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Greenway Mining Group Limited

信盛礦業集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2133)

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING SHARES
HELD ON THE RECORD DATE AT THE SUBSCRIPTION PRICE
OF HK\$0.055 PER RIGHTS SHARE**

FINANCIAL ADVISER TO THE COMPANY



UNDERWRITER TO THE RIGHTS ISSUE



PROPOSED RIGHTS ISSUE

The Company proposes to raise approximately HK\$49.2 million (before deducting professional fees and other relevant expenses) by way of the Rights Issue, whereby 894,944,250 Rights Shares shall be allotted and issued on the basis of one (1) Rights Share for every four (4) existing Shares held by the Qualifying Shareholders on the Record Date.

* For identification purpose only

The Subscription Price of HK\$0.055 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares and/or application for the excess Rights Shares.

Assuming no new Shares are issued and/or repurchased by the Company on or before the Record Date, a total number of 894,944,250 Rights Shares will be allotted and issued upon completion of the Rights Issue, representing:

- (i) 25% of the number of the Company's issued shares as at the date of this announcement; and
- (ii) 20% of the number of the Company's existing issued shares as enlarged by the issue of the Rights Shares.

The Rights Issue is fully underwritten by the Underwriter subject to the terms and conditions of the Underwriting Agreement entered into between the Company and the Underwriter.

The net proceeds from the Rights Issue, after deducting professional fees and all other relevant expenses, are estimated to be approximately HK\$47.2 million. The Company intends to use the net proceeds from the Rights Issue as to (a) approximately HK\$22.0 million, representing approximately 47% of the net proceeds, for the acquisition of the minority interest of Venture Million (a 51%-owned subsidiary of the Company); (b) approximately HK\$16.0 million, representing approximately 34% of the net proceeds, for the exploration of GPS JV Mine (including but not limited to geophysical, trenching, drilling and pit exploration and the surrounding ancillary facilities); (c) approximately HK\$5.2 million, representing approximately 11% of the net proceeds, for the expansion of the processing plant in Aung Jiuja Mine to increase the lead ore processing capacity from 1,000 tonnes per day to 1,500 tonnes per day; and (d) approximately HK\$4.0 million, representing approximately 8% of the net proceeds, for general working capital of the Group.

LISTING RULES IMPLICATIONS

As the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to minority Shareholders' approval under Rule 7.19A of the Listing Rules.

GENERAL

The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus (without the PAL and the EAF) to the Non-Qualifying Shareholders for their information only subject to compliance with the relevant local laws, regulations and requirements.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among other things, the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. Please refer to the section headed “*The Underwriting Agreement — Conditions of the Underwriting Agreement*” in this announcement for further details. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate its obligations on the occurrence of certain events including force majeure. Please refer to the section headed “*The Underwriting Agreement — Termination of the Underwriting Agreement*” in this announcement for further details. Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Thursday, 19 December 2019. Dealings in the Rights Shares in nil-paid form are expected to take place from 9:00 a.m. on Monday, 6 January 2020 to 4:10 p.m. on Monday, 13 January 2020 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the nil-paid Rights Shares is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any Shareholder or other person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

PROPOSED RIGHTS ISSUE

The Company proposes to raise approximately HK\$49.2 million (before deducting professional fees and other relevant expenses) by way of the Rights Issue, whereby 894,944,250 Rights Shares shall be allotted and issued on the basis of one (1) Rights Share for every four (4) existing Shares held by the Qualifying Shareholders on the Record Date.

Issue statistics

Basis of the Rights Issue : one (1) Rights Share for every four (4) existing Shares held by the Qualifying Shareholders on the Record Date

Subscription Price : HK\$0.055 per Rights Share

Number of Shares in issue as : 3,579,777,000 Shares
at the date of
this announcement

Number of Rights Shares : 894,944,250 Rights Shares (assuming there is no change in the number of issued shares of the Company from the date of this announcement up to the Record Date)

Number of Underwritten Shares : 894,944,250 Rights Shares, representing all the Rights Shares. Accordingly, the Rights Issue is fully underwritten by the Underwriter.

Number of Shares in issue immediately after completion of the Rights Issue : 4,474,721,250 Shares (assuming there is no change in the number of issued shares of the Company from the date of this announcement up to the Record Date)

As at the date of this announcement, the Company does not have any pre-existing obligation to issue Shares or any outstanding derivatives, options, warrants or securities in issue which confer any right to subscribe for, convert or exchange into Shares.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every four (4) existing Shares held by the Qualifying Shareholders on the Record Date. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made only by completing the PAL, and lodging the same with a remittance for the Rights Shares being accepted by the Latest Time for Acceptance. For further details in respect of the procedures for acceptance and application, please refer to the Prospectus Documents to be despatched by the Company to the Qualifying Shareholders on the Prospectus Posting Date.

As at the date of this announcement, the Board has not received any information from any Shareholders of their intention to take up their provisional entitlements under the Rights Issue.

The Rights Shares

Assuming there is no change to the issued share capital of the Company from the date of this announcement and up to the Record Date, a total number of 894,944,250 Rights Shares will be allotted and issued upon completion of the Rights Issue, representing:

- (i) 25% of the number of the Company's issued shares as at the date of this announcement; and
- (ii) 20% of the number of the Company's existing issued shares as enlarged by the issue of the Rights Shares.

The aggregate nominal value of the Rights Shares, of nominal value of HK\$0.00001 each, will be approximately HK\$8,949.44.

The Subscription Price

The Subscription Price of HK\$0.055 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares and/or application for the excess Rights Shares.

The Subscription Price of HK\$0.055 per Rights Share:

- (i) is equivalent to the closing price of HK\$0.055 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) is equivalent to the average closing price of approximately HK\$0.055 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) represents a discount of approximately 0.90% to the average closing price of approximately HK\$0.056 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day; and
- (iv) is equivalent to the theoretical ex-rights price of approximately HK\$0.055 per Share based on the closing price of HK\$0.055 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Subscription Price was a commercial decision and was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, the financial position of the Group, the prevailing market price of the Shares prior to the Last Trading Day, the theoretical ex-rights price per Share and the reasons and benefits of the Rights Issue as discussed in the section headed "Reasons for the Rights Issue and use of proceeds" in this announcement.

In view of the above, and having considered that all the Qualifying Shareholders will be offered equal opportunity to subscribe for the Rights Shares by way of provisional allotment and, if they so wish, excess applications at the same Subscription Price, no interest of any Qualifying Shareholder is prejudiced in this respect. On such basis, the Board considers that the Subscription Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, Shareholders must be registered as members of the Company at the close of business on the Record Date and must not be a Non-Qualifying Shareholder. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus (without the PAL and the EAF) to the Non-Qualifying Shareholders for their information only subject to compliance with the relevant local laws, regulations and requirements.

The Record Date is Tuesday, 31 December 2019. The last day of dealings in the Shares on a cum-rights basis is Wednesday, 18 December 2019. The Shares will be dealt in on an ex-rights basis from Thursday, 19 December 2019.

In order to be registered as members of the Company prior to the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) for registration with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before the Latest Lodging Time.

Shareholders with an address in Hong Kong on the register of members of the Company at the close of business on the Record Date are qualified for the Rights Issue. For Shareholders with an address outside Hong Kong on the register of members of the Company at the close of business on the Record Date, please refer to the paragraph headed "*Rights of the Overseas Shareholders*" below.

Rights of the Overseas Shareholders

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders, if any, may not be eligible to take part in the Rights Issue as explained below.

The Directors will comply with Rule 13.36(2)(a) of the Listing Rules and make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any). If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to such Overseas Shareholders, the Rights Issue will not be available to such Overseas Shareholders and no provisional allotment of the nil-paid Rights Shares will be made to them.

The result of the enquiries and the basis of the exclusion, if any, will be included in the Prospectus.

If any Overseas Shareholders are excluded from the Rights Issue, the Company will send a copy of the Prospectus (without the PAL and the EAF) to such Overseas Shareholders for their information only subject to compliance with the relevant local laws, regulations and requirements.

Closure of register of members

The register of members of the Company will be closed from Monday, 23 December 2019 to Tuesday, 31 December 2019 (both days inclusive) to determine the eligibility of the Shareholders for the Rights Issue. No transfer of Shares will be registered during this book closure period.

Fractions of the Rights Shares

Fractional Rights Shares will not be issued to the Qualifying Shareholders. Any fractional entitlements of the Rights Shares will be aggregated and sold in the market for the benefits of the Company and any unsold aggregated fractional entitlements will be made available for excess application by the Qualifying Shareholders under the EAFs. Fractional Rights Shares will only arise in respect of the entire shareholding of a Shareholder regardless of the number of share certificates held by such Shareholder.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully-paid, shall rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Rights Shares, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

Excess application for the Rights Shares

Under the Rights Issue, Qualifying Shareholders may apply, by way of excess application, for (i) any unsold entitlements of the Non-Qualifying Shareholders; (ii) any unsold Rights Shares created by aggregation of fractional entitlements; and (iii) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares. Application can be made by the Qualifying Shareholders only and by completing the EAF where applicable for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for.

The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis according to the principle that any excess Rights Shares will be allocated to the Qualifying Shareholders who apply for them on a *pro rata* basis with reference to the number of excess Rights Shares applied for, but no reference will be made to the number of Rights Shares applied for under the PAL or the existing number of Shares held by such Qualifying Shareholders. No preference will be given to topping up odd lots to whole board lots.

Pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder or its associates (together, the “**Relevant Shareholders**”), whether in their own names or through nominees. The Company shall disregard the Relevant Shareholders’ applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard such nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually save and except for the beneficial owner(s) which the Company may permit in its absolute discretion. Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names on or prior to the Record Date.

Shareholders whose Shares are held by their nominee(s) (or which are deposited in CCASS) and who would like to have their names registered on the register of members of the Company on the Record Date, must lodge all necessary documents with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for completion of the relevant registration by the Latest Lodging Time.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.

Share certificates and refund cheques

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Friday, 24 January 2020. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares, or if the Rights Issue is terminated, refund cheques in respect of the applications for Rights Shares are expected to be posted to the applicants on or before Friday, 24 January 2020 by ordinary post at the respective Shareholders' own risk.

Application for listing of the Rights Shares

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms on the Stock Exchange.

Subject to the granting of the approval for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms registered in the branch register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy and any other applicable fees and charges in Hong Kong.

No part of the share capital of the Company is listed or dealt in or for which listing or permission to deal in is being or is proposed to be sought on any other stock exchange, save for the Stock Exchange.

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial Shareholder of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the date of this announcement.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in the exploration, mining and preliminary processing of non-ferrous metals mineral resources, mainly including lead, zinc and silver, as well as the sales of non-ferrous metals concentrates in the PRC and Myanmar.

The Directors consider that the Rights Issue, which is on a fully underwritten basis, will allow the Group to strengthen its capital structure without incurring debt financing cost, improve the financial position and provide additional financial resources for capturing suitable business expansion and investment opportunities when arise. Meanwhile, the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective *pro rata* shareholding interests in the Company and to continue to participate in the future development of the Group. The Qualifying Shareholders are also able to further increase their interests in the Company through excess applications.

The gross proceeds from the Rights Issue will be approximately HK\$49.2 million. The net proceeds from the Rights Issue, after deducting professional fees and all other relevant expenses, are estimated to be approximately HK\$47.2 million. The net Subscription Price per Rights Share is expected to be approximately HK\$0.053. The net proceeds from the Rights Issue are intended to be used in the following manner:

- (a) approximately HK\$22.0 million, representing approximately 47% of the net proceeds, for the acquisition of the minority interest of Venture Million (a 51%-owned subsidiary of the Company);
- (b) approximately HK\$16.0 million, representing approximately 34% of the net proceeds, for the exploration of GPS JV Mine (including but not limited to geophysical, trenching, drilling and pit exploration and the surrounding ancillary facilities);
- (c) approximately HK\$5.2 million, representing approximately 11% of the net proceeds, for the expansion of the processing plant in Aung Jiuja Mine to increase the lead ore processing capacity from 1,000 tonnes per day to 1,500 tonnes per day; and
- (d) approximately HK\$4.0 million, representing approximately 8% of the net proceeds, for general working capital of the Group (including but not limited to covering the administrative and operating expenses of the Hong Kong office).

The Directors have considered other financing alternatives including (i) additional debt financing; and (ii) equity fund raising such as placement of the Shares and open offer. The Directors are of the view that while additional debt financing will increase the Group's gearing ratio, it will also increase the ongoing interest expenses of the Group which may in term affect the profitability of the Company. As for equity fund raising, such as placement of Shares, it is a common market practice to conduct such activity on a best-effort basis and accordingly the amount to be raised would be uncertain and subject to the then market conditions. In addition, for placement of new Shares, it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company. As for open offer, similar to a rights issue, it also offers qualifying shareholders to participate in, but it does not allow the trading of rights entitlements in the open market. The Directors are of the view that the Rights Issue provides better financial flexibility for the Company as it will strengthen the capital base of the Company, thus enhancing its net asset position without the ongoing burden of interest expenses, and also offer all Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company and avoid shareholding dilution for those Shareholders who take up their entitlement under the Rights Issue in full. Taking into account the costs and benefits of each of the alternatives as compared with the Rights Issue, the Directors consider raising funds by way of the Rights Issue is more attractive and feasible in the current market condition, and thus, in the interests of the Company and the Shareholders as a whole.

THE UNDERWRITING AGREEMENT

Date: 13 December 2019

Underwriter: Astrum Capital Management Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities

Number of Underwritten Shares: 894,944,250 Rights Shares, representing all the Rights Shares

Underwriting commission: 1.5%

The Underwriter

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Underwriter and its ultimate beneficial owner(s) is an Independent Third Party.

Save for the Underwriter, the Company approached two licensed corporations for their interest in acting as the underwriter to the Rights Issue. However, in view of (i) the loss of approximately RMB8.6 million and RMB13.8 million recorded by the Group for the year ended 31 December 2018 and for six months ended 30 June 2019; (ii) the consecutive loss makings recorded by the Group since the financial year ended 31 December 2015; and (iii) the relatively thin trading volume of the Shares, the licensed corporations requested a commission rate from 3% to 4% of the aggregate subscription price of the maximum amount of the Underwritten Shares.

Further, the Board was mindful of the confidential nature of the proposed fund raising exercise. It is also expected that even if the Group can locate other potential underwriters who are willing to underwrite the Rights Shares on a fully-underwritten basis, they would offer similar terms as the abovementioned underwriter.

The Directors consider that the terms of the Underwriting Agreement and the amount of commission payable by the Company are fair and reasonable as compared to the market practice and commercially reasonable as agreed between the Underwriter and the Company.

The Rights Issue is fully underwritten by the Underwriter. Upon completion of the Rights Issue in accordance with the terms of the Underwriting Agreement, the public float requirement under the Listing Rules will be complied with.

Conditions of the Underwriting Agreement

The Underwriting Agreement is conditional upon the following conditions being fulfilled:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by the resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) no later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders by the Prospectus Posting Date;
- (iii) the listing committee of the Stock Exchange granting or agreeing to grant (subject to allotment) the listing of and permission to deal in the Rights Shares (in their nil-paid and fully paid forms) no later than the first day of their dealings and the Stock Exchange not having withdrawn or revoked such listing and permission on or before the Latest Time for Termination;
- (iv) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms on or before the Latest Time for Termination; and
- (v) the compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement.

None of the conditions of the Rights Issue as set out above can be waived.

If any of the above conditions is not satisfied by the respective dates as set out above or such other date as the Company and the Underwriter may agree in writing, the Underwriting Agreement shall terminate (save in respect of any provisions in relation to, among others, fees and expenses, confidentiality, indemnity, notices, governing laws and other miscellaneous matters and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and none of the parties shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches. Accordingly, the Rights Issue will not proceed.

Termination of the Underwriting Agreement

The Underwriter shall have the right to terminate the arrangements set out in the Underwriting Agreement by notice in writing given to the Company if at any time at or prior to the Latest Time for Termination:

- (1) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole, or the share price of the Company whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of any of the Underwriter, a material omission in the context of the Rights Issue; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements or circular in connection with the Rights Issue.

The Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement. In any event, the Underwriter reserves the right to, at its sole discretion, terminate the Underwriting Agreement prior to the Latest Time for Termination.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (2) any event occurs or matter arises on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the representations, warranties and undertakings contained in the Underwriting Agreement untrue or incorrect in any material respect.

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations of the parties thereto shall forthwith cease and be null and void and none of the parties shall, save in respect of any right or liability accrued before such termination and save for certain provisions relating to the indemnity, termination and the governing laws of the Underwriting Agreement, have any right against or liability towards the other party arising out of or in connection with the Underwriting Agreement.

If the Underwriter terminates the Underwriting Agreement in accordance with the terms thereof, the Rights Issue will not proceed.

ODD LOT ARRANGEMENT

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from Wednesday, 29 January 2020 to Tuesday, 18 February 2020 (both days inclusive). Holders of odd lots of the Shares should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Details of the odd lot arrangement will be provided in the Prospectus.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the change of board lot size set out below is indicative only and it has been prepared on the assumption that all the conditions as set out under the paragraph headed “*Conditions of the Underwriting Agreement*” in this announcement will be fulfilled.

Event	Time and date
Last day of dealings in Shares on cum-rights basis	Wednesday, 18 December 2019
First day of dealings in Shares on ex-rights basis	Thursday, 19 December 2019
Latest day and time for lodging transfers of shares in order to qualify for the Rights Issue	4:30 p.m. on Friday, 20 December 2019
Register of members of the Company closes (both days inclusive)	Monday, 23 December 2019 to Tuesday, 31 December 2019
Record Date	Tuesday, 31 December 2019

Register of members of the Company re-opens	Thursday, 2 January 2020
Prospectus Posting Date	Thursday, 2 January 2020
First day and time of dealings in nil-paid Rights Shares	9:00 a.m. on Monday, 6 January 2020
Latest day and time for splitting of PALs	4:30 p.m. on Wednesday, 8 January 2020
Last day and time of dealings in nil-paid Rights Shares	4:10 p.m. on Monday, 13 January 2020
Latest Time for Acceptance as well as latest time for application for excess Rights Shares and payment for the Rights Shares	4:00 p.m. on Thursday, 16 January 2020
Latest Time for Termination of the Underwriting Agreement by the Underwriter and the Rights Issue becomes unconditional	4:00 p.m. on Friday, 17 January 2020
Announcement of the results of the Rights Issue	Thursday, 23 January 2020
Despatch of refund cheques, if any, in respect of wholly or partially unsuccessful applications for excess Rights Shares	Friday, 24 January 2020
Despatch of certificates for fully-paid Rights Shares	Friday, 24 January 2020
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Wednesday, 29 January 2020
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of the Shares	Wednesday, 29 January 2020
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the Shares	Tuesday, 18 February 2020

Note: All times and dates stated above refer to Hong Kong times and dates.

Dates stated in this announcement for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the above expected timetable will be announced as and when appropriate in accordance with the Listing Rules.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purpose only, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Rights Issue assuming there is no change in the number of the issued shares of the Company from the date of this announcement up to the Record Date:

	As at the date of this announcement		Immediately after completion of the Rights Issue			
			Assuming Rights Shares are taken up in full by Qualifying Shareholders		Assuming no Rights Shares are taken up by Qualifying Shareholders	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
CITIC Dameng Investments Limited	1,073,531,131	29.99	1,341,913,913	29.99	1,073,531,131	23.99
Shi Xiaozhou	453,690,996	12.67	567,113,745	12.67	453,690,996	10.14
Underwriter or subscribers procured by it (<i>Note</i>)	—	—	—	—	894,944,250	20.00
Other public Shareholders	2,052,554,873	57.34	2,565,693,592	57.34	2,052,554,873	45.87
Total	3,579,777,000	100.00	4,474,721,250	100.00	4,474,721,250	100.00

Note: Pursuant to the Underwriting Agreement, in the event of the Underwriter being called upon to subscribe for or procure subscription of the untaken Shares, among other things, (i) the Underwriter shall not subscribe, for its own account, for such number of untaken Shares which will result in the shareholding of it and parties acting in concert with it to be 29.9% or more of the then issued share capital of the Company; (ii) the Underwriter shall ensure that each of the subscribers of the untaken Shares (including any direct and indirect sub-underwriter) shall be Independent Third Party, not acting in concert with and not connected with any connected persons of the Company and their respective associates or close associates; and (iii) the Underwriter shall ensure that none of the subscribers of the untaken Shares (including the Underwriter) will result in the shareholding of such subscriber to be 9.9% or more of the issued share capital of the Company upon the allotment and issue of the Rights Shares and such subscriber, together with parties acting in concert with it, shall not be holding 29.9% or more of the issued share capital of the Company upon the allotment and issue of the Rights Shares.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months immediately before the date of this announcement.

LISTING RULES IMPLICATIONS

As the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to minority Shareholders' approval under Rule 7.19A of the Listing Rules.

GENERAL

The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus (without the PAL and the EAF) to the Non-Qualifying Shareholders for their information only subject to compliance with the relevant local laws, regulations and requirements.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among other things, the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. Please refer to the section headed “*The Underwriting Agreement — Conditions of the Underwriting Agreement*” in this announcement for further details. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate its obligations on the occurrence of certain events including force majeure. Please refer to the section headed “*The Underwriting Agreement — Termination of the Underwriting Agreement*” in this announcement for further details. Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Thursday, 19 December 2019. Dealings in the Rights Shares in nil-paid form are expected to take place from 9:00 a.m. on Monday, 6 January 2020 to 4:10 p.m. on Monday, 13 January 2020 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the nil-paid Rights Shares is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any Shareholder or other person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

FURTHER INFORMATION

Pursuant to Rule 13.64 of the Listing Rule, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. In addition, according to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 and updated on 3 July 2018, the expected value per board lot should be greater than HK\$2,000 after taking into account the minimum transaction costs for a securities trade. In view of (i) the recent trading price of the Shares of HK\$0.055 per Share on the Last Trading Day; and (ii) the existing board lot size of 1,000 Shares, the Company will implement a share consolidation and change of board lot size after completion of the Rights Issue. Further announcement(s) will be made by the Company as and when appropriate.

DEFINITIONS

In this announcement, the following terms have the meanings set out below unless the context requires otherwise:

“associates”	has the meaning ascribed thereto under the Listing Rules
“Aung Jiuja Mine”	an open pit and underground lead mine located at Depanbing Village, Ruian County, Shan State, Myanmar which is owned by Harbor Star
“Board”	the board of the Directors

“Business Day(s)”	a day (other than Saturday, Sunday, public holiday or any day on which tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate”	has the meaning ascribed thereto under the Listing Rules
“Company”	Greenway Mining Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2133)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) to be issued to the Qualifying Shareholder(s) in connection with the Rights Issue
“GPS JV”	GPS Joint Venture Company Limited, a company incorporated in Myanmar with limited liability, and an indirect non-wholly owned subsidiary of the Company, which is beneficially owned as to approximately 98% and approximately 2% by Venture Million and Harbor Star respectively as at the date of this announcement
“GPS JV Mine”	an underground lead-silver polymetallic mine located at Bawsaing Track, Kalaw Township, Southern Shan State, Myanmar which is owned by GPS JV
“Group”	the Company and its subsidiaries

“Harbor Star”	Harbor Star Mining Company Limited, a company incorporated in Myanmar with limited liability, being an indirect wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Last Trading Day”	13 December 2019, being the last full trading day before the publication of this announcement
“Latest Lodging Time”	4:30 p.m. on Friday, 20 December 2019 or such later time or date as may be agreed between the Underwriter and the Company, being the latest time for lodging transfer of Shares in order to be qualified for the Rights Issue
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 16 January 2020 or such later time or date as may be agreed between the Underwriter and the Company, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
“Latest Time for Termination”	4:00 p.m. on Friday, 17 January 2020, being the next Business Day following (but excluding) the Latest Time for Acceptance or such later time or date as may be agreed between the Underwriter and the Company, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	those Overseas Shareholders whom the Directors, after making relevant enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules, consider it necessary or expedient to exclude from the Rights Issue on account either of the legal restrictions under the laws of the relevant place or the requirements of any relevant regulatory body or stock exchange in that place

“Overseas Shareholders”	Shareholders with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholder(s) in connection with the Rights Issue
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus containing details of the Rights Issue to be despatched to the Qualifying Shareholders on the Prospectus Posting Date
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Thursday, 2 January 2020 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) is/are registered on the register of the members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Tuesday, 31 December 2019, or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Rights Issue
“Rights Issue”	the proposed issue of one (1) Rights Share for every four (4) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	894,944,250 Rights Shares (assuming there is no change in the number of the issued shares of the Company from the date of this announcement up to the Record Date)
“RMB”	Renminbi, the lawful currency of the PRC

“Share(s)”	ordinary share(s) of HK\$0.00001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.055 per Rights Share
“Underwriter”	Astrum Capital Management Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities
“Underwriting Agreement”	the underwriting agreement dated 13 December 2019 and entered into between the Company and the Underwriter in relation to the Rights Issue
“Underwritten Shares”	894,944,250 Rights Shares being underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement, representing all the Rights Shares
“Venture Million”	Venture Million Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect non-wholly owned subsidiary of the Group
“%”	per cent.

By Order of the Board
Greenway Mining Group Limited
Lei Dejun
Executive Director

Hong Kong, 13 December 2019

As at the date of this announcement, the Board comprises Mr. Lei Dejun as executive Director; Mr. Yin Bo, Mr. Chan Suk Ching and Mr. Zhang Yonghua as non-executive Directors; and Mr. Ma Shirong, Mr. Chi Hongji and Mr. Dong Tao as independent non-executive Directors.