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MMG Limited
五礦資源有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 1208)

ANNOUNCEMENT
RELATING TO RULE 13.09 OF THE LISTING RULES

The board of directors of the Company is pleased to announce details of a drilling program carried out by the Group in Northern Canada, the results of which support the potential of the explored deposit to add value to the Company's existing Izok Corridor Project.

INTRODUCTION

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

MMG Limited (the "**Company**") is pleased to announce details relating to the results of a drilling program carried out by the Group relating to the Hood 10 deposit, located 50 kilometres north of the Izok deposit at Nunavut, Canada.

IZOK CORRIDOR DRILLING EXTENDS MINERALISATION AT HOOD

A ten-hole diamond drilling program recently completed at the Hood 10 deposit, located 50 kilometres north of the Izok deposit at Nunavut, Canada, has extended known mineralisation by 175 metres to a depth of 400 metres.

The drilling results significantly increase the potential of the deposit to add value to the Izok Corridor Project. The Izok Corridor Project encompasses zinc-copper deposits located near Izok Lake and High Lake. The Company also has approximately 2,000 square kilometres of exploration tenements in the region including the High Lake East, Gondor and Hood projects.

The Hood 10 deposit is a polymetallic volcanic hosted massive sulphide deposit consisting of two steeply dipping, northerly plunging lenses. Hood 10 is one of 3 deposits identified to date at the Hood Prospect, which was drilled by other companies intermittently between 1974 and 1993, when copper and zinc mineralisation was delineated over a strike length of 250 metres and to a depth of 220 metres.

A total of ten diamond drill holes were drilled by the Group into the Hood 10 deposit in the 2012 season to test for down dip and strike extensions of the known mineralisation. Eight of the ten holes intersected high grade copper mineralization with the most significant intervals listed below (all intervals are true widths of mineralised zones):

- H10-12-035: 9.5m @ 2.3% Cu, 3.9% Zn, and 34g/t Ag from 274m
- H10-12-036: 5.7m @ 12% Cu, 1.9% Zn and 53g/t Ag from 366m
- H10-12-037: 24m @ 11% Cu, 1.1% Zn and 43g/t Ag from 345m
- H10-12-038: 3.8m @ 6% Cu, 0.4% Zn and 19g/t Ag from 393m
- H10-12-040: 3m @ 6.9% Cu, 1.9% Zn and 43g/t Ag from 375m and
6.6m @ 2.4% Cu, 0.9% Zn, and 24g/t Ag from 416m

The results show good continuity of high grade massive sulphide mineralisation in the central portion of the Hood 10 deposit, over 100 metres in strike length and to a depth of 400 metres. Two holes drilled at the northern end of the deposit did not intersect significant mineralization.

The results reinforce the Company's view that the Group's exploration licenses in the Slave district of Nunavut provide significant opportunities to increase the mineral inventory of the Izok Corridor Project.

The Group is currently undertaking the Izok Corridor Project feasibility study that includes polymetallic base metal resource inventories from the Izok and High Lake deposits. Although not part of the current feasibility study, Hood 10 could potentially add additional resources and economic benefit to the project due to its proximity to the Izok deposit. The Company is considering further exploration activities at Hood in 2013.

IZOK CORRIDOR PROJECT LOCATION



COMPETENT PERSON STATEMENT

The information in this announcement as it relates to exploration results was compiled by Mr. Steve Ryan, Executive General Manager - Exploration of MMG Limited and a Member of The Australasian Institute of Mining and Metallurgy.

Mr. Ryan qualifies as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code 2004 Edition") with more than 20 years experience in the activities being reported and has sufficient expertise which is relevant to the style of mineralisation and type of deposit under consideration. He consents to the inclusion of this information in the form and context in which it appears in this announcement.

By order of the Board
MMG Limited
Andrew Gordon Michelmore
CEO and Executive Director

Hong Kong, 13 September 2012

As at the date of this announcement, the board of directors of the Company comprises nine directors, of which two are executive directors, namely Mr. Andrew Gordon Michelmore and Mr. David Mark Lamont; four are non-executive directors, namely Mr. Wang Lixin (Chairman), Mr. Jiao Jian, Mr. Xu Jiqing and Mr. Gao Xiaoyu; and three are independent non-executive directors, namely Dr. Peter William Cassidy, Mr. Anthony Charles Larkin and Mr. Leung Cheuk Yan.