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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)**

### **UPDATE ANNOUNCEMENT AND APPOINTMENT OF AUDITOR**

The board of directors (the “Board”) of Real Gold Mining Limited (the “Company”) is making this announcement to provide the latest updates on the Company, together with its subsidiaries (the “Group”). For each of the following sections, references are made to certain previous announcement(s) of the Company. Unless otherwise defined, capitalized terms used in the following sections shall have the same meanings as those defined in the announcements referred to therein.

#### **UPDATE ON THE ACTIVITIES AT THE GOLD MINES OF THE GROUP**

The Company wishes to keep its shareholders and potential investors informed of the development of the gold mines owned by the Group. Reference is made to the announcements of the Company dated 31 March 2017, 15 September 2017, 6 December 2017, 15 January 2018, 2 March 2018, 29 March 2018, 4 May 2018, 12 June 2018, 4 July 2018, 31 July 2018, 31 October 2018 and 31 January 2019.

#### **Shirengou Gold Mine and Nantaizi Gold Mine**

The Group has two gold mines in the Chifeng Municipality, Inner Mongolia, namely, Shirengou Gold Mine and Nantaizi Gold Mine which are adjacent to each other and form one operating segment of the Group. The mining permit and the safety production permit for Shirengou Gold Mine are valid until August 2020 and February 2021, respectively. The mining permit, the exploration permit and the safety production permit for Nantaizi Gold Mine are valid until November 2019, June 2020 and February 2021, respectively.

Production at Shirengou Gold Mine and Nantaizi Gold Mine was suspended since 2016. The Board is not yet in a position to announce any concrete plan or timetable for resumption in production.

## **Other gold mines**

As at the date of this announcement, the Group also owns Luotuochang Gold Mine in the Chifeng Municipality, Inner Mongolia, Gaotaizi Gold Mine in Inner Mongolia, and Yandan Gold Mine and two other smaller gold mines in Guangxi. None of these mines are currently in production.

The mining permit and the safety production permit for Luotuochang Gold Mine are valid until January 2020 and December 2020, respectively.

The mining permit and safety production permit for Gaotaizi Gold Mine expired in February 2019 and March 2019, respectively and the Group has filed an application for the renewal of the mining permit and safety production permit for Gaotaizi Gold Mine in January 2019.

For the gold mines in Guangxi, the Group has the exploration permits. The exploration permit for Yandan Gold Mine is valid until November 2020. The Group is in the process of renewing the exploration permit for each of Bayan Gold Mine and Yunpanshan Gold Mine which expired in January 2019. The Group has suspended its exploration of these gold mines.

## **UPDATE ON THE CHANGES OF LEGAL REPRESENTATIVES OF SUBSIDIARIES IN THE PRC**

Reference is made to the announcements of the Company dated 21 August 2017, 6 December 2017, 15 January 2018, 2 March 2018, 4 May 2018, 12 June 2018, 4 July 2018, 31 July 2018, 31 October 2018 and 31 January 2019.

The Company continues to take steps to effect changes of the legal representatives of two subsidiaries, namely, Fubon and Fuqiao. Please refer to the Company's announcements dated 21 August 2017 and 6 December 2017 for details relating to the investigation by the Huizhou Police and the freezing of the entire shares in Fubon, and the consequent impediment on the progress of effecting changes of legal representatives of Fubon and Fuqiao. The Company has been informed by the Huizhou Police that the Huizhou Police has passed all relevant materials relating to the investigation of Mr. Wu Ruilin, the Company's former controlling shareholder, to the Intermediary People's Court of Huizhou ("Huizhou Court") as requested by the Huizhou Court. Subsequently, the Company has submitted the written application to the Huizhou Court for the discharge of the frozen Fubon shares. According to the Huizhou Court, a trial of first instance with respect to Mr. Wu Ruilin's case was held but no judgement has been issued yet, and the Huizhou Court will only attend to the discharge after the issue of a judgement. The Company was also given to understand from the Huizhou Court that although the Fubon shares remain to be frozen and therefore are not transferrable, this would not prohibit the Group from registering changes in relation to, including the change of legal representative. The Group will apply to the Huizhou Administration Bureau for Industry and Commerce to register the change in legal representative of Fubon in due course.

## **UPDATE ON GUANGFA BANK ACCOUNTS OF THE GROUP**

Reference is made to the announcements of the Company dated 23 May 2017, 21 August 2017, 15 September 2017, 6 December 2017, 2 March 2018, 29 March 2018, 4 May 2018, 12 June 2018, 4 July 2018, 31 July 2018, 31 October 2018 and 31 January 2019.

A hearing was held by the Yuexiu Court on 7 January 2019 in respect of each of the two civil actions commenced by the Group against Guangfa Bank, but no ruling was made by the court which required further evidence to be submitted. The two cases are still in the discovery stage. It is expected that another hearing for these two actions will be held by Yuexiu Court in due course.

## **UPDATE ON THE ENGAGEMENT OF SHINEWING FAS**

Reference is made to the announcements of the Company dated 6 December 2017, 15 January 2018, 29 March 2018, 4 May 2018, 12 June 2018, 31 July 2018, 31 October 2018 and 31 January 2019 in relation to the engagement of Shinewing FAS.

Shinewing FAS has completed the agreed procedures review and, as the matters relating to the Fixed Deposits and Rich Vision Deposits with Guangfa Bank and the freezing of the Fubon shares by the Huizhou Police as set out above are yet to be resolved, the report on the agreed procedures review is not yet finalized.

## **APPOINTMENT OF AUDITOR**

The Company has resolved to engage ZHONGHUI ANDA CPA Limited, which was the auditor of the Company during the period from 6 February 2015 to 29 March 2018, as its auditor to audit the Company's annual consolidated financial statements for the years ended 31 December 2016, 2017 and 2018 and to review the Company's unaudited interim condensed consolidated financial information for the six months ended 30 June 2016, 2017 and 2018.

The Company aims to publish in consecutive order the various interim/annual results announcements and reports during the period from mid-June to mid-July 2019.

## **UPDATE ON THE RESUMPTION OF TRADING IN THE SHARES OF THE COMPANY AND APPOINTMENT OF FINANCIAL ADVISER**

Trading in the shares of the Company has been suspended since 27 May 2011. On 31 July 2018, the Company announced that as the shares of the Company would have been suspended from trading on the Stock Exchange for more than 12 months as at the Effective Date of the delisting framework under the Listing Rules which came into effect on 1 August 2018, the Stock Exchange may cancel the Company's listing if trading in the shares of the Company remains suspended for 12 continuous months from the Effective Date. This 12-month period will expire on 31 July 2019. If the Company fails to fulfil all the Resumption Conditions to the satisfaction of the Stock Exchange and resume trading in its shares by 31 July 2019, the Listing Department of the Stock Exchange will recommend the Listing Committee of the Stock Exchange to proceed with the cancellation of the Company's listing. The Stock

Exchange has the right to impose a shorter specific remedial period under Rule 6.10 of the Listing Rules where appropriate. Details of the Resumption Conditions have been set out in the announcement of the Company dated 30 March 2012.

On 28 June 2016, the Company announced that the Securities and Futures Commission (the “Commission”) directed the Stock Exchange to suspend all dealings in the shares of the Company with effect from 9:00 am on 28 June 2016 under Rule 8(1) of the Securities and Futures (Stock Market Listing) Rules.

The Company has been taking and continues to take all necessary steps to satisfy the Resumption Conditions and address and resolve the Commission’s concerns.

As disclosed above, production at all the gold mines in Inner Mongolia, namely Shirengou Gold Mine, Nantaizi Gold Mine, Luotuochang Gold Mine and Gaotaizi Gold Mine, have been suspended and the exploration of the gold mines in Guangxi Province have been suspended. The Group is of view that despite the Group is maintaining the various permits in respect of the gold mines, any attempt to recommence the production or exploration at these mines may not be cost effective, and as such the Group is considering its options in relation to these gold mines.

In review of the current situation of the gold mines owned by the Group, the management of the Group has been in search of suitable gold mines that have sustainable business prospects and will be beneficial to the proposal for the resumption of trading in the shares of the Company (the “Resumption Proposal”). Following the review of a number of gold mines, the Group has identified a company which owns gold mines in China with proven profitable track records. In this respect, as at the date of this announcement, the Group has not entered into any agreement to acquire any assets or business.

To facilitate the Company in its effort to seek resumption of trading in the shares of the Company and the preparation of the Resumption Proposal, the Company has engaged First Capital International Finance Limited as its financial adviser. The Company will also engage other professional parties to assist the Company as and when necessary.

It is anticipated that the Resumption Proposal will involve certain transactions as defined under the Listing Rules. The Company will comply with the requirements of the Listing Rules and will update the shareholders of the Company and the investing public as and when appropriate.

## **SUSPENSION OF TRADING**

Trading in the shares of the Company will remain suspended until further notice.

The Company continues to work closely with its advisers to take all necessary steps in addressing its issues, with the aim of resuming trading in the shares of the Company as soon as practicable. The Company will keep its shareholders informed of the progress in relation to the above from time to time.

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

By Order of the Board  
**Real Gold Mining Limited**  
**Lu Chunxiang**  
*Chairman*

Hong Kong, 29 April 2019

*As at the date of this announcement, the executive directors are Mr. Lu Chunxiang (Chairman), Mr. Li Feng, Mr. Ren Yancheng, Mr. Guo Honggang and Mr. Kirk Vincent Wiedemer; and the independent non-executive directors are Mr. Liu Aiguo, Ms. Zhang Hui and Ms. Wang Xu.*