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REAL GOLD MINING LIMITED

瑞 金 礦 業 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 246)

**DELAY IN PUBLICATION OF 2013 ANNUAL RESULTS AND
DISPATCH OF 2013 ANNUAL REPORT**

**UPDATE ON THE ACTIVITIES AT THE GOLD MINES OF THE GROUP
FOR THE YEAR ENDED 31 DECEMBER 2013**

**PROFIT WARNING
AND
VERY SIGNIFICANT DETERIORATION OF CASH POSITION**

The Board announces that there will be a delay in the publication of the annual results and dispatch of the annual report of the Company for the year ended 31 December 2013 until further notice. Despite the delay, the Company wishes to keep the Shareholders informed of the development of the gold mines owned by the Group.

The Board also wishes to inform the Shareholders and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2013, the financial results of the Group for the year ended 31 December 2013 are expected to deteriorate very significantly as compared to that for the year ended 31 December 2012, and that there was a very significant deterioration of the cash position of the Group in the second half of 2013.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DELAY IN PUBLICATION OF 2013 ANNUAL RESULTS AND DISPATCH OF 2013 ANNUAL REPORT

The board of directors (the “**Board**”) of Real Gold Mining Limited (the “**Company**”) announces that the publication of the Company’s annual results (the “**2013 Annual Results**”) and dispatch of the annual report (the “**2013 Annual Report**”) for the year ended 31 December 2013 will be delayed until further notice, and that the publication of all other outstanding financial results and reports of the Company will be further delayed until further notice.

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Company is required to:

- (a) publish the 2013 Annual Results on a date not more than three months after the end of the financial year, that is, by 31 March 2014 (Rule 13.49(1)(ii) of the Listing Rules); and
- (b) dispatch the 2013 Annual Report to every member and every other holder of its listed securities (not being bearer securities) on a date not more than four months after the end of the financial year, that is, by 30 April 2014 (Rule 13.46(2) of the Listing Rules).

As mentioned in the announcement of the Company dated 31 March 2014, FTI Consulting (Hong Kong) Limited, an independent forensic specialist, has completed its forensic accounting investigations in respect of the original scope (as set out in the announcement of the Company dated 10 August 2012), and is still in the process of conducting its on-going investigations in respect of the expanded scope (as set out in the announcement of the Company dated 28 June 2013) on the Company and its subsidiaries (the “**Group**”). The Company expects that the specialist report in respect of the expanded scope will be finalised by the end of May 2014. Moreover, the Company has yet to engage its new auditors. The Company believes that when the forensic accounting investigations (in respect of the expanded scope in addition to the original scope) are completed, it will be in a better position to take steps to appoint an accounting firm with suitable experience as the Company’s new auditors. Upon engagement of the new auditors, they will carry out the audit and review of the relevant financial statements and will consider the findings and results of the forensic accounting investigations. Once the audit and review by the new auditors have been completed, the Company will publish the 2013 Annual Results and the 2013 Annual Report, together with all other outstanding financial results and reports of the Group (the “**Outstanding Financial Disclosures**”), including the annual results and annual reports for the years ended 31 December 2011 and 2012, and the interim results and interim reports for the six months ended 30 June 2012 and 2013.

The delay in the publication of the 2013 Annual Results and the dispatch of the 2013 Annual Report, and the further delay in the publication of the Outstanding Financial Disclosures constitute breaches of the Listing Rules.

UPDATE ON THE ACTIVITIES AT THE GOLD MINES OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2013

While the 2013 Annual Results and the 2013 Annual Report will not be available for some time, the Company wishes to keep its shareholders (the “**Shareholders**”) and potential investors informed of the development of the gold mines owned by the Group.

The Group owns three gold mines in operation in the Chifeng Municipality, Inner Mongolia, namely Shirengou Gold Mine, Nantaizi Gold Mine and Luotuochang Gold Mine. Nantaizi Gold Mine and Shirengou Gold Mine are adjacent to each other, and the ore processing facility located at Nantaizi Gold Mine (“**Shirengou-Nantaizi Processing Plant**”) processes ore from both Nantaizi Gold Mine and Shirengou Gold Mine. The ore processing facility located at Luotuochang Gold Mine (“**Luotuochang Processing Plant**”) processes ore from Luotuochang Gold Mine. The table below is an update on the operational conditions at Shirengou-Nantaizi Processing Plant and Luotuochang Processing Plant for the year ended 31 December 2013:

Table of operation review for the year ended 31 December 2013

	1H13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	2013	2012	YoY
Shirengou-Nantaizi Processing Plant										
Average Daily Capacity (t/day)	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	—
Utilization Rate (%)	99.6	99.7	99.1	99.3	99.2	100.5	100.0	99.7	99.0	—
Production Days (Days)	86.3	27.0	29.0	28.0	29.0	29.7	34.7	263.7	290.3	–9%
Ore Processed (kt)	127.1	39.8	42.6	41.1	42.6	44.2	51.4	388.9	425.2	–9%
Average Gold Grade (g/t)	2.5	1.7	1.5	1.6	1.3	1.4	1.2	1.8	4.7	–62%
Average Recovery Rate (%)	71.9	81.5	79.8	80.8	83.0	82.1	82.1	77.1	78.3	–2%
Payable Gold (koz)	7.2	1.8	1.6	1.7	1.4	1.6	1.6	17.1	50.7	–66%
Equivalent Gold (koz)	9.0	2.2	2.1	2.2	1.9	2.2	2.1	21.8	62.6	–65%
Luotuochang Processing Plant										
Average Daily Capacity (t/day)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	—
Utilization Rate (%)	99.7	100.7	100.0	100.1	99.2	99.5	99.7	99.7	100.1	—
Production Days (Days)	133.0	28.0	29.0	29.0	27.7	29.7	34.7	311.1	293.5	6%
Ore Processed (kt)	145.8	31.0	31.9	31.9	30.2	32.5	38.0	341.3	323.1	6%
Average Gold Grade (g/t)	1.5	1.1	1.2	1.1	0.9	0.8	0.6	1.2	2.2	–46%
Average Recovery Rate (%)	77.5	71.6	79.1	76.4	74.9	74.3	76.9	76.7	82.9	–7%
Payable Gold (koz)	5.6	0.8	1.0	0.8	0.7	0.6	0.6	10.0	18.9	–47%
Equivalent Gold (koz)	9.3	1.4	1.4	1.2	1.1	1.2	1.3	16.8	33.5	–50%
Total Payable Gold (koz)										
	12.8	2.6	2.6	2.5	2.1	2.2	2.2	27.1	69.6	–61%
Total Produced Equivalent Gold (koz)										
	18.3	3.6	3.5	3.4	3.0	3.4	3.4	38.6	96.1	–60%

Operational conditions of Shirengou-Nantaizi Processing Plant

The total amount of ore processed for the year ended 31 December 2013 was approximately 388,900 tonnes, representing a decrease of approximately 9% from the year of 2012.

The average gold grade for the year ended 31 December 2013 was approximately 1.8 grams per tonne, and the average recovery rate was around 77.1%.

The total production of payable gold and equivalent gold for the year ended 31 December 2013 was approximately 17,100 ounces and 21,800 ounces respectively, representing a decrease of approximately 66% and 65% respectively from the year of 2012.

The decrease in the total production of payable gold in Shirengou-Nantaizi Processing Plant was mainly due to the following factors:

- (a) Decrease in average gold grade caused by the reasons below:
 - (i) Increase in dilution. As the mining depth deepened, ore-control fault structures have changed, which resulted in more heavily fracturing ore bodies and instability of the hanging wall. Therefore, ores were easily mixed with a large number of country rocks at the time of mining, which led to the decrease of ore grade.
 - (ii) Decrease of geological grade in some parts of the ore bodies. It was verified that in the deeper area of the ore drift, geological grade in some parts of the ore bodies decreased, and in turn the ore grade also decreased.
- (b) Decrease in average recovery rate owing to lower grade of raw ores.
- (c) Less quantity of ores was processed. There was a mining halt at Shirengou Gold Mine as a result of an electricity outage during the period from October 2012 until June 2013 relating to a revamp project implemented by the local electricity authority. As the mining halt lasted longer in 2013 than in 2012, there was less production in 2013 than in 2012.

The decrease in the total production of equivalent gold in Shirengou-Nantaizi Processing Plant was mainly due to the decrease in the total production of payable gold which formed part of the total production of equivalent gold, coupled with the decrease in the production of other metals.

Operational conditions of Luotuochang Processing Plant

The total amount of ore processed for the year ended 31 December 2013 was approximately 341,300 tonnes, representing an increase of approximately 6% from the year of 2012.

The average gold grade for the year ended 31 December 2013 was approximately 1.2 grams per tonne, and the average recovery rate was approximately 76.7%.

The total production of payable gold and equivalent gold for the year ended 31 December 2013 was approximately 10,000 ounces and 16,800 ounces respectively, representing a decrease of approximately 47% and 50% respectively from the year of 2012.

The decrease in the total production of payable gold in Luotuochang Processing Plant was the net result of mainly the following favorable and adverse factors:

- (a) Decrease in average gold grade.
- (b) Decrease in average recovery rate owing to lower grade of raw ores.
- (c) More quantity of ore processed.

The decrease in the total production of equivalent gold in Luotuochang Processing Plant was mainly due to the decrease in the total production of payable gold which formed part of the total production of equivalent gold, coupled with the decrease in the production of other metals.

Overall, the Company produced approximately 27,100 ounces of payable gold and approximately 38,600 ounces of equivalent gold for the year ended 31 December 2013, representing a decrease of approximately 61% and 60% respectively from the year of 2012.

Update on the activities at the other gold mines of the Group

As at the date of this announcement, the Company also owns Yandan Gold Mine, Yantang Gold Mine and twelve other gold mines in Guangxi, and Yangchangbian Gold Mine in Yunnan (“**Yangchangbian Mine**”).

We are currently still in the process of applying for the mining permits for Yandan Gold Mine in Guangxi in accordance with the requisite procedure. For Yantang Gold Mine, we continue to carry out detailed geological surveys and exploration activities.

Concerning the other twelve gold mines in Guangxi owned by the Group, in December 2013, the Board resolved that no further investment will be made by the Group to explore the Nongchang Mine and the Tianbao Mine, and that all exploration activities at the two mines would be discontinued forthwith. The exploration rights for the Nongchang Mine and the Tianbao Mine will be abandoned and no application for renewal will be made when the exploration permits expire in 2015. For further details in relation to the abandonment of the two mines, please refer to the Company’s announcement dated 20 January 2014. We continue to carry out general and detailed geological surveys for the other remaining gold mines in Guangxi owned by the Group.

We have completed part of the exploration activities at Yangchangbian Mine, and part of the construction of the roads and the processing facilities. However, further steps will depend on the result of the local government's application for the use of the surrounding region of Yangchangbian Mine as a tourism site. If it turns out that the mining permits cannot be obtained, there will be impairment of the carrying amounts of property, plant and equipment and exploration and evaluation assets of Yangchangbian Mine.

PROFIT WARNING

The following disclosure concerning profit warning is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (“SFO”).

The Board wishes to inform the Shareholders and potential investors of the Company that based on its preliminary review of the Group's unaudited consolidated management accounts for the year ended 31 December 2013, the financial results of the Group for the year ended 31 December 2013 are expected to deteriorate very significantly as compared to that for the year ended 31 December 2012. The Board considers that this is mainly attributable to the following reasons:

- (a) The significant decrease in average gold price in 2013 as compared with 2012;
- (b) The substantial decrease in the quantity of metals produced in 2013 as compared with 2012; and
- (c) The impairment of certain exploration and evaluation assets in 2013.

CASH POSITION

The following disclosure concerning cash position is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors of the Company that the unaudited bank balance of the Group as at 31 December 2013, based on bank statements provided by the principal bankers of the Group, was approximately RMB1.3 billion. There was a very significant deterioration of the cash position of the Group in the second half of 2013 due to major cash outflows mainly relating to the following:

- (a) substantial losses incurred by the three operating subsidiaries of the Company;
- (b) significant capital expenditure incurred for the three operating mines to find and develop new mining sectors, and to improve the yield of the production where possible; and
- (c) significant capital expenditure incurred for the mines in Guangxi to prepare the sites for production.

The Company will publish further announcements to inform the Shareholders and the potential investors of the Company on the date of release of the 2013 Annual Results, the 2013 Annual Report and the Outstanding Financial Disclosures, as well as the latest developments of the Company as soon as practicable.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Trading in the shares of the Company has been suspended since 27 May 2011 and will remain suspended until further notice.

By order of the Board
Real Gold Mining Limited
Lu Tianjun
Chairman

Chifeng City, Inner Mongolia, 31 March 2014

As at the date of this announcement, the executive directors of the Company are Mr. Lu Tianjun (Chairman), Mr. Ma Wenxue, Mr. Cui Jie and Mr. Li Qing; and the independent non-executive directors of the Company are Mr. Li Xiaoping, Mr. Zhao Enguang and Mr. Yang Yicheng.