
IMPORTANT

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CITIC Resources Holdings Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

2014 COOPERATION AGREEMENT

SALE OF COMMODITIES BY CACT TO CITIC METAL

AND

RE-ELECTION OF RETIRING DIRECTOR

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



REORIENT Financial Markets Limited

A letter from the Independent Board Committee (as defined in this circular) containing its recommendation to Independent Shareholders (as defined in this circular) in respect of the 2014 Cooperation Agreement (as defined in this circular), the Transactions (as defined in this circular) and the Annual Caps (as defined in this circular) is set out on page 12 of this circular.

A letter from the Independent Financial Adviser (as defined in this circular) containing its opinion and advice to the Independent Board Committee and Independent Shareholders in respect of the 2014 Cooperation Agreement, the Transactions and the Annual Caps is set out on pages 13 to 22 of this circular.

A notice convening a special general meeting of CITIC Resources Holdings Limited to be held at Aspiration Meeting Room, Regus Business Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 6 December 2013 at 3:00 p.m. is set out on pages 27 and 28 of this circular. Whether or not you are able to attend the Special General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Special General 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 Special General Meeting (or any adjournment thereof) should you so wish.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
 LETTER FROM THE BOARD	
INTRODUCTION	3
SALE OF COMMODITIES BY CACT TO CITIC METAL	4
Background	4
Details of the 2014 Cooperation Agreement	4
Annual Caps and Basis of Calculation	5
Reasons and Benefits for the 2014 Cooperation Agreement and the Transactions	7
Information on the Group	9
Information on CACT	9
Information on CITIC Metal	9
Listing Rules Implications	9
Independent Board Committee	9
Independent Financial Adviser	10
RE-ELECTION OF RETIRING DIRECTOR	10
SPECIAL GENERAL MEETING AND VOTING BY POLL	11
RECOMMENDATION	11
ADDITIONAL INFORMATION	11
 LETTER FROM THE INDEPENDENT BOARD COMMITTEE	
	12
 LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	
	13
 APPENDIX – GENERAL INFORMATION	
	23
 NOTICE OF SPECIAL GENERAL MEETING	
	27

DEFINITIONS

In this circular, the following words and expressions have the following meanings unless the context requires otherwise:

“Annual Caps”	the proposed annual caps applicable to the Transactions as set out in the section “Annual Caps and Basis of Calculation” in the “Letter from the Board” in this circular
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as amended, supplemented or modified from time to time
“CA”	CITIC Australia Pty Limited, a company incorporated in the State of Victoria, Australia with limited liability
“CACT”	CITIC Australia Commodity Trading Pty Limited, a company incorporated in the State of Victoria, Australia with limited liability
“chief executive”	has the meaning ascribed to it under the Listing Rules
“China”	the People’s Republic of China and, except where the context requires and only for the purpose of this circular, references in this circular to China do not include Taiwan, Hong Kong and the Macau Special Administrative Region of the People’s Republic of China
“CITIC Group”	中國中信集團有限公司 (CITIC Group Corporation), a wholly state-owned company established in China
“CITIC Metal”	中信金屬有限公司 (CITIC Metal Company Limited), a company incorporated in China
“Company”	CITIC Resources Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Extra Yield”	Extra Yield International Ltd., a company incorporated in the British Virgin Islands with limited liability
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	a committee of the Board comprising all of the independent non-executive Directors

DEFINITIONS

“Independent Financial Adviser”	REORIENT Financial Markets Limited
“Independent Shareholders”	Shareholders other than Keentech, CA and Extra Yield and their associates
“Keentech”	Keentech Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Latest Practicable Date”	31 October 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Mr. Kwok”	Mr. Kwok Peter Viem
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	holders of Shares
“Shares”	ordinary shares of HK\$0.05 each in the share capital of the Company
“Special General Meeting”	the special general meeting of Shareholders to be convened pursuant to the notice set out in this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Transactions”	the sale of iron ore, coal, alumina and other commodities by CACT to CITIC Metal pursuant to the 2014 Cooperation Agreement during the three years ending 31 December 2016
“2011 Cooperation Agreement”	a cooperation agreement dated 8 November 2010 and made between CACT and CITIC Metal relating to the promotion, development and sale of iron ore and coal to China
“2014 Cooperation Agreement”	a cooperation agreement dated 11 October 2013 and made between CACT and CITIC Metal relating to the promotion, development and sale of iron ore, coal, alumina and other commodities to China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

For the purposes of this circular, unless otherwise specified, amounts in US\$ have been converted into HK\$ or vice versa at the rate of US\$1 = HK\$7.8 for illustration purposes only. No representation is made that any amounts in HK\$ or US\$ have been or could have been or can be converted at the above rate or at any other rates or at all.

LETTER FROM THE BOARD



CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

Executive Directors:

Mr. KWOK Peter Viem (*Chairman*)
Mr. ZENG Chen
(Vice Chairman and Chief Executive Officer)
Mr. GUO Tinghu
Ms. LI So Mui

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. QIU Yiyong
Mr. TIAN Yuchuan
Mr. WONG Kim Yin

Head Office and

Principal Place of Business:
Suites 3001-3006
30/F, One Pacific Place
88 Queensway
Hong Kong

Independent Non-executive Directors:

Mr. FAN Ren Da, Anthony
Mr. GAO Pei Ji
Mr. HU Weiping
Mr. NGAI Man

4 November 2013

To Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

2014 COOPERATION AGREEMENT

SALE OF COMMODITIES BY CACT TO CITIC METAL

AND

RE-ELECTION OF RETIRING DIRECTOR

INTRODUCTION

On 11 October 2013, CACT entered into the 2014 Cooperation Agreement with CITIC Metal to allow CACT to continue with the sale of iron ore and coal, and to engage in the sale of alumina and other commodities, to CITIC Metal during the three years ending 31 December 2016. The 2014 Cooperation Agreement is conditional upon, among other things, the approval of Independent Shareholders at the Special General Meeting.

LETTER FROM THE BOARD

As the Special General Meeting is the first general meeting of the Company since Mr. Kwok's appointment as an executive Director on 22 July 2013, Mr. Kwok is required to retire as a Director at the Special General Meeting pursuant to Bye-law 86(2). Mr. Kwok, being eligible, will offer himself up for re-election as a Director at the Special General Meeting.

This circular:

- (a) serves to provide Shareholders with information in relation to, among other things: (1) the background to, the reasons for, and the benefits and effects of, the 2014 Cooperation Agreement, the Transactions and the Annual Caps; and (2) the re-election of Mr. Kwok as a Director;
- (b) contains the opinion of the Independent Board Committee to Independent Shareholders as to whether the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole and the recommendation of the Independent Board Committee to Independent Shareholders on how to vote at the Special General Meeting in relation to the resolution to approve the 2014 Cooperation Agreement, the Transactions and the Annual Caps;
- (c) contains the opinion from the Independent Financial Adviser to the Independent Board Committee and Independent Shareholders as to whether the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole; and
- (d) contains the notice of the Special General Meeting at which ordinary resolutions will be proposed to consider and, if thought fit, approve: (1) the 2014 Cooperation Agreement, the Transactions and the Annual Caps; and (2) the re-election of Mr. Kwok as a Director.

Shareholders should note that the 2014 Cooperation Agreement is conditional on a number of conditions which may or may not be satisfied. Shareholders are reminded to exercise caution when dealing in the Shares and other securities of the Company.

SALE OF COMMODITIES BY CACT TO CITIC METAL

Background

CACT is an international trading company with an emphasis on trade between Australia and China. In particular, CACT exports iron ore and coal to China through sales to CITIC Metal pursuant to the 2011 Cooperation Agreement which expires on 31 December 2013.

On 11 October 2013, CACT and CITIC Metal entered into the 2014 Cooperation Agreement which will maintain a framework to allow CACT to continue selling iron ore and coal, and to begin selling alumina and other commodities, to CITIC Metal during the three years ending 31 December 2016.

Sales of iron ore, coal, alumina and other commodities by CACT to CITIC Metal pursuant to the 2014 Cooperation Agreement will be transacted subject to the Annual Caps.

Details of the 2014 Cooperation Agreement

Date:

11 October 2013

Parties:

- (a) CACT, an indirect wholly-owned subsidiary of the Company
- (b) CITIC Metal, a connected person of the Company

LETTER FROM THE BOARD

Principal Terms:

The 2014 Cooperation Agreement requires that the Transactions be conducted on the following basis:

- (a) on the occasion of each individual sale of iron ore, coal, alumina or other commodity, a separate individual sale agreement containing CACT's standard terms and conditions of sale shall be entered into between CACT and CITIC Metal;
- (b) each sale agreement between CACT and CITIC Metal shall be entered into on an arm's length basis; and
- (c) the price at which each individual sale of iron ore, coal, alumina or other commodity is transacted between CACT and CITIC Metal shall be determined by reference to applicable prevailing market prices.

Conditions:

The 2014 Cooperation Agreement is conditional upon:

- (a) the approval of Independent Shareholders at the Special General Meeting; and
- (b) there being obtained all such other necessary approvals and consents (if any) required under any applicable laws, rules or regulations in Hong Kong and China for the performance of the 2014 Cooperation Agreement.

As at the Latest Practicable Date, condition (a) above relating to the approval of Independent Shareholders at the Special General Meeting remains outstanding. This condition is not capable of being waived by CACT or CITIC Metal.

Annual Caps and Basis of Calculation

The Transactions shall be conducted subject to the Annual Caps set out below:

31 December 2014	:	US\$150 million (HK\$1,170 million)
31 December 2015	:	US\$150 million (HK\$1,170 million)
31 December 2016	:	US\$150 million (HK\$1,170 million)

The Annual Caps are determined by reference to, among other things,

- (a) historical sales of iron ore and coal by CACT to CITIC Metal during the three years ending 31 December 2013;
- (b) an assumed sustained demand for iron ore, coal, alumina and other commodities particularly in China during the three years ending 31 December 2016;
- (c) anticipated sales of iron ore, coal, alumina and other commodities by CACT to CITIC Metal during the three years ending 31 December 2016;
- (d) the current and prospective prices of iron ore, coal, alumina and other commodities generally;
- (e) associated costs; and
- (f) the ability of CACT to source and secure supplies of iron ore, coal, alumina and other commodities in the market at competitive prices.

LETTER FROM THE BOARD

During the three years ending 31 December 2013, the annual caps in respect of the sale of iron ore and coal by CACT to CITIC Metal pursuant to the 2011 Cooperation Agreement as published in the announcement of the Company dated 8 November 2010 were as follows:

	Iron ore	Coal
31 December 2011	: US\$460 million (HK\$3,588 million)	US\$ 90 million (HK\$ 702 million)
31 December 2012	: US\$480 million (HK\$3,744 million)	US\$112 million (HK\$ 874 million)
31 December 2013	: US\$500 million (HK\$3,900 million)	US\$132 million (HK\$1,030 million)

None of the annual caps in respect of the sale of iron ore and coal by CACT to CITIC Metal were exceeded for the two years ended 31 December 2012 and CACT does not expect that the annual caps for the year ending 31 December 2013 will be exceeded.

CACT has not engaged in the sale of alumina or other commodities to CITIC Metal prior to the Latest Practicable Date.

In relation to the 2011 Cooperation Agreement, the annual caps for iron ore sales for the three years ending 31 December 2013 were set with reference to the actual volume of iron ore sold by CACT to CITIC Metal in 2008 and 2009 and the then prevailing market prices of iron ore. The annual caps for coal sales for the three years ending 31 December 2013 were set based on discussions between CACT and CITIC Metal as to the potential volume of coal sales that may be conducted between CACT and CITIC Metal as coal had not previously been sold to CITIC Metal and was a new business line in the 2011 Cooperation Agreement. In relation to the 2014 Cooperation Agreement, a similar basis has been followed in setting the Annual Caps with iron ore and coal sales accounting for most of the Annual Caps plus a buffer. Iron ore and coal sales to CITIC Metal so far during the term of the 2011 Cooperation Agreement have been affected as a result of a number of factors including the global financial crisis, European sovereign debt issues and a slowdown in economic growth globally and in China particularly. Moreover, as a result of the difficult market conditions during the term of the 2011 Cooperation Agreement, there has been an associated fall in the prices of iron ore and coal since 2010. Accordingly, the Annual Caps are set lower in line with the reduced volume of iron ore and coal sales to CITIC Metal during the two years ended 31 December 2012 and the nine months ended 30 September 2013 and CACT's lower average selling price so far in 2013 for iron ore and coal. Nominal weighting has been allocated to sales of alumina and other commodities in setting the Annual Caps.

Under the 2014 Cooperation Agreement, CACT may engage in the promotion and sale of alumina and other commodities, in addition to iron ore and coal, to CITIC Metal and has the ability to switch to other commodities in response to changes in demand in China. CACT has elected to set aggregate Annual Caps for the purposes of the 2014 Cooperation Agreement to allow CACT the full benefit of the flexibility afforded by the 2014 Cooperation Agreement to engage in the sale of all types of commodities with CITIC Metal depending on demand. In relation to the 2011 Cooperation Agreement, only two products, iron ore and coal, are sold by CACT to CITIC Metal and of these two products, only iron ore was an established business line at the signing of the 2011 Cooperation Agreement. Coal had not yet been traded between CACT and CITIC Metal and was added to the 2011 Cooperation Agreement with the intention to develop and establish coal as a new business line between CACT and CITIC Metal. CACT therefore considered it to be more practical to have separate annual caps in respect of iron ore and coal transactions in relation to the 2011 Cooperation Agreement. The setting of aggregate Annual Caps instead of annual caps for individual types of commodities is consistent with and reflects the practical intent of the 2014 Cooperation Agreement to allow CACT to react swiftly and expeditiously to demand changes for commodities during the term of the 2014 Cooperation Agreement. Setting separate annual caps for individual commodities in respect of the 2014 Cooperation Agreement would be impractical and would have the opposite effect of restricting and possibly negating the flexibility for CACT to respond expeditiously to changes in demand for different commodities in China.

LETTER FROM THE BOARD

The Annual Caps have been set by allocating a weighting of:

- (a) US\$90 million (HK\$702 million) to iron ore sales which has been determined by reference to the aggregate value of iron ore sales to CITIC Metal during 2013 on an annualised basis by reference to the nine months ended 30 September 2013 and the views of management of CACT as to demand for iron ore in China and by CITIC Metal;
- (b) US\$30 million (HK\$234 million) to coal sales which has been determined by reference to the aggregate value of coal sales to CITIC Metal during 2012 and the views of management of CACT as to demand for coal in China and by CITIC Metal; and
- (c) a buffer of US\$30 million (HK\$234 million).

A nominal weighting only has been given to alumina and other commodities sales as they are not very significant to CACT's commodities business at the moment.

The Directors remain positive over China's future demand for commodities and, in particular, iron ore, coal and alumina. China's economy is still growing, notwithstanding that its growth is at a slower rate in comparison to average growth in China's economy of 9.8% from 1989 to 2012. According to China's National Bureau of Statistics, China's economy expanded 7.8% on year in the third quarter of 2013, up from 7.5% in the second quarter of 2013. Infrastructure and major urbanisation projects continue in China as a result of government spending stimulus and China continues to be, at present, the world's most important market for commodities with demand for base metals growing at 5% to 8% per year. Currently, China accounts for 46% of global demand for base metals and this is forecast to rise to 52% by 2017, which would make China the single largest consumer of base metals. China's share of global demand for iron ore is forecast to reach 69% by 2016, for coal is forecast to reach 55% by 2020 and for aluminium is forecast to reach 43% by 2017.

Reasons and Benefits for the 2014 Cooperation Agreement and the Transactions

The Directors (excluding the independent non-executive Directors) believe that the cooperation with CITIC Metal is important to CACT's business and the Group and should be maintained beyond the expiry of the 2011 Cooperation Agreement. The 2014 Cooperation Agreement will maintain a framework to allow CACT to continue selling iron ore and coal, and to begin selling alumina and other commodities, to CITIC Metal during the three years ending 31 December 2016.

Iron ore trading is a major business line for CACT. CACT began sales of iron ore to CITIC Metal in 2004 and iron ore sales increased year on year until 2012 when difficult market conditions brought about a slowdown in demand in China. CACT's cooperation with CITIC Metal has been an instrumental factor in the establishment of a successful iron ore trading business by CACT and, in particular, enabling CACT to gain access to the China market.

Demand for coal in China remains strong and CACT has, again principally through its cooperation with CITIC Metal, been able to establish a reliable channel for exporting coal, in particular low volatile pulverized coal injection coal, to China. CACT's export volumes of low volatile pulverized coal injection coal into China have grown since this business line was established, thus generating valuable revenue for the Group.

The cooperation between CACT and CITIC Metal has been beneficial for the Group, significantly helping the Group to expand its iron ore and coal sales in China over the years. The Board believes this cooperation can help the Group to increase iron ore and coal exports to China.

The Directors (excluding the independent non-executive Directors) also believe that the cooperation between CACT and CITIC Metal can help facilitate opportunities for CACT to export other commodities to China which continues to be an important market for commodities generally. In 2012, China was estimated to account for 11.7% of the world's crude oil consumption, 46% of

LETTER FROM THE BOARD

aluminium (with forecasts that China will increase this share to more than 50% by 2025), 50% of coal, 46% of iron ore and 40% of copper. By broadening the types of commodities that CACT and CITIC Metal may promote under the 2014 Cooperation Agreement, CACT will have the flexibility to export a wider range of commodities to China and to adjust and react to changes in demand in China for different commodities. As in the case of iron ore and coal, CACT anticipates that it will be able to access the China commodities market, especially the aluminium sector, more effectively through its established cooperation with CITIC Metal.

Furthermore, the Transactions should not give rise to any detriment to the Company or Shareholders. The 2014 Cooperation Agreement is a framework agreement and the terms, including the payment terms, in respect of the Transactions will be determined at the time a Transaction is entered into. The 2014 Cooperation Agreement is not an exclusive arrangement and does not preclude CACT from trading with other parties. The Transactions will complement CACT's trading business and will be conducted in the ordinary and usual course of business of CACT and will only be entered into if deemed fair and reasonable to CACT. CACT will engage in the Transactions on normal commercial terms by applying the same principles it uses when entering into commodities sales transactions with CACT's independent customers. In relation to the pricing of the Transactions in particular, CACT will negotiate prices with CITIC Metal at arm's length and with reference to: (a) the price at which CACT is able to source supplies of commodities from independent suppliers. As this price is separately negotiated with the suppliers on an arm's length basis, CACT will essentially be acquiring its supply of commodities at prevailing market prices or such prices will normally be representative of prevailing market prices. Therefore, the price at which CACT sells its commodities to CITIC Metal will inherently be a current market price since the sale of the commodities to CITIC Metal is concluded simultaneously with or in a very short space of time of the purchase of the commodities from the suppliers or vice versa; (b) the costs of CACT including finance costs; (c) a margin commercially acceptable to CACT. The margin will be comparable to the margins that CACT is able to achieve in respect of its commodities sales with its independent customers during the same period. The margin in respect of CACT's commodities sales transactions, including the Transactions, is not fixed at a particular percentage or monetary amount and the margin from one commodity sales transaction may differ from another commodity sales transaction as the factors taken into account to determine prices of commodities are variable and are affected and change from time to time according to the prevailing supply and demand for commodities, commodities prices, interest rates and other market conditions. Whether CACT concludes a commodities sales transaction, including any Transaction, depends ultimately on whether the margin is in the commercial interests of CACT which will be determined by the directors of CACT; (d) the grade, quality and specifications of the commodities; and (e) other specific commercial terms and arrangements agreed between CACT and CITIC Metal, such as point of delivery, discharge of cargo and storage.

CACT's trading personnel will be made aware of the requirements to conduct the Transactions in accordance with the terms of the 2014 Cooperation Agreement and, in particular, that prices are set commercially and by reference to the pricing policies set out above. To ensure that the Transactions have been conducted in accordance with the terms of the 2014 Cooperation Agreement, they will be reviewed annually by the independent non-executive Directors (whom must confirm in the Company's annual report) and the auditors to the Company (whom must confirm to the Board) pursuant to rules 14A.37 and 14A.38 of the Listing Rules respectively that the Transactions have been entered into, among other things, in the ordinary and usual course of business, in accordance with the pricing policies stated above and in accordance with the terms of the 2014 Cooperation Agreement. In addition, the auditors to the Company are required to confirm to the Board that the Transactions have not exceeded the Annual Caps.

The Directors (excluding the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) consider the 2014 Cooperation Agreement, the Transactions and the Annual Caps to be fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole.

LETTER FROM THE BOARD

Information on the Group

The Company is the listed natural resources flagship of CITIC Group and an integrated provider of strategic natural resources and key commodities. Through its subsidiaries and associates, the Company has interests in oil exploration, development and production; bauxite and coal mining; import and export of commodities; aluminum smelting; and manganese mining and processing.

Information on CACT

CACT is an indirect wholly-owned subsidiary of the Company and operates in Australia. It is an international trading company with an emphasis on trade between Australia and China. It is a significant exporter of bulk commodities, focusing on base metals and mineral resources, including aluminium ingots, coal, iron ore, alumina and copper, and imports into Australia other commodities and manufactured goods such as vehicle and industrial batteries, tyres and various metals such as steel.

Information on CITIC Metal

CITIC Metal is a wholly-owned subsidiary of CITIC Group and is based in China. It specialises in the import and export of metallurgical raw materials and products.

Listing Rules Implications

CITIC Group, through its wholly-owned subsidiaries Keentech, CA and Extra Yield, controls 4,674,547,697 Shares representing 59.41% of all Shares in issue as at the Latest Practicable Date and is a substantial shareholder of the Company. CITIC Metal, also a wholly-owned subsidiary of CITIC Group, is an associate of CITIC Group and, therefore, a connected person of the Company. The Transactions will constitute continuing connected transactions of the Company. As one of the applicable percentage ratios in respect of the Annual Caps is more than 5%, the Transactions and the Annual Caps are subject to the reporting, announcement, annual review and independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

Keentech, CA and Extra Yield, wholly-owned subsidiaries of CITIC Group, and their respective associates are required to abstain from voting at the Special General Meeting under rule 14A.18 of the Listing Rules. As at the Latest Practicable Date, Keentech, CA and Extra Yield held an aggregate of 4,674,547,697 Shares representing 59.41% of all Shares in issue. So far as the Directors are aware, no associate of Keentech, CA or Extra Yield holds any Shares and no other Shareholder is required to abstain from voting at the Special General Meeting.

Mr. Zeng Chen is the chairman of CA, Mr. Guo Tinghu is the managing director of CA and Mr. Qiu Yiyong is a director of Keentech and are considered to have a material interest in the 2014 Cooperation Agreement and the Transactions and, therefore, each of them abstained from voting on the relevant Board resolutions approving the 2014 Cooperation Agreement, the Transactions and the Annual Caps. Save as disclosed herein, none of the Directors has a material interest in the 2014 Cooperation Agreement and the Transactions.

Independent Board Committee

The Independent Board Committee, comprising Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji; Mr. Hu Weiping and Mr. Ngai Man, has been formed to consider and make its recommendation to Independent Shareholders as to whether the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole.

Your attention is drawn to the letter from the Independent Board Committee set out on page 12 of this circular which contains its recommendation to Independent Shareholders as to voting at the Special General Meeting.

LETTER FROM THE BOARD

Independent Financial Adviser

The Independent Financial Adviser has been engaged by the Company to advise the Independent Board Committee and Independent Shareholders as to whether the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole.

Your attention is drawn to the letter from the Independent Financial Adviser set out on pages 13 to 22 of this circular which contains its advice to the Independent Board Committee and Independent Shareholders as to voting at the Special General Meeting.

RE-ELECTION OF RETIRING DIRECTOR

In accordance with Bye-law 86(2), Mr. Kwok is required to retire and, being eligible, will offer himself up for re-election as a Director at the Special General Meeting.

Mr. Kwok, aged 64, was appointed an executive Director and the chairman of the Board and of the Company on 22 July 2013, having previously held the same positions between 2000 and 2007. He is also a member of the Nomination Committee, a position which he also held between 2006 and 2007.

Mr. Kwok is a director of Cathay Financial Holding Co., Ltd. listed on the Taiwan Stock Exchange. He has over 37 years' experience in banking and corporate finance and held senior positions with various international financial institutions. Mr. Kwok is a member of the National Committee of the Chinese People's Political Consultative Conference.

Mr. Kwok holds a Bachelor of Arts Degree in Commerce from the National Taiwan University, a Master of Philosophy Degree in Management Studies from the University of Hong Kong and a Doctoral Degree in Finance from the University of California at Berkeley.

There is a service contract between the Company and Mr. Kwok in respect of his appointment as an executive Director and the chairman of the Board and of the Company. He has no fixed term of service with the Company but shall be subject to retirement and re-election in accordance with the Bye-laws.

Mr. Kwok is entitled to receive a monthly salary of HK\$85,000. His remuneration is fixed in his service contract and has been determined by reference to prevailing market conditions, his position as a Director and his responsibilities in the Group. Mr. Kwok may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Bonus awards are determined by reference to, among other factors, the operating results and requirements of the Group and Mr. Kwok's contribution to the performance of the Group.

As at the Latest Practicable Date, Mr. Kwok did not have any interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Kwok does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling shareholders or senior management of the Company.

Save as disclosed above, Mr. Kwok has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

There is no information relating to Mr. Kwok that is required to be disclosed pursuant to rules 13.51(2)(h) to (w) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election as a Director.

LETTER FROM THE BOARD

SPECIAL GENERAL MEETING AND VOTING BY POLL

The Special General Meeting will be convened for the purpose of allowing Independent Shareholders to consider and, if thought fit, approve the 2014 Cooperation Agreement, the Transactions and the Annual Caps and Shareholders to consider and, if thought fit, approve the re-election of Mr. Kwok as a Director.

A notice convening the Special General Meeting is set out on pages 27 and 28 of this circular.

A form of proxy for use at the Special General Meeting is enclosed with this circular. Whether or not you are able to attend the Special General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to Suites 3001-3006, 30/F, One Pacific Place, 88 Queensway, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Special General 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 Special General Meeting (or any adjournment thereof) should you so wish.

Pursuant to the Listing Rules, voting at the Special General Meeting shall be taken by way of a poll. Subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with the Bye-laws, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he is the holder but so that no amount paid or credited as paid up on a Share in advance of calls or instalments is treated for the foregoing purposes as paid up on the Share. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

An announcement will be issued by the Company following the Special General Meeting to inform Shareholders of the results of the poll vote in respect of the matters put to Independent Shareholders and Shareholders at the Special General Meeting.

RECOMMENDATION

The Directors (except those members of the Independent Board Committee whose recommendation is set out in the letter from the Independent Board Committee in this circular) are of the view that the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole and, accordingly, recommend Independent Shareholders to vote in favour of the ordinary resolution in respect of the 2014 Cooperation Agreement, the Transactions and the Annual Caps set out in the notice of the Special General Meeting on pages 27 and 28 of this circular.

The Directors are of the view that the re-election of Mr. Kwok as a Director is in the interest of the Company and Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the ordinary resolution in respect of the re-election of Mr. Kwok as a Director set out in the notice of the Special General Meeting on pages 27 and 28 of this circular.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of the Board
CITIC Resources Holdings Limited
Kwok Peter Viem
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

4 November 2013

To Independent Shareholders

Dear Sir or Madam,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

2014 COOPERATION AGREEMENT

SALE OF COMMODITIES BY CACT TO CITIC METAL

We have been appointed as members of the Independent Board Committee to advise Independent Shareholders in respect of the 2014 Cooperation Agreement, the Transactions and the Annual Caps, details of which are set out in the “Letter from the Board” in a circular dated 4 November 2013 to Shareholders (the “**Circular**”), of which this letter forms a part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

REORIENT Financial Markets Limited has been appointed to advise us and Independent Shareholders as to whether the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole.

The advice of REORIENT Financial Markets Limited is set out on pages 13 to 22 of the Circular. Your attention is also drawn to the letter from the Board set out on pages 3 to 11 of the Circular.

Having considered the advice of REORIENT Financial Markets Limited, we are of the opinion that the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable so far as Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole. We, therefore, recommend you to vote in favour of the ordinary resolution to be proposed at the Special General Meeting, which is set out in the notice convening the Special General Meeting, to approve the 2014 Cooperation Agreement, the Transactions and the Annual Caps.

Yours faithfully,
For and on behalf of
the Independent Board Committee

FAN Ren Da, Anthony

GAO Pei Ji

HU Weiping

NGAI Man

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of the letter of advice from REORIENT Financial Markets Limited, the independent financial adviser to the Independent Board Committee and Independent Shareholders, which has been prepared for the purpose of incorporation into this circular.



Suites 1102-03, Far East Finance Centre
16 Harcourt Road, Admiralty, Hong Kong

4 November 2013

The Independent Board Committee and Independent Shareholders
CITIC Resources Holdings Limited

Dear Sirs,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

2014 COOPERATION AGREEMENT

SALE OF COMMODITIES BY CACT TO CITIC METAL

INTRODUCTION

We, REORIENT Financial Markets Limited, refer to our appointment as the independent financial adviser to the Independent Board Committee and Independent Shareholders in connection with the 2014 Cooperation Agreement pursuant to which, CACT, an indirect wholly-owned subsidiary of the Company, shall sell iron ore, coal, alumina and other commodities to CITIC Metal, a wholly-owned subsidiary of CITIC Group and connected person of the Company, during the three years ending 31 December 2016, subject to the Annual Caps, details of which are set out in the circular of the Company dated 4 November 2013 (the “**Circular**”) of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in the Circular, unless the context requires otherwise.

Pursuant to the 2011 Cooperation Agreement, CACT has been exporting iron ore and coal to China through sales to CITIC Metal and such transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The 2011 Cooperation Agreement and the transactions thereunder (subject to the annual caps for the three years ending 31 December 2013 as described in the announcement of the Company dated 8 November 2010) were approved by the independent shareholders of the Company at a special general meeting held on 15 December 2010. The 2011 Cooperation Agreement will expire on 31 December 2013.

As set out in the letter from the Board in the Circular (the “**Letter from the Board**”), on 11 October 2013, CACT entered into the 2014 Cooperation Agreement with CITIC Metal which will maintain a framework to enable CACT to continue selling iron ore and coal, and to begin selling alumina and other commodities, to CITIC Metal during the three years ending 31 December 2016. The Transactions will constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The 2014 Cooperation Agreement, the Transactions and the Annual Caps are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. As at the Latest Practicable Date, CITIC Group, through its wholly-owned subsidiaries, Keentech, CA and Extra Yield, controls 4,674,547,697 Shares representing 59.41% of all Shares in issue. Keentech, CA and Extra Yield and their associates are required to abstain from voting at the Special General Meeting on the resolution to approve the 2014 Cooperation Agreement, the Transactions and the Annual Caps. The Independent Board Committee comprising all of the independent non-executive Directors, namely Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji; Mr. Hu Weiping and Mr. Ngai Man has been established to consider and make its recommendation to Independent Shareholders in respect of the 2014 Cooperation Agreement, the Transactions and the Annual Caps.

REORIENT Financial Markets Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and Independent Shareholders as to whether the terms of the 2014 Cooperation Agreement and the Transactions are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of CACT and in the interests of the Company and Shareholders as a whole and whether the Annual Caps are fair and reasonable and in the interests of the Company and Shareholders as a whole.

In formulating our opinion, we have relied upon the information, facts and statements contained in the announcement of the Company dated 11 October 2013, the Circular and those supplied or made available by the management of the Company and CACT to us. We have assumed that all such information, facts and statements were true and accurate in all respects at the time they were supplied or made and continue to be true and accurate at the date of the Circular and can be relied upon. We have no reason to doubt the truth, accuracy and completeness of such information and statements and have confirmed with the management of the Company and CACT that no material facts have been withheld or omitted from such information and representations.

We have taken all reasonable and necessary steps to comply with the requirements set out in Rule 13.80 of the Listing Rules. We consider that we have been provided with sufficient information to enable us to reach an informed view. We have not, however, conducted any independent verification of such information or any independent in-depth investigation into the business, affairs, financial position or prospects of the Group nor have we carried out any in-depth research on the Group, CITIC Group, CITIC Metal and their respective related entities.

PRINCIPAL FACTORS CONSIDERED

In formulating our opinion on the 2014 Cooperation Agreement, the Transactions and the Annual Caps, we have taken into consideration the following principal factors:

Background and reasons for the Transactions

Information on the Group, CACT and CITIC Metal

The Company is the listed natural resources flagship of CITIC Group and an integrated provider of strategic natural resources and key commodities. Through its subsidiaries and associates, the Company has interests in oil exploration, development and production; bauxite and coal mining; import and export of commodities; aluminum smelting; and manganese mining and processing.

CACT is an indirect wholly-owned subsidiary of the Company and is based in Australia. It is an international trading company with an emphasis on trade between Australia and China. CACT exports principally base metals and mineral resources including aluminium ingots, coal, iron ore, alumina and copper and imports into Australia other commodities and manufactured goods including vehicle and industrial batteries, tyres and various metals such as steel.

CITIC Metal is a wholly-owned subsidiary of CITIC Group and is based in China. It specialises in the import and export of metallurgical raw materials and products.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Reasons for the continuing connected transactions

Trading of iron ore, coal, alumina and other commodities is part of CACT's ordinary and usual course of business. The sale of iron ore by CACT to CITIC Metal began in 2004 and has become an important aspect of CACT's iron ore trading business which benefits the Company and Shareholders as a whole.

Based on the information available on the website of CITIC Metal, CITIC Metal is engaged in the business of resources and energy and specialises in the import and distribution of niobium products, iron ore, coal, and non-ferrous metals such as copper, lead, zinc, and their concentrates, the export of silver, the trade of steel products, and investment in and operation of metal mining projects.

The Company considers CITIC Metal to have been instrumental in helping CACT increase its export volumes of iron ore to China since 2004. The Company also considers that CACT's cooperation with CITIC Metal to have been a factor in the establishment of a successful iron ore trading business by CACT and, in particular, enabling CACT to gain access to the China market. Since 2011, CACT has sold coal to CITIC Metal pursuant to the 2011 Cooperation Agreement which has helped CACT to develop its coal exports to China.

The management of CACT has informed us that CACT wishes to expand its business in the China market by engaging in the sale of alumina and other commodities to CITIC Metal as demand in China dictates. The Company, therefore, considers it be in the interests of the Company and Shareholders as a whole to add other categories of commodities that may be sold by CACT to CITIC Metal under the 2014 Cooperation Agreement as this will provide CACT with flexibility to export other commodities into China through its established cooperation with CITIC Metal.

Based on the information available on the website of CITIC Metal, CITIC Metal is a major importer into China with a leading volume of trading and iron ore trading is one of their core businesses. CITIC Metal sources a large quantity of iron ore overseas mainly from Australia, Brazil, South Africa, India, Iran and Canada. Whilst CITIC Metal carries on a similar business to CACT, CACT is of the view that the relationship with CITIC Metal complements and supports CACT's business to increase its sale of commodities to China. CACT believes that CITIC Metal provides an additional point of sale for CACT's products and CITIC Metal's market position, especially in the steel industry, has facilitated CACT's entry into the iron ore market in China and provided CACT with the opportunity to develop its own connections and sales network in China. CACT expects this arrangement under the 2014 Cooperation Agreement will help it to further grow and broaden its trading business in China.

As the Transactions subject to the Annual Caps will constitute non-exempt continuing connected transactions under the applicable requirements of Chapter 14A of the Listing Rules, CACT must enter into a written agreement with CITIC Metal in accordance with rule 14A.35(1) of the Listing Rules. We consider that the entering into of the 2014 Cooperation Agreement which will allow CACT to engage in the Transactions in compliance with the aforementioned Listing Rules requirement.

As the trading of iron ore, coal, alumina and other commodities is in the ordinary and usual course of business of CACT and, pursuant to the 2014 Cooperation Agreement, will be conducted and negotiated on an arm's length basis and normal commercial terms between CACT and CITIC Metal, we are of the view that the Transactions will allow CACT to carry on its normal business in compliance with the Listing Rules. Based on the above reasons, we agree that the entering into of the 2014 Cooperation Agreement is in the interests of the Company and Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Terms of the 2014 Cooperation Agreement

The 2014 Cooperation Agreement shall terminate on 31 December 2016. The 2014 Cooperation Agreement is conditional upon:

- (a) the approval of Independent Shareholders at the Special General Meeting; and
- (b) there being obtained all such other necessary approvals and consents (if any) required under any applicable laws, rules and regulations in Hong Kong and China for the performance of the 2014 Cooperation Agreement.

Pursuant to the 2014 Cooperation Agreement, CACT and CITIC Metal shall cooperate on a non-exclusive basis to develop and promote the sale and distribution of iron ore, coal, alumina and other commodities during the three years ending 31 December 2016.

We understand from the management of CACT that the Transactions will be conducted in accordance with the following terms (the “**Agreed Principles**”):

- (a) on the occasion of each individual sale of iron ore, coal, alumina or other commodity, a separate individual sale agreement containing CACT’s standard terms and conditions of sale shall be entered into between CACT and CITIC Metal;
- (b) each sale agreement between CACT and CITIC Metal shall be entered into on an arm’s length basis; and
- (c) the prices shall be determined by reference to applicable prevailing market prices.

Pursuant to the Agreed Principles, a separate individual sale agreement shall be entered into between CACT and CITIC Metal in respect of each individual sale. The 2014 Cooperation Agreement does not set out in definitive terms, the price range or the payment terms of the Transactions which, as we understand from the management of CACT, shall be subject to arm’s length negotiations and agreed on the occasion of each sale. We understand from the management of CACT that the payment terms of its customers are determined after taken into account a number of factors including but not limited to the credit risk, reputation and financial standing of the customers and the costs and margin to CACT in respect of the particular transaction. We understand from the management of CACT that the decision-making process in determining the commercial terms including the payment terms for all customers are consistent and will be in line with market practice.

As set out in the Letter from the Board, CACT will negotiate prices with CITIC Metal at arm’s length and with reference to: (a) the price at which CACT is able to source supplies of commodities from independent suppliers. As this price is separately negotiated with the suppliers on an arm’s length basis, CACT will essentially be acquiring its supply of commodities at prevailing market prices or such prices will normally be representative of prevailing market prices. Therefore, the price at which CACT sells its commodities to CITIC Metal will inherently be a current market price since the sale of the commodities to CITIC Metal is concluded simultaneously with or in a very short space of time of the purchase of the commodities from the suppliers or vice versa; (b) the costs of CACT including finance costs; (c) a margin commercially acceptable to CACT. The margin will be comparable to the margins that CACT is able to achieve in respect of its commodities sales with its independent customers during the same period. The margin in respect of CACT’s commodities sales transactions, including the Transactions, is not fixed at a particular percentage or monetary amount and the margin from one commodity sales transaction may differ from another commodity sales transaction as the factors taken into account to determine prices of commodities are variable and are affected and change from time to time according to the prevailing supply and demand for commodities, commodities prices,

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

interest rates and other market conditions. Whether CACT concludes a commodities sales transaction, including any Transaction, depends ultimately on whether the margin is in the commercial interests of CACT which will be determined by the directors of CACT; (d) the grade, quality and specifications of the commodities; and (e) other specific commercial terms and arrangements agreed between CACT and CITIC Metal, such as point of delivery, discharge of cargo and storage.

The arrangement between CACT and CITIC Metal under the 2014 Cooperation Agreement is non-exclusive and there should be no bias or preference for CACT to deal with CITIC Metal. In the course of its business, CACT will source commodities from suppliers in response to demand from its customers or when it becomes aware of the availability of commodities from suppliers, CACT will seek to on-sell such commodities to its customers. In the latter case, we understand from CACT that it will seek to sell the commodities to those customers whom CACT considers will offer the most competitive terms in the best interests of CACT.

As set out in the Letter from the Board, CACT's trading staff will be made aware of the requirements to conduct the Transactions in accordance with the terms of the 2014 Cooperation Agreement and in particular, that prices are set commercially and by reference to the independent supply prices. The Transactions will be reviewed annually by the independent non-executive Directors and the Company's auditors pursuant to rules 14A.37 and 14A.38 of the Listing Rules respectively that the Transactions have been entered into, among other things, in the ordinary and usual course of business and in accordance with the stated pricing policies and in accordance with the terms of the 2014 Cooperation Agreement.

As set out in the annual report of the Company for the year ended 31 December 2012, the Company's auditors and the independent non-executive Directors have reviewed the Group's continuing connected transactions and have confirmed that, among other things, the transactions carried out under the 2011 Cooperation Agreement for the year ended 31 December 2012 were carried out in accordance with the terms of the 2011 Cooperation Agreement. In addition, we have also reviewed the sample transactions entered into between (i) CACT and CITIC Metal and (ii) CACT and independent third party in respect of CACT's iron ore and coal sales transactions (which further information is set out below).

Given (i) CACT will engage in the Transactions on normal commercial terms by applying the same principles it uses when entering into commodities sales transactions with CACT's independent customers; and (ii) the supply prices quoted by independent suppliers represent the starting point for determining the price of each sale to be conducted pursuant to the 2014 Cooperation Agreement and the market prices are intrinsic to the supply prices, we consider that the price quotation process carried out by CACT in respect of each sale is effective to result in monitoring the pricing standards. The selling price in respect of each transaction shall be determined by CACT on normal commercial terms after arm's length negotiation with CITIC Metal taking into consideration the market practice and the Agreed Principles and accordingly shall comply with the 2014 Cooperation Agreement. We are of the view that the Company has proper measures and taken steps in monitoring the pricing standards in relation to the Transactions and is in compliance with the 2014 Cooperation Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Sales of Iron Ore

We understand from the management of CACT that in respect of sales of iron ore, CACT sources the required iron ore from independent suppliers and that the iron ore suppliers will provide price quotes with reference to, among other things, the quality and specification of iron ore and prevailing market prices which are referable to benchmark prices published by Platts¹. We also understand from the management of CACT that CACT negotiates the selling price of iron ore with CITIC Metal at arm's length by making reference to the supply prices of the independent suppliers, payment terms, grade of iron ore and other applicable specifications and other specific commercial terms and arrangements agreed between CACT and CITIC Metal. The management of CACT has confirmed to us that CACT will follow the Agreed Principles in respect of iron ore sales transactions carried out with CITIC Metal pursuant to the 2014 Cooperation Agreement.

We have reviewed the 2011 Cooperation Agreement and the 2014 Cooperation Agreement. We have also reviewed the standard sale agreements entered into between CACT and CITIC Metal in respect of a sample of iron ore transactions selected by us randomly among iron ore transactions completed in 2012 and in the nine months ended 30 September 2013. We have discussed with the management of CACT as to the determination of the terms of the sample transactions. We have also reviewed iron ore sales transaction by CACT to an independent third party in China in 2012. In addition, we have reviewed the market prices quoted by Platts on iron ore with 62% iron content during the relevant time that the sample transactions took place. We note that the iron ore was sold to CITIC Metal and to the independent third party at prices materially in line with the range of prevailing market prices at the relevant time.

We understand from CACT that it has not concluded any iron ore sales to any independent third parties in China for the nine months ended 30 September 2013 because CACT has not received any sales enquiries from its independent customers or CACT considered that CITIC Metal has offered sale terms more competitive than other customers in respect of commodities sourced by CACT. Although CACT has not sold any iron ore to any independent third parties in China for the nine months ended 30 September 2013, we note that the principal terms of iron ore sales to CITIC Metal during this period were substantially the same as for iron ore sales to CITIC Metal during 2012 and at prices which were materially in line with the prevailing market prices at the relevant time according to the information published by Platts.

Sales of Coal

We understand from CACT that the type of coal sold to CITIC Metal pursuant to the 2011 Cooperation Agreement, and to be sold by CACT to CITIC Metal pursuant to the 2014 Cooperation Agreement, is principally low volatile pulverized coal injection coal ("PCI coal"). We also understand that PCI coal is a type of commonly traded coal with an established market. We understand that the Group has a 14% interest in the Coppabella and Moorvale coal mines joint venture, a major supplier of PCI coal in the international seaborne market. Based on information available on the website of the Company, PCI coal is predominantly sold to steel mills for use in the production of pig iron from iron ore in the blast furnace process. It is a cheaper alternative for coking coal which traditionally has been used in the blast furnace process. PCI coal is high in carbon and energy but low in ash and sulphur and is more efficient in the blast furnace process.

¹ According to Platts (www.platts.com), Platts is a leading global provider of energy, petrochemicals, metals and agriculture information, and a premier source of benchmark price assessments for those commodity markets. Platts claims that since 1909, Platts has provided information and insights that help customers make trading and business decisions and enable the markets to perform with greater transparency and efficiency.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We understand from the management of CACT that in respect of sales of coal, CACT sources the required coal from independent suppliers and that the coal suppliers will provide price quotes with reference to, among other things, the quality and specification of coal. We understand from the management of CACT that whilst there are sources such as Platts that provide benchmark or market prices for coal, they may not always be referable to the coal actually being sold as there may be considerable discrepancies in the grade and characteristics of the coal due to, among other things, percentage of sulphur and ash content of different shipments of coal. We understand from the management of CACT that given the vast variety of quality of coal, it is not very common for coal traders to quote the selling price of coal by simply referring to the market benchmark.

We understand from the management of CACT that CACT negotiates the selling price of coal with CITIC Metal at arm's length by making reference to the supply prices of the independent suppliers, payment terms, grade of coal and other applicable specifications and specific commercial terms and arrangements agreed between CACT and CITIC Metal. The management of CACT has confirmed to us that CACT will follow the Agreed Principles in respect of coal sales transactions carried out with CITIC Metal pursuant to the 2014 Cooperation Agreement.

We have reviewed the 2011 Cooperation Agreement and the 2014 Cooperation Agreement. We have also reviewed the standard sale agreements entered into between CACT and CITIC Metal in respect of a sample of coal transactions selected by us randomly among coal transactions completed in 2011 and 2012. We note that CACT has not sold any coal to CITIC Metal during the period from 1 April 2012 to 30 September 2013. We understand from CACT that it has not concluded any coal sales to CITIC Metal during this period because either there was no demand from CITIC Metal for coal or CITIC Metal did not offer the most competitive terms.

We have discussed with the management of CACT as to the determination of the terms of the sample transactions. We have also reviewed a list of coal sales transactions by CACT to an independent third party in China in 2012 and in the nine months ended 30 September 2013. We note that the prices of coal sold to CITIC Metal and to the independent third party were determined by reference to the prices from the suppliers.

Sales of Alumina and Other Commodities

The management of CACT has confirmed to us that any sale of alumina and other commodities to CITIC Metal will be made pursuant to the 2014 Cooperation Agreement and their selling prices will be negotiated at arm's length with reference to prevailing market prices.

The management of CACT has informed us that there are currently no specific categories of commodities other than iron ore, coal and alumina that are targeted to be sold by CACT to CITIC Metal. Nonetheless, the management of CACT is of the view that by broadening the categories of commodities that CACT and CITIC Metal may promote under the 2014 Cooperation Agreement, CACT will have the flexibility to export a wider range of commodities to China through its established relationship with CITIC Metal and to adjust and react to changes in demand in China for different commodities. The Company considers it be in the interests of the Company and Shareholders as a whole to add other categories of commodities to be sold by CACT to CITIC Metal pursuant to the 2014 Cooperation Agreement and to carry out those transactions in the ordinary and usual course of business and on normal commercial terms.

We understand from the management of CACT that any sale of alumina and other commodities by CACT to CITIC Metal will follow the Agreed Principles. As a further control mechanism, transactions for the sale of alumina and other commodities between CACT and CITIC Metal pursuant to the 2014 Cooperation Agreement will be reviewed by the independent non-executive Directors and the Company's auditors annually pursuant to rules 14A.37 and 14A.38 of the Listing Rules respectively.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

ANNUAL CAPS AND BASIS OF CALCULATION

The Transactions will be transacted subject to the Annual Caps set out below:

31 December 2014	:	US\$150 million (HK\$1,170 million)
31 December 2015	:	US\$150 million (HK\$1,170 million)
31 December 2016	:	US\$150 million (HK\$1,170 million)

As set out in the Letter from the Board, the Annual Caps have been determined by reference to, among other things (a) historical sales of iron ore and coal by CACT to CITIC Metal during the three years ending 31 December 2013; (b) an assumed sustained demand for iron ore, coal, alumina and other commodities particularly in China during the three years ending 31 December 2016; (c) anticipated volume of the Transactions; (d) the current and prospective prices of iron ore, coal, alumina and other commodities generally; (e) associated costs; and (f) the ability of CACT to source and secure supplies of iron ore, coal, alumina and other commodities in the market at competitive prices.

We understand that the Annual Caps represent the aggregate of the Iron Ore Annual Caps Allocation (as defined below) of US\$90 million (HK\$702 million), the Coal Annual Caps Allocation (as defined below) of US\$30 million (HK\$234 million) and a buffer of US\$30 million (HK\$234 million). Nominal weighting has been given to the Alumina and Other Commodities Annual Caps Allocation (as defined below). As set out in the Letter from the Board, under the 2014 Cooperation Agreement, in addition to the sales of iron ore and coal, CACT may engage in the promotion and sale of alumina and other commodities to CITIC Metal. The setting of aggregate Annual Caps for the Transactions would allow CACT to react swiftly and expeditiously to changes in demand for commodities during the term of the 2014 Cooperation Agreement and to switch to sales of different commodities in response to changes in demand in China. Given the above, we concur with the Company's view that the aggregate Annual Caps will enable the Group to maintain flexibility in carrying out its normal business activities to sell all types of commodities based on the demand from CITIC Metal without the need to incur additional compliance costs and without any detriment to the Company or Shareholders as a whole.

Iron Ore Annual Caps Allocation

We have discussed with the management of CACT to understand the iron ore trading business between CACT and CITIC Metal. We note that CACT has established a long trading relationship with CITIC Metal (since 2004) focused principally on trading iron ore with 62% iron content.

To determine the amount of the Annual Caps to be allocated for iron ore sales between CACT and CITIC Metal for each of the three years ending 31 December 2016 (the "**Iron Ore Annual Caps Allocation**"), we understand that CACT has referred to the actual volume of iron ore sold to CITIC Metal for the nine months ended 30 September 2013 and the views of the management of CACT as to demand for iron ore in China and by CITIC Metal in the coming years based on their experience and insight in the market. CACT has provided a weighting of US\$90 million (HK\$702 million) for the Iron Ore Annual Caps Allocation with reference to the annualised transaction amount of iron ore trading with CITIC Metal calculated based on such aggregate actual value for the nine months ended 30 September 2013.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In addition to our discussions with the management of CACT, we have reviewed the information provided by CACT in respect of a list of transactions (including certain sample transactions) entered into between CACT and CITIC Metal in respect of the sales of iron ore by CACT to CITIC Metal completed in 2012 and in the nine months ended 30 September 2013. We have also reviewed the market prices quoted by Platts on iron ore with 62% iron content during the relevant time that the sample transactions took place. We understand that CACT has adopted the average of its selling prices so far in 2013 to be the unit selling price for calculating the Iron Ore Annual Caps Allocation. Based on the information available to the subscribers of Platts which we have obtained through CACT, the market price of iron ore with 62% iron content ranged from approximately US\$110 to US\$160 per metric tonne for the nine months ended 30 September 2013 and the average of its selling prices so far in 2013 adopted by CACT in projecting the Iron Ore Annual Caps Allocation falls within the range of market prices available on Platts. We agree with CACT that the most recent actual trading prices in 2013 represent a timely and reliable reference for calculating such allocation.

We consider it to be fair and reasonable to determine the Iron Ore Annual Caps Allocation with reference to the actual transaction volume of iron ore sales by CACT to CITIC Metal for the nine months ended 30 September 2013 and the average of its selling prices so far in 2013.

Coal Annual Caps Allocation

We have discussed with the management of CACT to understand the coal trading business between CACT and CITIC Metal. We understand that CACT began selling coal to CITIC Metal pursuant to the 2011 Cooperation Agreement and during the term of the 2011 Cooperation Agreement, CACT has sold coal to CITIC Metal in 2011 and in the first quarter of 2012.

To determine the amount of the Annual Caps to be allocated for coal sales between CACT and CITIC Metal for each of the three years ending 31 December 2016 (the “**Coal Annual Caps Allocation**”), we understand that CACT has referred to the actual volume of coal sold to CITIC Metal during 2012 and the views of the management of CACT as to demand for coal (especially PCI coal) in China and by CITIC Metal in the coming years based on their experience and insight in the market. CACT has provided a weighting of US\$30 million (HK\$234 million) for the Coal Annual Caps Allocation with reference to the aggregate actual transaction amount of coal trading with CITIC Metal in 2012.

In addition to our discussions with the management of CACT, we have reviewed the information provided by CACT in respect of a list of transactions (including certain sample transactions) entered into between CACT and CITIC Metal in respect of the sales of coal by CACT to CITIC Metal completed in 2011 and 2012. We understand that CACT has adopted the average of its selling prices so far in 2013 to be the unit selling price for calculating the Coal Annual Caps Allocation. We have tried to research the market price of coal on the Internet using methods similar to how we have identified Platts for iron ore. We have looked at the websites of a number of coal information providers in China and did not find any standardized coal market price references which we know of to be relied on universally in the market. We agree with CACT that the most recent actual trading prices in 2013 represent a timely and reliable reference for calculating such allocation.

We consider it to be fair and reasonable to determine the Coal Annual Caps Allocation with reference to the actual transaction volume of coal sales by CACT to CITIC Metal in 2012 and the average of its selling prices so far in 2013.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Alumina and Other Commodities Annual Caps Allocation

CACT has not sold any alumina or other commodities to CITIC Metal prior to the Latest Practicable Date. We understand that CACT has determined the amount of the Annual Caps to be allocated for sales of alumina and other commodities between CACT and CITIC Metal for each of the three years ending 31 December 2016 (the “**Alumina and Other Commodities Annual Caps Allocation**”) based on discussions with CITIC Metal and the amount of alumina and other commodities that CACT reasonably anticipates could be transacted based on its insight in respect of the possible demand for such commodities in China. The transaction volume of alumina and other commodities sales by CACT to CITIC Metal will depend on the demand by CITIC Metal and prevailing market prices.

The management of CACT has informed us that the trading of alumina and other commodities with CITIC Metal pursuant to the 2014 Cooperation Agreement is expected to be not very significant to CACT’s commodities export business. Therefore, CACT has assigned a nominal weighting to the Alumina and Other Commodities Annual Caps Allocation.

Based on our understanding of how the Iron Ore Annual Caps Allocation, the Coal Annual Caps Allocation and the Alumina and Other Commodities Annual Caps Allocation are arrived at, we consider the basis for determining the Annual Caps to be fair and reasonable. We also consider that allowing a buffer in the Annual Caps to be fair and reasonable as it may not be possible at all to predict the volume of trading and the market price of commodities very precisely. We consider that the Annual Caps to be fair and reasonable and in the interests of the Company and Shareholders as a whole.

Independent Shareholders should note that, if approved by Independent Shareholders at the Special General Meeting, the Annual Caps represent the upper limit of the value of the Transactions that may be transacted between CACT and CITIC Metal without the need for further approval from Independent Shareholders in compliance with the relevant requirements under the Listing Rules. The Annual Caps are not forecasts in nature and should not be interpreted as the projected sales of iron ore, coal, alumina and other commodities between CACT and CITIC Metal during the three years ending 31 December 2016.

CONCLUSION

Having considered the above principal factors and reasons, we are of the opinion that the terms of the 2014 Cooperation Agreement, the Transactions and the Annual Caps are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of CACT and in the interests of the Company and Shareholders as a whole. Accordingly, we would advise the Independent Board Committee and Independent Shareholders to vote in favour of the ordinary resolution to approve the 2014 Cooperation Agreement, the Transactions and the Annual Caps for the three years ending 31 December 2016.

Yours faithfully,
For and on behalf of
REORIENT Financial Markets Limited
Charlotte Yen
Director

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company.

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, 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.

The issue of this circular has been approved by the Directors.

2. DISCLOSURE OF INTERESTS

(a) Disclosure of interests of Directors

- (i) As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are 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 which they are deemed or taken to have under such provisions of the SFO), or which are required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which are required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange are as follows:

Interests in Shares and underlying Shares

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares pursuant to share options	Percentage of the total issued share capital of the Company
Mr. Zeng Chen	Directly beneficially owned	—	5,301,374	0.07
Ms. Li So Mui	Directly beneficially owned	2,388,000	—	0.03

Interests in the ordinary shares and underlying shares of associated corporations of the Company

Name of Director	Name of associated corporation	Shares / equity derivatives	Number of Shares / equity derivatives held	Nature of interest	Percentage of the total issued share capital of the associated corporation
Ms. Li So Mui	CITIC Dameng Holdings Limited	Ordinary shares	3,154	Directly beneficially owned	—
Mr. Qiu Yiyong	CITIC Dameng Holdings Limited	Share options	15,000,000	Directly beneficially owned	0.50
Mr. Tian Yuchuan	CITIC Dameng Holdings Limited	Share options	12,000,000	Directly beneficially owned	0.40
Mr. Gao Pei Ji	CITIC Pacific Limited	Ordinary shares	20,000	Directly beneficially owned	—

Save as disclosed herein and so far as is known to the Directors, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are 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 which they are deemed or taken to have under such provisions of the SFO), or which are required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which are required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

- (ii) Save as disclosed herein and so far as is known to the Directors, as at the Latest Practicable Date:
- (1) none of the Directors or their respective associates was materially interested in any subsisting contract or arrangement which is significant in relation to the businesses of the Group taken as a whole; and
 - (2) none of the Directors or their respective associates had any interest in a business apart from the businesses of the Group which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.
- (iii) Save as disclosed herein and in the section headed “Disclosure of interests of substantial Shareholders” below, and so far as is known to the Directors, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or a short position in Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Disclosure of interests of substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO, and so far as is known to the Directors, the persons or entities who had an interest or a short position in Shares or underlying Shares 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 were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company are as follows:

Name of Shareholder	Nature of interest	Number of Shares held as long positions	Percentage of the total issued share capital of the Company
CITIC Group	Corporate	4,674,547,697 ⁽¹⁾	59.41
中國中信股份有限公司	Corporate	3,924,133,904 ⁽²⁾	49.87
CITIC Projects Management (HK) Limited	Corporate	3,895,083,904 ⁽³⁾	49.50
Keentech	Corporate	3,895,083,904 ⁽⁴⁾	49.50
CA	Corporate	750,413,793 ⁽⁵⁾	9.54
Temasek Holdings (Private) Limited	Corporate	901,909,243 ⁽⁶⁾	11.46
Temasek Capital (Private) Limited	Corporate	576,247,750 ⁽⁷⁾	7.32
Seletar Investments Pte. Ltd.	Corporate	576,247,750 ⁽⁸⁾	7.32
Baytree Investments (Mauritius) Pte. Ltd.	Corporate	576,247,750 ⁽⁹⁾	7.32

Notes:

- (1) The figure represents an attributable interest of CITIC Group through its interest in 中國中信股份有限公司 (CITIC Limited) (“**CITIC Limited**”) and CA.
- (2) The figure represents an attributable interest of CITIC Limited through its interest in CITIC Projects Management (HK) Limited (“**CITIC Projects**”) and Extra Yield which holds 29,050,000 Shares representing 0.37% of the total issued share capital of the Company. CITIC Limited, a company established in China, is a wholly-owned subsidiary of CITIC Group. Extra Yield is an indirect wholly-owned subsidiary of CITIC Limited.
- (3) The figure represents an attributable interest of CITIC Projects through its interest in Keentech. CITIC Projects, a company incorporated in the British Virgin Islands, is a direct wholly-owned subsidiary of CITIC Limited. Mr. Qiu Yiyong is a director of CITIC Projects.
- (4) Keentech is a direct wholly-owned subsidiary of CITIC Projects. Mr. Qiu Yiyong is a director of Keentech.
- (5) CA, a company incorporated in Australia, is a direct wholly-owned subsidiary of CITIC Group. Mr. Zeng Chen is the chairman of CA and Mr. Guo Tinghu is the managing director of CA.
- (6) The figure represents an attributable interest of Temasek Holdings (Private) Limited (“**Temasek Holdings**”) through its interest in Temasek Capital (Private) Limited (“**Temasek Capital**”) and Ellington Investments Pte. Ltd. (“**Ellington**”) which holds 325,661,493 Shares representing 4.14% of the total issued share capital of the Company. Temasek Holdings is a company incorporated in Singapore. Ellington, a company incorporated in Singapore, is an indirect wholly-owned subsidiary of Temasek Holdings.
- (7) The figure represents an attributable interest of Temasek Capital through its interest in Seletar Investments Pte. Ltd. (“**Seletar**”). Temasek Capital, a company incorporated in Singapore, is a direct wholly-owned subsidiary of Temasek Holdings.
- (8) The figure represents an attributable interest of Seletar through its interest in Baytree Investments (Mauritius) Pte. Ltd. (“**Baytree**”). Seletar, a company incorporated in Singapore, is a direct wholly-owned subsidiary of Temasek Capital.
- (9) Baytree, a company incorporated in Mauritius, is a direct wholly-owned subsidiary of Seletar.

Save as disclosed herein and so far as is known to the Directors, as at the Latest Practicable Date, no person had an interest or a short position in Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and no person was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

3. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into any service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

4. INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors or the Independent Financial Adviser had any interest, direct or indirect, in any asset which has since 31 December 2012, being the date to which the latest published audited financial statements of the Group were made up, been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

5. EXPERT

The following is the qualification of the expert who has given, or agreed to the inclusion of, its opinion or advice in this circular:

Name	Qualification
REORIENT Financial Markets Limited	a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities

The Independent Financial Adviser has confirmed that it has no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The Independent Financial Adviser has given, and has not withdrawn, its written consent to the issue of this circular with the inclusion of its letter and reference to its name in the form and context in which it appears.

6. MATERIAL ADVERSE CHANGES

Save for the decrease in the net profits of the Group as disclosed in the interim results and the interim report of the Company for the six months ended 30 June 2013, the Directors are not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2012, being the date to which the latest published audited financial statements of the Group were made up.

7. MISCELLANEOUS

- (a) All references to times and dates in this circular refer to Hong Kong times and dates.
- (b) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the office of the Company at Suites 3001-3006, 30/F, One Pacific Place, 88 Queensway, Hong Kong for the period of 14 days from the date of this circular:

- (a) the 2011 Cooperation Agreement; and
- (b) the 2014 Cooperation Agreement.

NOTICE OF SPECIAL GENERAL MEETING



CITIC RESOURCES HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1205)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**Meeting**”) of CITIC Resources Holdings Limited (the “**Company**”) will be held at Aspiration Meeting Room, Regus Business Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 6 December 2013 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions:

ORDINARY RESOLUTION NO. 1

“**THAT** the entering into of a cooperation agreement dated 11 October 2013 by CITIC Australia Commodity Trading Pty Limited (“**CACT**”) with 中信金屬有限公司 (CITIC Metal Company Limited) (“**CITIC Metal**”) (the “**2014 Cooperation Agreement**”), a copy of which is produced to the Meeting and for the purpose of identification initialled by the chairman of the Meeting, and the sale of iron ore, coal, alumina and other commodities by CACT to CITIC Metal pursuant to the 2014 Cooperation Agreement during the three years ending 31 December 2016 subject to the annual caps as more particularly described in the circular issued by the Company on 4 November 2013 be and are hereby confirmed, ratified and approved.”

ORDINARY RESOLUTION NO. 2

“**THAT** Mr. Kwok Peter Viem be and is hereby re-elected a director of the Company with immediate effect.”

By Order of the Board
CITIC Resources Holdings Limited
Li So Mui
Company Secretary

Hong Kong, 4 November 2013

Head Office and Principal Place of Business:
Suites 3001-3006
30/F, One Pacific Place
88 Queensway
Hong Kong

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (1) Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy or, if holding two or more shares of the Company, more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (2) A form of proxy for use at the Meeting is enclosed.
- (3) To be valid, a 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 such power or authority, must be returned to the head office and principal place of business of the Company at Suites 3001-3006, 30/F, One Pacific Place, 88 Queensway, Hong Kong not less than 48 hours before the time appointed 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 Meeting (or any adjournment thereof) should you so wish.
- (4) If there are joint registered holders of a share in the Company, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the Meeting in person or by proxy, that one of the joint holders so present whose name stands first in the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (5) The above ordinary resolutions will be taken by poll.

As at the date hereof, the executive directors of the Company are Mr. Kwok Peter Viem; Mr. Zeng Chen; Mr. Guo Tinghu and Ms. Li So Mui, the non-executive directors are Mr. Qiu Yiyong; Mr. Tian Yuchuan and Mr. Wong Kim Yin, and the independent non-executive directors are Mr. Fan Ren Da, Anthony; Mr. Gao Pei Ji, Mr. Hu Weiping and Mr. Ngai Man.