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North Mining Shares Company Limited

北方礦業股份有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 433)

TERMINATION OF VERY SUBSTANTIAL ACQUISITION OF 100% EQUITY INTEREST IN CHINA POTASSIUM SHARES COMPANY LIMITED

References are made to the announcements (the “**Announcements**”) of North Mining Shares Company Limited (the “**Company**”) dated 22 August 2014 and 30 March 2015 in relation to a very substantial acquisition of the entire equity interest in China Potassium Shares Company Limited (中國鉀業股份有限公司) and the extension of Long Stop Date respectively. Terms defined in the Announcements shall have the same meanings when used herein unless the context requires otherwise.

As mentioned in the Announcements, completion of the Acquisition is conditional upon the fulfillment or waiver of the conditions precedent under the Acquisition Agreement on or before 31 August 2015. As at the date of this announcement, certain conditions precedent have not been fulfilled or waived. After careful consideration of all the circumstances surrounding the Acquisition and the Company’s rights under the Acquisition Agreement, the Company and the Vendors entered into a termination agreement on 31 August 2015 (the “**Termination Agreement**”) to terminate the Acquisition Agreement with immediate effect.

Pursuant to the Termination Agreement, the Vendors shall refund the deposit in the amount of RMB300 million to the Company on or before 29 February 2016. The Board considers that the termination of the Acquisition Agreement will not have any material adverse impact on the financial and operational position of the Group.

By order of the Board of
North Mining Shares Company Limited
Gao Yuan Xing
Chairman

Hong Kong, 31 August 2015

As at the date of this announcement, the Board of the Company comprises Mr. Gao Yuan Xing, Mr. Chen Jian Bao, Mr. Qian Yi Dong, Mr. Yang Ying Min, Mr. Zhang Jia Kun and Ms. Li Li Juan as executive Directors; and Mr. Mu Xiangming, Dr. Cheng Chak Ho and Mr. Lo Wa Kei Roy as independent non-executive Directors.