interest expenses on the Group as compared with bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, we are of the view and concur with the view of the Directors that the grant of New General Mandate to the Directors to allot, issue and deal with new Shares with an aggregate nominal amount of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM is justifiable.

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(iii) Fund raising activities in the past twelve months

Set out below are the fund raising activities conducted by the Company in the past twelve months prior to the Latest Practicable Date according to the Directors:

Date of announcement	Fund raising activities	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
4 March 2014, 17 March 2014 and 7 April 2014	Share placing of 450,000,000 Shares, on a best effort basis, under specific mandate, at the final placing price of HK\$0.83 per placing share	Approximately HK\$362,060,000	As to (i) approximately HK\$200,000,000 for the projects relating to development of electric vehicles as disclosed in the circular of the Company dated 17 March 2014; (ii) approximately HK\$55,000,000 million for the possible acquisition for interest in a target company as disclosed in the announcement of the Company dated 10 March 2014; and (iii) the remaining balance for the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013	Will be utilised as to (i) approximately HK\$200,000,000 for the electric bus project as disclosed in the circular of the Company dated 17 March 2014; (ii) approximately HK\$55,000,000 for the possible acquisition for interest in a target company as disclosed in the announcement of the Company dated 10 March 2014; and (iii) the remaining balance for the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013
29 March 2012, 14 February 2014 and 28 February 2014	Share placing of 333,300,000 Shares, on a fully underwritten basis, under specific mandate, at the placing price of HK\$0.6 per placing share.	Approximately HK\$193,600,000	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 utilised as for financing the operations of the Target Group under the Acquisition, as respectively defined in the circular of the Company dated 11 October 2013
29 January 2014 and 12 February 2014	Share placing of 89,000,000 Shares on a best effort basis, under general mandate, at the placing price of HK\$0.6 per placing share	Approximately HK\$51,600,000	For the general working capital purpose and future potential investments of the Group, including the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013	Will be utilised as for the general working capital purpose and future capital contribution of the Company's business projects including the capital expenditure required for phase I of the glauberite mine project for the coming thirteen to twenty-four months as disclosed in the circular of the Company dated 11 October 2013 and the develop of electric vehicles business

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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 the general working capital purpose and future potential investments of the Group including the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013	Will be utilised as for the general working capital purpose and future capital contribution of the Company's business projects including the capital expenditure required for phase I of the glauberite mine project for the coming thirteen to twenty-four months as disclosed in the circular of the Company dated 11 October 2013 and the develop of electric vehicles business
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 the general working capital purpose and future potential investments of the Group	As to (i) approximately HK\$40,000,000 has been used for the general working capital of the Group relating to corporate and professional fee; (ii) approximately HK\$20,000,000 has been used for the acquisition of interest in the Target Group as disclosed in the announcement of the Company dated 5 March 2014; and (iii) the remaining balance for the working capital of the glauberite mine project as disclosed in the circular of the Company dated 11 October 2013

According to the Letter from the Board, and the Directors, the proceeds raised in the past twelve months which have not yet utilised up to the Latest Practicable Date was approximately HK\$636.9 million, which was intended to be used as to (i) approximately HK\$156 million (equivalent to approximately RMB122 million) representing the capital expenditure for phase I of the glauberite mine project for the coming twelve months as disclosed in the circular of the Company dated 11 October 2013; (ii) approximately HK\$200 million for the working capital of the projects relating to the development of electric vehicles as disclosed in the circular of the Company dated 17 March 2014; (iii) approximately HK\$55 million for the possible subscription for interest in a target company as disclosed in the announcement of the Company dated 10 March 2014; and (iv) the remaining balance of HK\$225.9 million for the development of projects of the Group, including the remaining capital expenditure required for phase I of the glauberite mine project (i.e. approximately RMB294.6 million) for the coming thirteen to twenty-four months, and the business development for the electric vehicles, as well as the working capital of the Group.

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Since the amount of capital expenditure required for phase I of the glauberite mine project (i.e. approximately RMB294.6 million) is more than the remaining balance of the proceeds raised in the past twelve months as stated above, according to the management of the Company, the Company may conduct further fund raising exercises in future or bank borrowings.

Given the foregoing, we are of the opinion that the grant of New General Mandate would provide the Company with the necessary flexibility to fulfil any possible funding needs for future business development and/or investment decisions. Accordingly, we are of the view that the grant of New General Mandate is in the interests of the Company and the Shareholders as a whole.

(iv) Flexibility in financing

As advised by the Directors, the Group does not obviate the possibilities of further issuing capital should there be investor(s) indicating interest in the business of the Company in the future although there were no such investors as at the Latest Practicable Date. As further advised by the Directors, the Company did not have any plan to utilise the New General Mandate and did not have any other potential investment projects as at the Latest Practicable Date.

As discussed in the foregoing, we consider that the grant of the New General Mandate would provide the Company with the necessary flexibility to fulfil any possible funding needs for future business development and/or investment decisions although the Company did not have any plan to utilise the New General Mandate as at the Latest Practicable Date. The grant of the New General Mandate would provide the Company with the flexibility as allowed under the Listing Rules to allot and issue new Shares for equity fund raising activities, such as placing of new Shares, or as consideration for potential investments in the future as and when such opportunities arise. Furthermore, the additional amount of equity which may be raised after the grant of New General Mandate would provide the Group with more financing options when assessing and negotiating potential investments in a timely manner. Given the financial flexibility available to the Company as discussed above, we are of the opinion that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole.

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(v) Other financing alternatives

We have enquired into the Directors and the Directors confirmed that apart from equity financing, the Group will also consider debt financing, such as bank borrowings, to be other possible fund raising alternatives available to the Group. However, the Directors are of the view that the ability of the Group to obtain bank borrowings usually depends on the Group's financial position and the then prevailing market condition. Furthermore, such alternative may be subject to lengthy due diligence and negotiations with banks. Given that debt financing will usually incur interest burden on the Group, the Directors consider debt financing to be relatively uncertain and time-consuming as compared to equity financing, such as placing of new Shares, for the Group to obtain additional funding.

The Directors confirmed that they would exercise due and careful consideration when choosing the best financing method available to the Group. With this being the case, along with the fact that the grant of the New General Mandate will provide the Company an additional alternative and it is reasonable for the Company to have the flexibility in deciding the financing methods for its future business development, we are of the view that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole.

(vi) Potential dilution to shareholding of the existing public Shareholders

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon full utilisation of the New General Mandate (assuming that no other Shares are issued and/or repurchased by the Company from the Latest Practicable Date up to the date on which the New General Mandate (if granted) is exercised in full):

	Shareholding in the Company as at the Latest Practicable Date		Shareholding in the Company upon full utilisation of the Issue Mandate	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Mr. Cheung Ngan (<i>Note 1</i>)	311,232,469	11.59	311,232,469	9.66
Sino PowerHouse Corporation (<i>Note 2</i>)	84,000,000	3.13	84,000,000	2.60
Public Shareholders	2,290,514,331	85.28	2,290,514,331	71.07
Shares to be issued under the Issue Mandate	—	—	537,149,360	16.67
Total	<u>2,685,746,800</u>	<u>100.00</u>	<u>3,222,896,160</u>	<u>100.00</u>

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Note:

1. Mr Cheung Ngan is the chairman and executive director of the Company.
2. The 84,000,000 shares represent beneficial interest of Sino PowerHouse Corporation, which is owned as to 51% by Mr. Cheung Ngan and as to 49% by Mr. Chan Chung Chun, Arnold. Mr. Chan Chung Chun, Arnold is an executive director of the Company.

The table above illustrates that the shareholdings of the existing public Shareholders would decrease from approximately 85.28% as at the Latest Practicable Date to approximately 71.07% upon full utilisation of the New General Mandate (assuming that no other Shares are issued and/or repurchased by the Company from the Latest Practicable Date up to the date on which the New General Mandate (if granted) is exercised in full). Such potential dilution to shareholdings of the existing public Shareholders represents a dilution of approximately 16.67%.

Taking into account that the grant of the New General Mandate (i) would provide an alternative to increase the amount of capital which may be raised under the New General Mandate; (ii) would provide more options of financing to the Group for further development of its business as well as in other potential future investments as and when such opportunities arise; (iii) the shareholding interests of all the Shareholders in the Company will be diluted in proportion to their respective shareholdings upon any utilisation of the New General Mandate, we are of the opinion that the potential dilution of the shareholdings of the existing public Shareholders as just mentioned is justifiable.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that the proposed grant of the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the proposed grant the New General Mandate and we recommend the Independent Shareholders to vote in favour of the ordinary resolution in this regard at the SGM.

Yours faithfully,
For and on behalf of
Nuada Limited

Kevin Chan
Director

Kevin Wong
Vice President

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

2. PRINCIPAL ACTIVITIES OF THE GROUP

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

Pursuant to the Company's voluntary announcement on 24 February 2014, a 75% owned subsidiary of the Company has successfully won the bid of tender to design, supply and fabricate the Permanent Magnet Synchronized Motor (the "PMSM") System and the power battery system for electric buses for HKPC. Such tender has given the Group to commence its market position in the new energy industry.

3. DISCLOSURE OF INTERESTS

Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules (the “Model Code”), were as follows:

Name of Director	Nature of interest	Number of Shares or underlying shares (long position)	Approximate percentage of the issued share capital of the Company
Mr. Cheung Ngan	Beneficial owner & interest of controlled corporation	3,112,432,469 <i>(Note 1)</i>	115.89%
	Interest of controlled corporation	1,000 <i>(Note 2)</i>	20%
Mr. Chan Chung Chun, Arnold	Beneficial owner & interest of controlled corporation	2,812,000,000 <i>(Note 3)</i>	104.70%
	Interest of controlled corporation	1,000 <i>(Note 4)</i>	20%
Mr. Li Shaofeng	Beneficial owner	12,000,000 <i>(Note 5)</i>	0.45%
Mr. Chan Francis Ping Kuen	Beneficial owner	1,200,000 <i>(Note 5)</i>	0.04%
Mr. Hu Guang	Beneficial owner	1,200,000 <i>(Note 5)</i>	0.04%

Notes:

1. The 3,112,432,469 shares include:
 - a) the underlying shares of 1,200,000 from the share options granted on 16 December 2009 at exercise price of HK\$0.46; and
 - b) the Shares of 84,000,000 and underlying shares of 2,716,000,000 from the conversion of convertible notes with principal amount of HK\$2,037,000,000 held by Sino PowerHouse Corporation, which was beneficially owned as to 51% by Mr. Cheung Ngan and as to 49% by Mr. Chan Chung Chun, Arnold.
2. The 1,000 shares represent the indirect interest in Tong Guan La Plata Company Limited (“TGLP”), which is 60% indirectly held by the Company and hence is an associated corporation. The 20% beneficial interest in TGLP is held by Catania Copper (Chile) Limited. Catania Copper (Chile) Limited is 40% held by Great Base Holdings Limited and 60% held by Catania Mining Limited. Catania Mining Limited is 55% held by CM Universal Corporation. Mr. Cheung Ngan held 50% interest in Great Base Holdings Limited and 51% interest in CM Universal Corporation.
3. The 2,812,000,000 shares include the underlying shares of 12,000,000 from the share options granted on 16 December 2009 at exercise price of HK\$0.46 and the Shares and underlying shares of 2,800,000,000 as set out in Note 1b above.
4. The 1,000 shares represent the indirect interest in TGLP, which is 60% indirectly held by the Company and hence is an associated corporation. The 20% beneficial interest in TGLP is held by Catania Copper (Chile) Limited. Catania Copper (Chile) Limited is 40% held by Great Base Holdings Limited and 60% held by Catania Mining Limited. Catania Mining Limited is 55% held by CM Universal Corporation. Mr. Chan Chung Chun, Arnold held 50% interest in Great Base Holdings Limited and 49% interest in CM Universal Corporation.
5. Being options to acquire ordinary shares of the Company granted on 16 December 2009 at exercise price of HK\$0.46.

Save as disclosed above, as at the Latest Practicable Date, none of the directors of the Company have interest or short positions in the shares and underlying shares or other securities of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange.

Interests in contract of arrangement

None of the Directors had any material interests in contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group taken as a whole.

Interests in assets

None of the Directors had any direct or indirect interest in any assets required or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2013, being the date to which the latest published audited consolidated financial statements of the Group were made up.

4. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors or chief executives of the Company, the following persons (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who, as at the Latest Practicable Date, was directly and indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or had any options in respect of such capital, were as follows:

Name of Shareholder	Nature of interest	Number of Shares or underlying shares (long position)	Approximate percentage of the issued share capital of the Company
Mr. Cheung Ngan	Beneficial owner & interest of controlled corporation	3,112,432,469 (Note 1)	115.89%
Mr. Chan Chung Chun, Arnold	Beneficial owner & interest of controlled corporation	2,812,000,000 (Note 2)	104.70%
Sino PowerHouse Corporation	Beneficial owner	2,800,000,000 (Note 3)	104.25%
Mr. Zhou Jin Kai	Beneficial owner	1,075,000,000 (Note 4)	40.03%

Notes:

1. The 3,112,432,469 shares include:
 - a) the underlying shares of 1,200,000 from the share options granted on 16 December 2009 at exercise price of HK\$0.46; and
 - b) the Shares of 84,000,000 and underlying shares of 2,716,000,000 from the conversion of convertible notes with principal amount of HK\$2,037,000,000 held by Sino PowerHouse Corporation, which was beneficially owned as to 51% by Mr. Cheung Ngan and as to 49% by Mr. Chan Chung Chun, Arnold.
2. The 2,812,000,000 shares include the underlying shares of 12,000,000 from the share options granted on 16 December 2009 at exercise price of HK\$0.46 and the Shares and underlying shares of 2,800,000,000 as set out in Note 1b above.
3. The Shares of 84,000,000 and underlying shares of 2,716,000,000 from the conversion of convertible notes with principal amount of HK\$2,037,000,000 held by Sino PowerHouse Corporation.
4. The Shares of 36,000,000 and underlying shares of 1,039,000,000 from the conversion of convertible notes with principal amount of HK\$779,250,000.

Save as disclosed above, so far as is known to the Directors or chief executives of the Company, the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or any persons (other than the Directors and chief executives of the Company) who, as at the Latest Practicable Date, was directly and indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or had any options in respect of such capital.

5. SERVICE CONTRACT

As the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates had an interest in any business that competes with or is likely to compete with the business of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2013, the date to which the latest published audited financial statements of the Company were made up.

8. EXPERTS AND CONSENTS

The following is the qualification of the experts who have given their opinions or advices which are contained or referred to in this circular:

Name	Qualification
Donvex Capital Limited	A corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO
Nuada Limited	A corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO

Each of the experts above has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which they are included.

As at the Latest Practicable Date, none of the experts above was not beneficially interested in the share capital of any member of the Group nor did it has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did it have any interest, either direct or indirect, in any assets which have been, since the date to which the latest published audited consolidated financial statements of the Group were made up, acquired, disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any other its subsidiaries within two years immediately preceding the date of this circular and up to the Latest Practicable Date, which are or may be material:

- (a) the Call Option Deed dated 12 March 2014;

- (b) the Put Option Deed dated 12 March 2014;
- (c) the Subscription Agreement dated 5 March 2014 in relation to the subscription for 51% equity interest in Target Company;
- (d) the placing agreement dated 4 March 2014 entered into between the Company and China Galaxy International Securities (Hong Kong) Co., Limited and Kingsway Financial Services Group Limited in relation to the placing of a maximum 450,000,000 placing shares on a best effort basis to independent investors at the final placing price of HK\$0.83 per placing share of the Company under specific mandate;
- (e) the placing agreement dated 29 January 2014 entered into between the Company and China Galaxy International Securities (Hong Kong) Co., Limited in relation to the placing of a maximum 89,000,000 placing shares on a best effort basis at the placing price of HK\$0.6 per placing share of the Company under general mandate;
- (f) the placing agreement dated 26 November 2013 entered into between the Company and Kingsway Financial Services Group Limited in relation to the placing of a maximum 140,000,000 placing shares on a best effort basis at the placing price of HK\$0.6 per placing share of the Company under general mandate; and
- (g) the placing agreement dated 5 November 2013 entered into between the Company and Yicko Securities Limited in relation to the placing of a maximum 132,000,000 placing shares on a fully underwritten basis at the placing price of HK\$0.6 per placing share of the Company under general mandate.

10. MISCELLANEOUS

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the head office and principal place of business in Hong Kong is at 37th Floor, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong.
- (b) The company secretary of the Company is Mr. Chan Chung Chun, Arnold, who is a member of Hong Kong Institute of Certified Public Accountants.
- (c) The branch share registrar of the Company in Hong Kong is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of the Company at 37th Floor, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong during normal business hours on any weekday (except Saturdays, Sundays and public holidays), from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association of the Company and the Bye-Laws;
- (b) the contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (c) the letter of recommendation from the Independent Board Committee to the Independent Shareholders, the text of which is set out on pages 27 to 28 of this circular;
- (d) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 29 to 46 of this circular;
- (e) the written consents from the experts referred to under the paragraph headed “Experts and Consents” in this appendix; and
- (f) this circular.

NOTICE OF SGM



SINOCOP RESOURCES (HOLDINGS) LIMITED

中銅資源（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 476)

NOTICE IS HEREBY GIVEN that a special general meeting of Sinocop Resources (Holdings) Limited (the “**Company**”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong at 11:00 a.m. on Monday, 5 May 2014 for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions:

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the entering into the Option Deeds dated 12 March 2014 (a copy of which has been produced to the meeting and marked “A” and initialed by the chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder are hereby approved, ratified and confirmed;
- (b) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consideration Shares and fulfilment of conditions set out in the Put Option Deed, the issue and allotment of the Consideration Shares, pursuant to and subject to the terms and conditions of the Put Option Deed, be and are hereby approved;
- (c) the directors of the Company (the “**Directors**”) be and are hereby authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to take all such steps which in his opinion may be necessary, appropriate, desirable and expedient for the purposes of giving effect to or in connection with the Option Deeds and the transactions contemplated hereunder.”

NOTICE OF SGM

2. “**THAT**, to the extent not already exercised, the mandate to allot and issue shares of the Company given to the Directors at the annual general meeting (the “**AGM**”) of the Company held on 30 August 2013 be and is hereby revoked and replaced by the mandate **THAT**:
- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional Shares in the share capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
 - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws (the “**Bye-laws**”) of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (i) 20 per cent of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of such resolution),

NOTICE OF SGM

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act 1981 as amended from time to time, or any other applicable laws of Bermuda to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

3. “**THAT** conditional upon the passing of resolution no. 2 above, the mandate granted to the Directors at the AGM to extend the general mandate to allot and issue Shares to the aggregate nominal amount of the Shares repurchased by the Company be and is hereby revoked and replaced by the mandate **THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 2 above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such resolution.”

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SPECIAL RESOLUTION

4. **“THAT**
- (a) the change of the English name of the Company from “Sinocop Resources (Holdings) Limited” to “China Dynamics (Holdings) Limited” be and is hereby approved;
 - (b) the change of the Chinese name of the Company from “中銅資源(控股)有限公司” to “中國動力(控股)有限公司” be and is hereby approved; and
 - (c) the Directors be and are hereby authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to take all such steps which in his opinion may be necessary, appropriate, desirable and expedient to implement and/or give effect to the change of name of the Company.”

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

Hong Kong, 11 April 2014

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
37th Floor
China Online Centre
333 Lockhart Road
Wanchai
Hong Kong

NOTICE OF SGM

Notes:

1. Any Shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy in respect of the whole or any part of his holding of shares to attend and vote in his stead. A proxy need not be a Shareholder of the Company.
2. In order to be valid, the form of proxy, together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited at the principal place of business of the Company located at 37th Floor, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong, not less than 48 hours prior to the meeting.
3. The register of Shareholders of the Company will be closed from Wednesday, 30 April 2014 to Monday, 5 May 2014, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending this special general meeting, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Registrars in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 29 April 2014.

As at the date of this notice, 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.