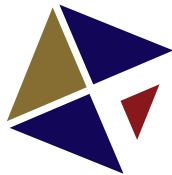


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## CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 736)**

### ENTERING INTO OF COOPERATION AGREEMENT

This announcement is issued by China Properties Investment Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) as a voluntary announcement to allow the public to acknowledge the latest information of the Company.

#### THE COOPERATION AGREEMENT

On 1 June 2011, 克什克騰旗大地礦業有限責任公司 (Keshi Ketengqi Great Land Mine Industries Company Limited\*) (the “**Mining Company**”), being an indirect non wholly-owned subsidiary of the Company, entered into a cooperation agreement (the “**Cooperation Agreement**”) with a PRC company (the “**Partner**”), regarding the development and production of a copper and molybdenum mine located at 內蒙古自治區赤峰市克什克騰旗三義鄉永勝村經棚鎮 (Keshi Ketengqi, Sanyixiang, Yongsheng Cun, Jingpeng Zhen, Chifeng City, Inner Mongolia, the PRC) (the “**Mine**”) held by the Mining Company.

To the best of the Directors’ knowledge and information and belief and having made all reasonable enquiries, the Partner is an independent third party to the Company (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

Pursuant to the Cooperation Agreement, the Mining Company will be responsible for the provision of any relevant documents and/or information as required for conducting the mining and exploitation works for copper and molybdenum in the Mine; whereas the Partner will be responsible for conducting and overseeing the entire operations and any other related activities of the Mine under the supervision of the Mining Company.

Under the Cooperation Agreement, the Partner agreed to invest an amount of RMB25 million to RMB30 million for the construction and operation of amenities and infrastructures in relation to the Mine, which include but are not limited to mining, ore dressing, tailings, general plan, water supply network, substation network, chief amenities, other costs, preparation fee and working capital. The Partner also agreed to inject further capital into the Mine depending on its operation need.

\* For identification purpose only

The Cooperation Agreement has a term of 15 years and can be extended for a further term subject to negotiations between the Mining Company and the Partner. Upon signing of the Cooperation Agreement, a non-refundable deposit of RMB500,000 shall be paid by the Partner to the Mining Company in cash within 30 days after signing of the Cooperation Agreement for general working capital of the Mining Company.

Regarding profit sharing, the Cooperation Agreement stipulated that the Mining Company shall share 30% to 60% of the profit generated from the Mine on a progressive basis throughout the term of the Cooperation Agreement in accordance with the relevant terms and conditions of the Cooperation Agreement, and the Partner shall share the remaining profit (i.e. 70% to 40%) of the Mine during the term of the Cooperation Agreement.

## **INFORMATION ON THE PARTNER**

The Partner is a company incorporated in the PRC with limited liability and is principally engaged in (i) the mining and processing of non-ferrous metals including molybdenum, iron, lead, zinc and silver; and (ii) the production and trading of alloy. The Partner operates a molybdenum mine in Jilin province, the PRC and other mines with various mineral resources in Liaoning province, the PRC. The Partner is experienced in the non-ferrous metals business and has established a stable clientele in the PRC.

## **REASONS FOR ENTERING INTO THE COOPERATION AGREEMENT**

The Company has been seeking various investment opportunities to diversify the business of the Group. The directors of the Company (the “**Directors**”) believe that the strategic Cooperation Agreement will enable the Company to benefit from the experience and expertise of the Partner in the natural resources industry and hence ensure the better development and operation of the Mine. The Directors also consider that the Cooperation Agreement will allow the Group to spare for its resources to focus on the future possible business diversification and investment opportunities to be identified by the Company.

In view of the above, the Directors consider that the terms of the Cooperation Agreement, which have been negotiated on an arm’s length basis and on normal commercial terms, are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

By order of the Board  
**China Properties Investment Holdings Limited**  
**Xu Dong**  
*Chairman*

Hong Kong, 22 June 2011

*In the event of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*

*As at the date of this announcement, the executive Directors are Mr. Xu Dong and Mr. Au Tat On, the non-executive Director is Ms. Yu Wai Fong, and the independent non-executive Directors are Mr. Lai Wai Yin, Wilson, Ms. Cao Jie Mi and Mr. Tse Kwong Wah.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange and the website of the Company for at least seven days from the date of its posting.*