

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



MMG LIMITED
五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

DISCLOSEABLE TRANSACTION

EXTENSION OF THE PAYMENT DATE OF THE OUTSTANDING CONSIDERATION REGARDING THE DISPOSAL OF 42% EQUITY INTEREST IN YANTAI PENGHUI

On 21 December 2012, Goldfair, a wholly-owned subsidiary of the Company, entered into an Amendment Agreement No. 2 with Yantai Guofeng, pursuant to which the payment date of the outstanding Consideration under the Share Transfer Agreement was further extended to 31 December 2013.

This announcement is made pursuant to Rule 14.36 of the Listing Rules.

INTRODUCTION

Reference are made to the announcement of the Company dated 1 April 2010 regarding the conditional sale of the 42% equity interest in Yantai Penghui by Goldfair to Yantai Guofeng for a consideration of RMB85,590,000 (equivalent to approximately HK\$105,275,700) and the announcement of the Company dated 21 February 2012 regarding Goldfair entering into an Amendment Agreement ("**Amendment Agreement No. 1**") with Yantai Guofeng, pursuant to which the payment date of the outstanding Consideration under the Share Transfer Agreement was extended from 31 December 2011 to 31 December 2012 ("**Announcements**"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements:

- (1) under the Share Transfer Agreement, the Consideration shall be payable by Yantai Guofeng according to the following schedule:
 - (a) First instalment – 10% of the Consideration, i.e. RMB8,559,000 (equivalent to approximately HK\$10,527,570) as deposit within 5 business days from the signing of the Share Transfer Agreement;

- (b) Second instalment – 50% of the Consideration, i.e. RMB42,795,000 (equivalent to approximately HK\$52,637,850) within 15 business days from the date on which the Relocation Project is approved by relevant governmental authorities;
 - (c) Third instalment – 40% of the Consideration, i.e. RMB34,236,000 (equivalent to approximately HK\$42,110,280) within the calendar year immediately following the calendar year in which payment of the second instalment is made; and
 - (d) All outstanding Consideration on or before 31 December 2011 in any case;
- (2) certain guarantee and collaterals (“**Guarantee and Collaterals**”) have been and will be given in favour of Goldfair in order to guarantee the payment of the Consideration by Yantai Guofeng; and
- (3) On 21 February 2012, Goldfair and Yantai Guofeng entered into an Amendment Agreement No. 1 to extend the payment date of the outstanding Consideration from 31 December 2011 to 31 December 2012.

As at the date of this announcement, Yantai Guofeng has already paid 10% of the Consideration as deposit to Goldfair in accordance with the terms of the Share Transfer Agreement and Goldfair has already obtained the Guarantee and Collaterals.

AMENDMENT AGREEMENT NO. 2

Goldfair was recently advised by Yantai Guofeng that more time is expected to be required for Yantai Penghui to obtain the approvals from the relevant PRC governmental authorities regarding the Relocation Project which would very likely lead to a further delay in receiving the outstanding Consideration due on 31 December 2012 as well as the completion of the Share Transfer Agreement. In light of the above, Goldfair and Yantai Guofeng has entered into a further amendment agreement (“**Amendment Agreement No. 2**”) on 21 December 2012 to further extend the payment date of the outstanding Consideration to 31 December 2013.

Save for the extension of the payment date of the outstanding Consideration, all other terms of the Share Transfer Agreement remain unchanged and legally binding.

GENERAL

This announcement is made pursuant to Rule 14.36 of the Listing Rules.

Solely for convenience and except as otherwise noted, this announcement contains translation of RMB amounts into HK\$ at a rate of RMB1.00 = HK\$1.23.

By order of the Board

MMG Limited

Andrew Gordon Michelmores

CEO and Executive Director

Hong Kong, 21 December 2012

As at the date of this announcement, the Board comprises nine directors, of which two are executive directors, namely Mr. Andrew Gordon Michelmores 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.