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**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 15 July 2014, Goldfair, a wholly owned subsidiary of the Company, entered into an Amendment Agreement No. 4 with Yantai Guofeng, pursuant to which the payment date of the outstanding Consideration under the Share Transfer Agreement was further extended to 31 December 2016.

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

#### **INTRODUCTION**

References 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\$106,987,500) and the announcements of the Company dated 21 February 2012, 21 December 2012 and 30 December 2013 regarding Goldfair entering into Amendment Agreements (Amendment Agreement No. 1, Amendment Agreement No. 2 and Amendment Agreement No. 3) 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, from 31 December 2012 to 31 December 2013, and from 31 December 2013 to 30 June 2014 (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\$10,698,750) 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\$53,493,750) 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\$42,795,000) 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) the 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;
- (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;
- (4) on 21 December 2012, Goldfair and Yantai Guofeng entered into an Amendment Agreement No. 2 to extend the payment date of the outstanding Consideration from 31 December 2012 to 31 December 2013; and
- (5) on 30 December 2013, Goldfair and Yantai Guofeng entered into an Amendment Agreement No. 3 to extend the payment date of the outstanding Consideration from 31 December 2013 to 30 June 2014.

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. 4**

On 15 July 2014, Goldfair and Yantai Guofeng entered into another amendment agreement (Amendment Agreement No. 4) to further extend the payment date of all outstanding Consideration to 31 December 2016.

In addition, pursuant to the Amendment Agreement No. 4, Yantai Guofeng agreed:

- (1) to indemnify Goldfair against any losses and damages that Goldfair may incur in connection with any activities conducted by Yantai Guofeng and/or Yantai Penghui, including but not limited to any environmental and tax liabilities (Indemnity); and
- (2) should Yantai Guofeng fail to comply with any of its payment obligations as revised under the Amendment Agreement No. 4, it shall pay Goldfair an interest on any amount that has become overdue based on the benchmark lending rate published by the People's Bank of China for the corresponding period.

Save for the above, all other material terms of the Share Transfer Agreement (including the Guarantee and Collaterals) 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\$1.25.

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

Hong Kong, 16 July 2014

*As at the date of this announcement, the Board comprises nine Directors, of which three are executive Directors, namely Mr Andrew Gordon Michelmore, Mr David Mark Lamont and Mr Xu Jiqing; three are non-executive Directors, namely Mr Wang Lixin (Chairman), Mr Jiao Jian 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.*