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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

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, capitalised 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, 31 January 2019 and 29 April 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. Although the Group is maintaining the relevant permits of these two gold mines, the Group does not intend to resume production at these gold mines.

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 such permits in January 2019.

For the gold mines in Guangxi, 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 at these gold mines.

Although the Group is maintaining the relevant permits of these gold mines, the Group does not intend to resume production or exploration at 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, 31 January 2019 and 29 April 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.

While the Fubon shares remain to be frozen and are not freely transferable pending the issue of a judgement with respect to Mr. Wu Ruilin's trial of first instance, the Group is working towards changing the legal representative of Fubon and updating the records with the Huizhou Administration Bureau for Industry and Commerce and is preparing for the documents to be submitted to the authority.

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 31 January 2019 and 29 April 2019.

A second hearing was held by the Yuexiu Court on 10 June 2019 in respect of each of the two civil actions initiated by the Group against Guangfa Bank, but no ruling was made by the court which ordered further evidence to be submitted. According to the evidence submitted by Guangfa Bank, Guangfa exercised its rights under the alleged pledge agreement(s) to foreclose the Fixed Deposit of the Company in its entirety in the amount of HK\$200,000,000 and HK\$307,000,000 out of the HK\$317,000,000 Rich Vision Fixed Deposit, following the expiry of the term of such alleged pledge agreement(s) and in addition, the local police has frozen HK\$10,000,000 of the Rich Vision Fixed Deposit in connection with the ongoing investigation against Mr. Wu Ruilin and his related companies. Guangfa Bank was ordered by the Yuexiu Court to provide such alleged pledge agreement(s) but it has not yet complied as at the date of this announcement. The two cases are still in the discovery stage.

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 31 January 2019 and 29 April 2019 in relation to the engagement of Shinewing FAS to assist the Company on its engagement of other professional advisors to undertake work to resume trading in the shares of the Company.

The Company engaged an auditor and a financial adviser, details of which are set out in the announcement dated 29 April 2019, before Shinewing FAS issued its report.

UPDATE ON THE AUDITOR'S WORK

The Company's auditor, ZHONGHUI ANDA CPA Limited, has completed the field work and is in the process of finalising the audit reports.

As announced by the Company, the Board is meeting on 2 August 2019 to consider the audited consolidated annual results of the Group for the years ended 31 December 2016, 2017 and 2018, and the unaudited consolidated interim results of the Group for the six months ended 30 June 2016, 2017 and 2018. The Company aims to publish all of these interim/annual results announcements and reports in August or September 2019.

UPDATE ON THE RESUMPTION OF TRADING IN THE SHARES OF THE COMPANY

Trading in the shares of the Company has been suspended since 27 May 2011. 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. 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 “**Effective Date**”), 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.

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.

The Board is pleased to announce that a resumption proposal was submitted to the Stock Exchange and the Commission on July 2019. The Company will update its shareholders and potential investors as and when appropriate.

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, 31 July 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.