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MMG LIMITED
五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board is pleased to announce that Professor Pei Ker Wei has been appointed as an independent non-executive director of the Company with effect from 24 July 2015.

The board of directors of MMG Limited (Company) is pleased to announce that Professor Pei Ker Wei (Prof Pei) has been appointed as an independent non-executive director (INED) of the Company with effect from 24 July 2015.

Prof Pei, aged 58, holds a PhD degree in Accounting from University of North Texas, a Master's degree in Accountancy from Southern Illinois University and a Bachelor's Degree in Accounting from National Chung-Hsing University (Taipei University).

Prof Pei is a professor of accountancy and the Executive Dean of China Programs at W.P. Carey School of Business at Arizona State University. Prof Pei is also the director of the W.P. Carey EMBA program in Shanghai, MiM Custom Corporate Program in China and the co-director of W.P. Carey DBA in Global Financial Management. Throughout his 29-year career at Arizona State University, Prof Pei has held the positions of assistant professor, associate professor and professor. He has also acted as a consultant for a number of multi-national companies, including Motorola Inc., Intel Corporation, Bank of America Corporation, Dial Corporation, Raytheon Company, Cisco Systems Inc. and Honeywell International Inc..

Prof Pei has been an external director of Baosteel Group Corporation, the holding company of Baoshan Iron & Steel Co., Ltd. (a company listed on the Shanghai Stock Exchange) (Stock Code: 600019) since February 2012. He also chairs its Audit committee and is a member of its Strategy Committee and Nomination Committee. Prof Pei has also been a director of Baoshan Iron & Steel Co., Ltd. since April 2012. Prior to this, he served as an independent director, the chairman of the Audit Committee and a member of the Compensation Committee of Baoshan Iron & Steel Co. Ltd. from 2006 to 2012.

Prof Pei has also acted as an independent non-executive director of Want Want China Holdings Limited (a company listed on the Hong Kong Stock Exchange) (Stock Code: 0151) since November 2007. He also chairs its Nomination committee and is a member of its Audit Committee, Remuneration Committee and Strategy Committee. Prof Pei has also been an independent non-executive director of Zhong An Real Estate Limited (a company listed on the Hong Kong Stock Exchange) (Stock Code: 0672) since October 2007. He also chairs its Remuneration Committee and is a member of its Audit Committee, Nomination Committee and Governance Committee. Prof Pei has also acted as an independent non-executive director of Zhejiang Expressway Co., Ltd. (a company listed on the Hong Kong Stock Exchange) (Stock Code: 0576) since June 2012. He also chairs its Remuneration Committee and is a member of its Audit Committee and Nomination Committee. He is also an external director of China Merchants Group, a major shareholder of a number of listed companies including China Merchants Bank Company Limited (a company listed on the Hong Kong Stock Exchange (Stock Code: 3968) and Shanghai Stock Exchange (Stock Code: 600036)) and China Merchants Holdings (International) Company Limited (a company listed on the Hong Kong Stock Exchange) (Stock Code: 0144).

Prof Pei is a member of American Accounting Association. He was the chairman of the Steering Committee on Globalization of the American Accounting Association and the chairman of the Chinese Accounting Professors' Association of North America. Prof Pei also served as a member of the International Business Leaders' Advisory Council for the Mayor of Shanghai between 2007 to 2009.

Save as disclosed above, Prof Pei has not held any directorships in any other listed public company in the three years prior to the date of his appointment. He does not have any prior positions with the Company or its subsidiaries, nor any relationship with any director, senior management, substantial or controlling shareholder of the Company. As at the date of this announcement, Prof Pei did not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). Prof Pei has entered into an appointment agreement with the Company for a term of three years commencing from the date of his appointment, and he is subject to retirement from office and re-election at the next following general meeting of the Company after his appointment in accordance with the articles of association of the Company.

Prof Pei will be provided a service fee of A\$188,000 per annum for his appointment as an INED of the Company. In addition, he will be entitled to an additional fee of A\$25,000 per annum if he chairs the audit committee, an additional fee of A\$12,500 per annum for each standing board committee (other than the audit committee) which he chairs and an additional fee of A\$4,500 per annum for each standing board committee which he serves as a member (but does not otherwise chair). The INED fees are determined with reference to the duties and responsibilities of directors towards the Company and prevailing market conditions and practice.

Prof Pei has confirmed that he meets the independence criteria as set out in Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Listing Rules) and that there is no information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed above, there are no other matters in connection with Prof Pei's appointment that need to be brought to the attention of the shareholders of the Company.

The Board would like to extend a warm welcome to Prof Pei in joining the Board.

By order of the Board

MMG Limited

Jiao Jian

Chairman

Hong Kong, 24 July 2015

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; two are non-executive directors, namely Mr Jiao Jian (Chairman) and Mr Gao Xiaoyu; and four are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan, Ms Jennifer Anne Seabrook and Prof Pei Ker Wei.