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中国铝业股份有限公司
ALUMINUM CORPORATION OF CHINA LIMITED*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2600)

ANNOUNCEMENT
RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
WITH CHINALCO

References are made to the announcements of the Company dated 28 April 2015, 8 May 2015, 13 November 2015 and 28 June 2016 as well as the supplemental circulars of the Company dated 2 June 2015 and 14 December 2015 in relation to, among other things, the Existing Continuing Connected Transactions entered into between the Company and Chinalco.

As the Existing Continuing Connected Transactions will expire on 31 December 2018, the Company proposes to enter into supplemental agreements with Chinalco to renew the same. As considered and approved at the 31st meeting of the sixth session of the Board held on 17 September 2018, the Company entered into the supplementary agreement with Chinalco on 17 September 2018 with conditions precedent to renew the validity periods of the Comprehensive Social and Logistics Services Agreement, the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, the Mineral Supply Agreement, and the Provision of Engineering, Construction and Supervisory Services Agreement. In addition, the Company will further enter into a supplementary agreement with Chinalco to renew the validity period of the Fixed Assets Lease Framework Agreement, and further announcement(s) will be made by the Company in accordance with the Hong Kong Listing Rules.

Chinalco is the controlling Shareholder of the Company and thus is a connected person of the Company under the Hong Kong Listing Rules. The agreements on renewal of the Existing Continuing Connected Transactions and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of each of (i) the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; and (ii) the expenditure transactions under the Provision of Engineering, Construction and Supervisory Services Agreement exceeds 5%, the transactions contemplated thereunder are subject to reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of each of (i) the expenditure transactions under the Comprehensive Social and Logistics Services Agreement; (ii) the expenditure transactions under the Mineral Supply Agreement; and (iii) the expenditure transactions under the Land Use Rights Leasing Agreement exceeds 0.1% but is less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements and are exempt from independent shareholders' approval requirements under the Hong Kong Listing Rules.

An EGM will be convened to approve (i) the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; and (ii) the expenditure transactions under the Provision of Engineering, Construction and Supervisory Services Agreement and the respective proposed annual cap for each of the three years ending 31 December 2021. A circular containing, among others, the resolutions in relation to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services and the Provision of Engineering, Construction and Supervisory Services Agreement will be dispatched to the Shareholders on or before 13 November 2018. A supplemental circular containing, among others, (i) details of the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, the Provision of Engineering, Construction and Supervisory Services Agreement and the respective annual caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice by an independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be dispatched to the Shareholders on or before 11 December 2018 as the Company requires additional time to prepare and finalize certain information to be contained in the supplemental circular to enable the Shareholders to make their informed decisions at the EGM.

1. BACKGROUND

References are made to the announcements of the Company dated 28 April 2015, 8 May 2015, 13 November 2015 and 28 June 2016 as well as the supplemental circulars of the Company dated 2 June 2015 and 14 December 2015 in relation to, among other things, the Existing Continuing Connected Transactions entered into between the Company and Chinalco.

As the Existing Continuing Connected Transactions will expire on 31 December 2018, the Company proposes to enter into supplemental agreements with Chinalco to renew the same. As considered and approved at the 31st meeting of the sixth session of the Board held on 17 September 2018, the Company entered into the supplementary agreement with Chinalco on 17 September 2018 with conditions precedent to renew the validity periods of the Comprehensive Social and Logistics Services Agreement, the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, the Mineral Supply Agreement, and the Provision of Engineering, Construction and Supervisory Services Agreement. In addition, the Company will further enter into a supplementary agreement with Chinalco to renew the validity period of the Fixed Assets Lease Framework Agreement, and further announcement(s) will be made by the Company in accordance with the Hong Kong Listing Rules.

2. RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

(a) Comprehensive Social and Logistics Services Agreement

Date of the initial agreement:	5 November 2001
Date of the supplementary agreement:	17 September 2018
Parties:	Chinalco, as provider (for itself and on behalf of its subsidiaries) The Company, as recipient (for itself and on behalf of its subsidiaries)
Term:	Three years from 1 January 2019 to 31 December 2021
Nature of transactions:	(i) Social services: public security and firefighting services, education and training, schools, hospitals and health facilities, cultural and sports undertakings, newspapers and magazines, broadcasting, printing and other relevant or similar services; and (ii) Logistics services: property management, environmental and hygiene service, greenery, nurseries, kindergartens, sanatoriums, canteens, hotels, hostels, offices, public transportation, retirement management and other relevant or similar services.

Price determination: The prices in respect of the relevant services under the Comprehensive Social and Logistics Services Agreement will be determined with reference to comparable market prices. The comparable local market prices refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties providing services with comparable scale in areas where such services were provided under normal trading conditions around that time.

Payment term: Monthly payment

(b) General Agreement on Mutual Provision of Production Supplies and Ancillary Services

Date of the initial agreement: 5 November 2001

Date of the supplementary agreement: 17 September 2018

Parties: Chinalco, as both provider and recipient (for itself and on behalf of its subsidiaries)

The Company, as both provider and recipient (for itself and on behalf of its subsidiaries)

Term: Three years from 1 January 2019 to 31 December 2021

- Nature of transactions:
- (a) Supplies and ancillary services provided by Chinalco to the Company:
 - (i) Supplies: carbon ring, carbon products, cement, coal, oxygen, bottled water, steam, fire brick, aluminum fluoride, cryolite, lubricant, resin, clinker, aluminum profiles and other relevant or similar supplies and services;
 - (ii) Storage and transportation services: vehicle transportation, loading, railway transportation and other relevant or similar services; and
 - (iii) Ancillary production services: communications, testing, processing and fabrication, engineering design, repair, environmental protection, road maintenance and other relevant or similar services.
 - (b) Supplies and ancillary services provided by the Company to Chinalco:
 - (i) Products: aluminum products (aluminum ingots) and alumina products, primary aluminum, slag, pitch and other relevant or similar supplies; and
 - (ii) Supporting services and ancillary production services: water, electricity, gas and heat supply, measurement, spare parts, repair, testing, transportation, steam and other relevant or similar services.

- Price determination:
- (1) Provision of products and ancillary services to the Company by Chinalco:
 - (a) Supplies: the price is determined with reference to the comparable local market prices, which refer to prices arrived at with reference to those charged or quoted by at least two independent third parties providing products or services with comparable scale in areas where such products or services were provided under normal trading conditions around the time;
 - (b) Storage and transportation services: the price is determined with reference to the contractual price, which refers to a mutually agreed price set by all relevant parties for the provision of services. Such price is equivalent to reasonable costs incurred in providing such services plus reasonable profit. Such reasonable profit refers to a profit not more than 5% of such costs. Such profit margin is considered reasonable as determined with reference to the current market practice in relevant industries;
 - (c) Ancillary production services: the price is determined with reference to the contractual price, which refers to a mutually agreed price set by all relevant parties for the provision of services. Such price is equivalent to reasonable costs incurred in providing such services plus reasonable profit. Such reasonable profit refers to a profit not more than 5% of such costs. Such profit margin is considered reasonable as determined with reference to the current market practice in relevant industries.

(2) Provision of products and ancillary services to Chinalco by the Company:

(a) Products:

- (i) Alumina products: the selling price is determined according to a method where both the alumina spot market price and the weighted average price of settlement price for three-month aluminum ingot futures on the Shanghai Futures Exchange weighted in proportion. The Company will consider the geographical location of the customers, the seasonality demands, the transportation costs, and other relevant factors to determine the proportion of weight to be allocated to the aforementioned alumina spot market price and the weighted average price of settlement price for three-month aluminum ingot futures on the Shanghai Futures Exchange;
- (ii) Aluminum products (aluminum ingots): the trading price is determined according to the prices of futures in the current month, the weekly or monthly average spot market prices quoted on the Shanghai Futures Exchange;

- (iii) Other products: the price is determined with reference to the contractual price or the comparable local market price. The contractual price refers to a mutually agreed price set by all relevant parties for the provision of products. Such price is equivalent to reasonable costs incurred in providing such products plus reasonable profit. Such reasonable profit refers to a profit not more than 5% of such costs. Such profit margin is considered reasonable as determined with reference to the current market practice in relevant industries. While the comparable local market prices refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties providing products with comparable scale in areas where such products were provided under normal trading conditions around that time.

- (b) Supporting services and ancillary production services:
 - (i) Electricity supply: the price is determined with reference to the government-prescribed price, which refers to the on-grid electricity prices and electricity sales prices proposed to be executed by enterprises set out in the notices issued by the bureau of commodity price in each province published on their websites from time to time;

- (ii) Gas, heat and water supply, measurement, spare parts, repair, testing, transportation, steam: the price is determined with reference to the contractual price, which refers to a mutually agreed price set by all relevant parties for the provision of services. Such price is equivalent to reasonable costs incurred in providing such services plus reasonable profit. Such reasonable profit refers to a profit not more than 5% of such costs. Such profit margin is considered reasonable as determined with reference to the current market practice in relevant industries;
- (iii) Other services: the price is determined with reference to the comparable local market prices, which refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties providing services with comparable scale in areas where such services were provided under normal trading conditions.

Separate operative agreements will be entered into under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services by the relevant parties from time to time, and the price of the products or services provided or received by parties will be negotiated and determined on a case by case basis in accordance with the pricing policies as set out above.

Payment term:

Payment on delivery (payment shall generally be made (a) within a period of time after the delivery of the relevant products at the place designated by the purchasing party or the provision of the relevant services, and the completion of necessary inspections and internal approval procedures; or (b) after setting-off the amounts due between the parties where there is mutual provision of products and services. The relevant payment term shall be no less favorable than those under comparable transactions between the Company and independent third parties.)

Condition precedent: The General Agreement on Mutual Provision of Production Supplies and Ancillary Services is conditional upon the Independent Shareholders' approval being obtained at the extraordinary general meeting ("EGM").

(c) Mineral Supply Agreement

Date of the initial agreement: 5 November 2001

Date of the supplementary agreement: 17 September 2018

Parties: Chinalco, as supplier (for itself and on behalf of its subsidiaries)

The Company, as recipient (for itself and on behalf of its subsidiaries)

Term: Three years from 1 January 2019 to 31 December 2021

Nature of transactions: Supply of bauxite and limestone by Chinalco to the Company; before meeting the Company's bauxite and limestone requirements, Chinalco is not entitled to provide bauxite and limestones to any third parties

Price determination:

- (1) For the supplies of bauxite and limestone from Chinalco's own mining operations, at reasonable costs incurred in providing the same, plus not more than 5% of such reasonable costs (a buffer for surges in the price level and labor costs); and
- (2) For the supplies of bauxite and limestone from jointly operated mines, at contractual price paid by Chinalco to such third parties.

Payment term: Payment on delivery (payment shall generally be made (a) within a period of time after the delivery of the relevant products at the place designated by the purchasing party or the provision of the relevant services, and the completion of necessary inspections and internal approval procedures; or (b) after setting-off the amounts due between the parties where there is mutual provision of products and services. The relevant payment term shall be no less favorable than those under comparable transactions between the Company and independent third parties.)

(d) Provision of Engineering, Construction and Supervisory Services Agreement

Date of the initial agreement: 5 November 2001

Date of the supplementary agreement: 17 September 2018

Parties: Chinalco, as both provider and recipient (for itself and on behalf of its subsidiaries)

The Company, as both provider and recipient (for itself and on behalf of its subsidiaries)

Term: Three years from 1 January 2019 to 31 December 2021

Nature of transactions: Services provided by Chinalco to the Company: engineering design, construction and supervisory services as well as relevant research and development operations.

Services provided by the Company to Chinalco: engineering design services.

Price determination:

Engineering design: the price is determined by comparable local market prices or through public bidding on a case by case basis. The comparable local market prices refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties providing services with comparable scale in areas where such services were provided under normal trading conditions. Price determination through public bidding refers to the prices determined in accordance with the public bidding and tender procedure required by the relevant regulatory authorities in the areas where the projects are located. The bidding price shall be controlled within the reasonable range which is close to the base price.

Construction and supervisory services: the price is determined through public bidding. In such case, the prices will be determined in accordance with the public bidding and tender procedure required by the relevant regulatory authorities in the areas where the projects are located. The bidding price shall be controlled within the reasonable range which is close to the base price.

Other relevant services: the price is determined with reference to the comparable local market prices, which refer to the prices arrived at with reference to those charged or quoted by at least two independent third parties providing services with comparable scale in areas where such services were provided under normal trading conditions around that time.

Separate operative agreements will be entered into under the Provision of Engineering, Construction and Supervisory Services Agreement by the relevant parties from time to time, and the price of the services provided or received by parties will be negotiated and determined on a case by case basis in accordance with the pricing policies as set out above.

Payment term: payment shall generally be made (a) as to 10% to 20% of the contract price before the provision of the relevant services, up to a maximum of 70% of the contract price during the provision of the relevant services and as to the remaining 10% to 20% of the contract price upon successful provision of the relevant services; (b) in accordance with the prevailing market practice; or (c) in accordance with the arrangement to be agreed by the parties. The relevant payment term shall be no less favorable than those under the comparable transactions between the Company and independent third parties.

Condition precedent: The Provision of Engineering, Construction and Supervisory Services Agreement is conditional upon the Independent Shareholders' approval being obtained at the EGM.

(e) Land Use Rights Leasing Agreement

Date: 5 November 2001

Parties: Chinalco, as lessor (for itself and on behalf of its subsidiaries)

The Company, as lessee (for itself and on behalf of its subsidiaries)

Term: 50 years expiring on 30 June 2051

According to the opinions expressed on the renewal of such continuing connected transactions in the letter issued by the independent financial advisor then engaged by the Company in December 2006, as a longer lease term of the land is able to minimize the disruption on the Group's production and business operations resulting from relocation, it is in the interests of the Company and the independent shareholders. Given (i) the size of the leased land and the facilities erected thereon; and (ii) the resources to be expended in establishing new production plants and related facilities, such relocation is difficult and impracticable. The Directors are of the view that it is normal business practice for contracts of this type to be of such duration.

Properties:	470 pieces or parcels of land covering an aggregate area of approximately 61.22 million square meters, all of which are located in the PRC
Price determination:	The rent shall be negotiated every three years at a rate not higher than the prevailing market rent as confirmed by an independent valuer
Payment term:	Monthly payment

(f) Fixed Assets Lease Framework Agreement

The Company will further enter into a supplementary agreement with Chinalco to renew the validity period of the Fixed Assets Lease Framework Agreement, and further announcement(s) will be made by the Company in accordance with the Hong Kong Listing Rules.

3. HISTORICAL AMOUNTS OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Set out below are the actual amounts and the annual caps of each of the Existing Continuing Connected Transactions for the two years ended 31 December 2017 and the six months ended 30 June 2018:

Transactions	For the year ended 31 December 2016		For the year ended 31 December 2017		Actual amounts for the six months ended 30 June 2018	Annual caps for the year ending 31 December 2018
	Actual amounts (RMB million)	Annual caps (RMB million)	Actual amounts (RMB million)	Annual caps (RMB million)	(RMB million)	(RMB million)
Expenditure transactions:						
(a) Comprehensive Social and Logistics Services Agreement	307	550	327	550	154	550
(b) General Agreement on Mutual Provision of Production Supplies and Ancillary Services	2,223	5,900	5,198	6,420	1,420	6,950
(c) Mineral Supply Agreement	66	360	49	360	13	360
(d) Provision of Engineering, Construction and Supervisory Services Agreement	1,525	6,500	1,205	10,000	1,175	10,000
(e) Land Use Rights Leasing Agreement	435	1,200	412	1,200	220	1,200
(f) Fixed Assets Lease Framework Agreement	75	110	63	110	2	110
Revenue transactions:						
(b) General Agreement on Mutual Provision of Production Supplies and Ancillary Services	10,938	14,100	11,194	15,300	5,715	16,400
(f) Fixed Assets Lease Framework Agreement	33	100	41	100	19	100
(g) Labor and Engineering Services Agreement	97	300	77	400	46	500

4. PROPOSED ANNUAL CAPS FOR THE RENEWED CONTINUING CONNECTED TRANSACTIONS AND BASIS OF DETERMINATION

Set out below are the proposed annual caps of the renewed continuing connected transactions for the three years ending 31 December 2021:

Transactions	Proposed annual caps for the year ending 31 December		
	2019	2020	2021
	(RMB million)	(RMB million)	(RMB million)
Expenditure transactions:			
(a) Comprehensive Social and Logistics Services Agreement	500	500	500
(b) General Agreement on Mutual Provision of Production Supplies and Ancillary Services	8,600	9,300	10,000
(c) Mineral Supply Agreement	360	360	360
(d) Provision of Engineering, Construction and Supervisory Services Agreement	9,500	13,100	8,300
(e) Land Use Rights Leasing Agreement	500	500	500
Revenue transaction:			
(b) General Agreement on Mutual Provision of Production Supplies and Ancillary Services	17,700	19,100	20,700

The proposed annual caps of the renewed continuing connected transactions are determined with reference to the actual demand of the Group in business development in the following three years and the historical transaction amounts of the renewed continuing connected transactions, which, in the opinion of the Board, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The specific analysis is as follows:

(a) Comprehensive Social and Logistics Services Agreement:

Each of the proposed annual caps for the expenditure transactions under the Comprehensive Social and Logistics Services Agreement of the three years from 2019 to 2021 is RMB500 million, representing a decrease of approximately 9% from those of the preceding three years. Such estimation is primarily based on the following considerations: (i) the Company continues to speed up the socialized reform of social and logistics services of subsidiaries and relevant transaction amount is expected to decrease; (ii) Chinalco and its subsidiaries will strengthen internal control and reduce the cost of services and relevant transaction amount is expected to decrease.

(b) General Agreement on Mutual Provision of Production Supplies and Ancillary Services:

The proposed annual caps for the expenditure transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services of the three years from 2019 to 2021 are RMB8,600 million, RMB9,300 million and RMB10,000 million, respectively, representing an increase of approximately 28%, 36% and 44%, respectively, from those of the preceding three years. Such estimation is primarily based on the following considerations: (i) overseas platforms, environmental protection and other service businesses are newly added or expected to be newly added into the agreement and relevant transaction amount is expected to reach RMB1,000 million in each of the following three years; (ii) with the gradual recovery of China's economy, the overall commodity price and labor cost will increase accordingly, which will drive up the cost of relevant products or services to be provided to Chinalco. Therefore, the transaction amount is expected to increase by about 8% in each of the three years from 2019 to 2021.

The proposed annual caps for the revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services of the three years from 2019 to 2021 are RMB17,700 million, RMB19,100 million and RMB20,700 million, respectively, representing approximately an increase of 8% from those of the preceding three years. Such estimation is primarily based on the following considerations: with the gradual recovery of China's economy, the overall commodity price and labor cost will increase, which will drive up the cost of relevant products or services to be provided by the Company. Therefore, the transaction amount is expected to increase by about 8% in each of the three years from 2019 to 2021.

(c) Mineral Supply Agreement:

Each of the proposed annual caps for the expenditure transactions under the Mineral Supply Agreement for each of the three years from 2019 to 2021 is RMB360 million, basically at par with the annual caps of the preceding three years, which is mainly based on the Company's estimation of generally stable volume of ore products to be purchased from Chinalco.

(d) Provision of Engineering, Construction and Supervisory Services Agreement:

The proposed annual caps for the expenditure transactions under the Provision of Engineering, Construction and Supervisory Services Agreement of the three years from 2019 to 2021 are RMB9,500 million, RMB13,100 million and RMB8,300 million, respectively, which are different from those of the preceding three years. Such movements are made primarily based on the following considerations: in addition to the subsequent projects initiated in the preceding three years, following the recovery of China's economy, the Company will continue new renovation, transformation and other regular projects in the coming three year and expects to successively complete the construction of such projects in the coming three years. Such projects mainly comprise the alumina and supporting projects of Guangxi Huasheng, the Guinean bauxite mine project and the Huayun project Phase III in Inner Mongolia, etc.

(e) Land Use Rights Leasing Agreement:

Each of the proposed annual caps for the expenditure transactions under the Land Use Rights Leasing Agreement for each of the three years from 2019 to 2021 is RMB500 million, representing a decrease of approximately 58% from those of the preceding three years. Such decrease is mainly due to expected decrease of relevant transaction amount as a result of the enhancement of internal control and reduction of services cost by Chinalco and its subsidiaries.

The Company has adopted a set of effective internal control measures to supervise the continuing connected transactions of the Company. Prior to entering into operative agreements, the authorized departments of the Group will review and assess the specific terms and conditions of the transactions to ensure their consistency with the renewed continuing connected transactions. The financial department of the Company traces, monitors and checks the progress of the continuing connected transactions of the Company on a monthly basis. Meanwhile, the Audit Committee of the Board of the Company will strictly review the continuing connected transactions on a continuous basis to ensure the integrity and effectiveness of the internal control measures regarding the continuing connected transactions.

5. REASONS FOR AND BENEFITS OF RENEWAL OF THE CONTINUING CONNECTED TRANSACTIONS

Given the long-term relationship between the Group and Chinalco, the Company considers that it is in the Company's interests to renew the agreements relating to the Existing Continuing Connected Transactions and to continue with the Existing Continuing Connected Transactions for the following reasons: (1) the Company can acquire prompt and stable supply of products and services from Chinalco, thus lowering the operating risks and costs and facilitating the Company's routine management on production; (2) the Company can acquire engineering design, construction and supervisory services from Chinalco based on normal commercial terms, which are beneficial for the project development and construction and business development of the Group; (3) the Company can provide part of products and services to Chinalco, which inure to avoid the risk of market fluctuations.

The Directors (including independent non-executive Directors) are of the view that the agreements on renewal of the Existing Continuing Connected Transactions are entered into in the ordinary and usual course of business of the Group on normal commercial terms or better, and relevant terms and proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

6. IMPLICATIONS UNDER HONG KONG LISTING RULES

Chinalco is the controlling Shareholder of the Company and thus is a connected person of the Company under Hong Kong Listing Rules. The agreements on renewal of the Existing Continuing Connected Transactions and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of each of (i) the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; and (ii) the expenditure transactions under the Provision of Engineering, Construction and Supervisory Services Agreement exceeds 5%, the transactions contemplated thereunder are subject to reporting, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

As the highest applicable percentage ratio (as defined under the Hong Kong Listing Rules) in respect of each of (i) the expenditure transactions under the Comprehensive Social and Logistics Services Agreement; (ii) the expenditure transactions under the Mineral Supply Agreement; and (iii) the expenditure transactions under the Land Use Rights Leasing Agreement exceeds 0.1% but is less than 5%, the transactions contemplated thereunder are subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirements under the Hong Kong Listing Rules.

The Company will further enter into a supplementary agreement with Chinalco to renew the validity period of the Fixed Assets Lease Framework Agreement, and further announcement(s) will be made by the Company in accordance with the Hong Kong Listing Rules.

As Mr. Yu Dehui and Mr. Ao Hong, the Directors of the Company, concurrently hold positions in Chinalco, they have abstained from voting on the Board resolution with respect to the renewed continuing connected transactions and the proposed annual caps thereof. Saved as disclosed above, none of the Directors has any material interest in the transactions and therefore none of the Directors has abstained from voting on such Board resolution.

The Company proposes to appoint VBG Capital as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of, among others, the fairness and reasonableness of entering into the continuing connected transactions contemplated under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, the Provision of Engineering, Construction and Supervisory Services Agreement and the proposed caps, and whether such matter is in the interest of the Company and its Shareholders as a whole. The Company will form an Independent Board Committee to advise the Independent Shareholders as to, among others, the continuing connected transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services and the Provision of Engineering, Construction and Supervisory Services Agreement and the proposed caps.

An EGM will be convened to approve (i) the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; and (ii) the expenditure transactions under the Provision of Engineering, Construction and Supervisory Services Agreement and the respective proposed annual cap for each of the three years ending 31 December 2021. A circular containing, among others, the resolutions in relation to the General Agreement on Mutual Provision of Production Supplies and Ancillary Services and the Provision of Engineering, Construction and Supervisory Services Agreement will be dispatched to the Shareholders on or before 13 November 2018. A supplemental circular containing, among others, (i) details of the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, the Provision of Engineering, Construction and Supervisory Services Agreement and the respective annual caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice by an independent financial adviser to the Independent Board Committee and the Independent Shareholders, will be dispatched to the Shareholders on or before 11 December 2018 as the Company requires additional time to prepare and finalize certain information to be contained in the supplemental circular to enable the Shareholders to make their informed decisions at the EGM.

7. INFORMATION ON THE PARTIES

Information on the Company

The Company is a joint stock limited company incorporated in the PRC, the H Shares, A Shares and ADS(s) of which are listed on the Hong Kong Stock Exchange, the Shanghai Stock Exchange and the New York Stock Exchange, respectively. The Group principally engages in the mining of bauxite and coal; production, sales and technology research of alumina, primary aluminum and aluminum alloy products; international trade; logistics business; thermal and new energy power generation.

Information on Chinalco

Chinalco, as the controlling shareholder of the Company, directly and indirectly, holds 36.27% of the shares of the Company as at the date of this announcement. Chinalco is a wholly state-owned enterprise incorporated in the PRC, whose entities and business were contributed to the Company upon the Company's establishments. The principal activities of Chinalco include the production and sales of aluminum, copper, rare earth and related non-ferrous metals mineral products, smelted products, fabrication products and carbon products, etc.

8. DEFINITIONS

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

“A Share(s)”	the domestic share(s) issued by the Company and subscribed for in RMB, which are listed on the Shanghai Stock Exchange;
“ADS(s)”	the American Depository Share(s) issued by the Bank of New York Mellon as the depository bank and listed on the New York Stock Exchange, with each ADS representing 25 H Shares;
“associate(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“Board”	the board of Directors of the Company;
“Chinalco”	Aluminum Corporation of China* (中國鋁業集團有限公司), a wholly state-owned enterprise with limited liability established in the PRC and the controlling shareholder of the Company holding directly and indirectly approximately 36.27% of the total issued share capital of the Company as at the date of this announcement;
“Company”	Aluminum Corporation of China Limited* (中國鋁業股份有限公司), a joint stock limited company incorporated in the PRC, the A Shares, H Shares and ADS(s) of which are listed on the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the New York Stock Exchange, respectively;
“Comprehensive Social and Logistics Services Agreement”	the comprehensive social and logistics services agreement entered into between Chinalco and the Company on 5 November 2001 and renewed on 17 September 2018 for a term of three years from 1 January 2019 to 31 December 2021;
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;

“Director(s)”	the director(s) of the Company;
“Existing Continuing Connected Transactions”	the existing continuing connected transactions which have been or will continue to be entered into between the Group as a party and Chinalco as the other party;
“Fixed Assets Lease Framework Agreement”	the fixed assets lease framework agreement entered into between Chinalco and the Company on 28 April 2015 for a term of three years commencing from 1 January 2016 to 31 December 2018;
“General Agreement on Mutual Provision of Production Supplies and Ancillary Services”	the general agreement on mutual provision of production supplies and ancillary services entered into between Chinalco and the Company on 5 November 2001 and renewed on 17 September 2018 for a term of three years from 1 January 2019 to 31 December 2021;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and subscribed for in Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Independent Board Committee”	the independent committee of the Board, the members of which consist of the independent non-executive Directors, formed to advise the Independent Shareholders with respect to the continuing connected transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services and the Provision of Engineering, Construction and Supervisory Services Agreement;

“Independent Shareholder(s)”	the Shareholder(s) (other than Chinalco and its associates) who are not required to abstain from voting on the resolution to be proposed at the EGM to approve (i) the expenditure and revenue transactions under the General Agreement on Mutual Provision of Production Supplies and Ancillary Services; and (ii) the expenditure transactions under the Provision of Engineering, Construction and Supervisory Services Agreement and the respective annual cap for each of the three years ending 31 December 2021;
“Labor and Engineering Services Agreement”	the labor and engineering services agreement entered into between Chinalco and the Company on 28 June 2016 for the term from 1 January 2016 to 31 December 2018;
“Land Use Rights Leasing Agreement”	the land use rights leasing agreement entered into between Chinalco and the Company on 5 November 2001 for a term of fifty years expiring on 30 June 2051;
“Mineral Supply Agreement”	the mineral supply agreement entered into between Chinalco and the Company on 5 November 2001 and renewed on 17 September 2018 for a term of three years from 1 January 2019 to 31 December 2021;
“Provision of Engineering, Construction and Supervisory Services Agreement”	the provision of engineering, construction and supervisory services agreement entered into between Chinalco and the Company on 5 November 2001 and renewed on 17 September 2018 for a term of three years from 1 January 2019 to 31 December 2021;
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	A Shares and H Shares;

“Shareholder(s)”	holder(s) of A Shares and holder(s) of H Shares;
“subsidiary(ies)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules;
“VBG Capital”	VBG Capital Limited, the independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the General Agreement on Mutual Provision of Production Supplies and Ancillary Services, the Provision of Engineering, Construction and Supervisory Services Agreement, the transactions contemplated thereunder and the proposed annual caps;
“%”	per cent.

By order of the Board
Aluminum Corporation of China Limited*
Zhang Zhankui
Company Secretary

Beijing, the PRC
17 September 2018

As at the date of the publication of this announcement, the members of the board of directors comprise Mr. Yu Dehui, Mr. Lu Dongliang and Mr. Jiang Yinggang (Executive Directors); Mr. Ao Hong and Mr. Wang Jun (Non-executive Directors); Ms. Chen Lijie, Mr. Hu Shihai and Mr. Lie-A-Cheong Tai Chong, David (Independent Non-executive Directors).

* *For identification purpose only*