
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Capitalised terms used on this cover page shall have the same meanings as those defined in this Prospectus, unless otherwise stated.

If you are in any doubt as to any aspect of this Prospectus or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities or your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand the Prospectus Documents to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee. The Prospectus Documents should not, however, be distributed, forwarded to or transmitted to, into or from any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “14. Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility as to the contents of any of the documents referred to above. You should read the whole of this Prospectus including the discussions of certain risks and other factors as set out in the section headed “Letter from the Board – Warning of the risks of dealings in the Shares and the nil-paid Rights Shares” in this Prospectus.

Dealings in the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC. You should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, 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 their respective commencement dates of dealings in the Rights Shares on the Stock Exchange or such other dates 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.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.



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)

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



The Latest Time for Acceptance is 4:00 p.m. on Monday, 17 February 2020. The procedures for acceptance or transfer of the Rights Shares provisionally allotted to Qualifying Shareholders are set out in the paragraph headed “Letter from the Board – The Rights Issue – Procedures for acceptance and payment and/or transfer of the Rights Shares” in this Prospectus.

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate the Underwriting Agreement at any time prior to the Latest Time for Termination, which is expected to be 4:00 p.m. on Tuesday, 18 February 2020, on the occurrence of certain events, including but not limited to force majeure, as more particularly described in the section headed “Termination of the Underwriting Agreement” in this Prospectus. The Rights Issue is therefore subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.

The Shares have been dealt in on an ex-rights basis on the Stock Exchange from Tuesday, 14 January 2020. Dealings in the Rights Shares in their nil-paid form will commence on the Stock Exchange from 9:00 a.m. on Wednesday, 5 February 2020 to 4:10 p.m. on Wednesday, 12 February 2020, both days inclusive. If the Underwriter terminates the Underwriting Agreement, or the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholder or other person dealing in the Rights Shares in their nil-paid form on the Stock Exchange during the period as aforesaid, will accordingly bear the risk that the Rights Issue may not become unconditional. Any Shareholder or other person contemplating selling or purchasing existing Shares on an ex-rights basis and/or the Rights Shares in their nil-paid form during these periods who is in doubt about his/her/its position is recommended to consult his/her/its own professional advisers.

3 February 2020

* For identification purpose only

CONTENTS

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	6
TERMINATION OF THE UNDERWRITING AGREEMENT	8
LETTER FROM THE BOARD	10
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III – GENERAL INFORMATION	III-1

DEFINITIONS

In this Prospectus, unless the context requires otherwise, the expressions as stated below will have the following meanings:—

“associate”	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)
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented and/or modified from time to time
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Dakuangshan Mine”	an underground lead-zinc-silver polymetallic mine located in Yunnan Province, the PRC which is owned by Mang City Xindi Mining Company Limited (芒市鑫地礦業有限責任公司), an indirect non-wholly owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) issued to the Qualifying Shareholder(s) in connection with the Rights Issue

DEFINITIONS

“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 was beneficially owned as to approximately 98% and approximately 2% by Venture Million and Harbor Star respectively as at the Latest Practicable Date
“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
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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 of the Shares prior to the entering into of the Underwriting Agreement
“Latest Practicable Date”	20 January 2020, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Monday, 17 February 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

DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on Tuesday, 18 February 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
“Myanmar”	the Republic of the Union of Myanmar
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) 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 Shareholder(s)”	Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) which is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) 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 Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	this prospectus issued by the Company and despatched to the Qualifying Shareholders and, for information purpose only, to the Non-Qualifying Shareholders
“Prospectus Documents”	this Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Monday, 3 February 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)

DEFINITIONS

“Record Date”	Wednesday, 22 January 2020, 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
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“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 new Shares proposed to be issued and allotted to the Qualifying Shareholders under the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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 SFO 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 (as supplemented by the supplemental agreement dated 24 December 2019) 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

DEFINITIONS

“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 Company

“%” per cent.

the English name is not the official name and is translated for reference purpose only

EXPECTED TIMETABLE

The expected timetable for the Rights Issue 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 “Letter from the Board – The Underwriting Agreement – Conditions of the Underwriting Agreement” in this Prospectus will be fulfilled.

Event	Time and date
First day and time of dealings in nil-paid Rights Shares	9:00 a.m. on Wednesday, 5 February 2020
Latest day and time for splitting of PALs.....	4:30 p.m. on Friday, 7 February 2020
Last day and time of dealings in nil-paid Rights Shares.....	4:10 p.m. on Wednesday, 12 February 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 Monday, 17 February 2020
Latest Time for Termination of the Underwriting Agreement by the Underwriter and the Rights Issue becomes unconditional.....	4:00 p.m. on Tuesday, 18 February 2020
Announcement of the results of the Rights Issue	Monday, 24 February 2020
Despatch of refund cheques, if any, in respect of wholly or partially unsuccessful applications for excess Rights Shares.....	Tuesday, 25 February 2020
Despatch of certificates for fully-paid Rights Shares	Tuesday, 25 February 2020
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Wednesday, 26 February 2020
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of the Shares	Wednesday, 26 February 2020

EXPECTED TIMETABLE

Designated broker ceases to stand in the market
to provide matching services for sale and
purchase of odd lots of the Shares Tuesday, 17 March 2020

Note: All times and dates stated in this Prospectus refer to Hong Kong times and dates.

Dates stated in this Prospectus 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.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The Latest Time for Acceptance will not take place at 4:00 p.m. on Monday, 17 February 2020 if on such day there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any time before 12:00 noon and no longer in force after 12:00 noon on Monday, 17 February 2020, and will be extended to 5:00 p.m. on the same Business Day; and
- (ii) in force in Hong Kong at any time between 12:00 noon and 4:00 p.m. on Monday, 17 February 2020, and will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on Monday, 17 February 2020, the dates mentioned above may be affected. Announcement(s) will be made by the Company on any change to the expected timetable as and when appropriate.

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:
 - (a) 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
 - (b) 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 of the Underwriting Agreement) 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

TERMINATION OF THE UNDERWRITING AGREEMENT

- (6) any matter which, had it arisen or been discovered immediately before the date of this Prospectus and not having been disclosed in this 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 the announcement of the Company dated 13 December 2019, 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:

- (a) any material breach of any of the warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (b) 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.

LETTER FROM THE BOARD



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)

Executive Director:

Mr. Lei Dejun

Non-executive Directors:

Mr. Yin Bo

Mr. Chan Suk Ching

Mr. Zhang Yonghua

Independent Non-executive Directors:

Mr. Ma Shirong

Mr. Chi Hongji

Mr. Dong Tao

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal place of business
in the PRC:*

Room 102, Unit 1, Building 1

Ruiyuan, Jinjiang Community

Yanchang Line, Beijing Road

Panlong District, Kunming City

Yunnan Province, China

*Head office and principal place of
business in Hong Kong:*

Room 2510, 25/F

Harcourt House

39 Gloucester Road

Wanchai, Hong Kong

3 February 2020

To the Qualifying Shareholders, and, for information only, the Non-Qualifying Shareholders (if any)

Dear Sirs,

**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**

INTRODUCTION

Reference is made to the announcements of the Company dated 13 December 2019, 18 December 2019, 19 December 2019 and 24 December 2019 in relation to the Rights Issue. The Company proposed 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*

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with further information of the Rights Issue, including information on dealing in, transfer and acceptance for the Rights Shares, and certain financial and other information of the Group.

THE RIGHTS ISSUE

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 at the Record Date	:	3,579,777,000 Shares
Number of Rights Shares	:	894,944,250 Rights Shares
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

As at the Latest Practicable Date, the Company did 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.

As at the Latest Practicable Date, the Board had not received any information or irrevocable undertaking from any Shareholders of their intention to take up their provisional entitlements under the Rights Issue.

LETTER FROM THE BOARD

The Rights Shares

On the basis that there were 3,579,777,000 Shares in issue as at 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 Latest Practicable Date; 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 the Qualifying Shareholders 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 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 HK\$0.0555 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (iv) is equivalent to the theoretical ex-rights price of 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; and
- (v) represents a premium of approximately 1.85% over the closing price of HK\$0.054 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

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 for and benefits of the Rights Issue as discussed in the paragraph headed "Reasons for the Rights Issue and use of proceeds" below.

LETTER FROM THE BOARD

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.

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.

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

Rights of the Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

Based on the register of members of the Company on the Record Date, the Company has no Overseas Shareholders.

Procedures for acceptance and payment and/or transfer of the Rights Shares

Qualifying Shareholders will find accompanying with this Prospectus a PAL which entitles the Qualifying Shareholders to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to exercise their rights to subscribe for all the Rights Shares specified in the PALs, the Qualifying Shareholders must lodge the PALs in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by no later than 4:00 p.m. on Monday, 17 February 2020. All remittances must be made by cheques or cashier’s orders in Hong Kong dollars. Cheques must be drawn on an account with, and cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**Greenway Mining Group Limited – Provisional Allotment Account**” and crossed “**Account Payee Only**”.

LETTER FROM THE BOARD

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. on Monday, 17 February 2020, whether by the original allottee or any person in whose favour the rights have been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled, and the related Rights Shares will be available for excess application by the Qualifying Shareholders under the EAF.

All cheques and cashier's orders will be presented for payment following receipt and all interest (if any) earned on such monies will be retained for the benefit of the Company. Completion and return of a PAL together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the applicant(s) that the cheque or cashier's order will be honoured on first presentation. Any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to being rejected, and in that event the provisional allotment and all rights under the provisional allotment will be deemed to have been declined and will be cancelled.

If the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination and/or if any of the conditions to which the Rights Issue is subject is not fulfilled in accordance with the paragraph headed "The Underwriting Agreement — Conditions of the Underwriting Agreement" below, the application monies will be refunded, without interest, by sending cheques made out to the applicants (or in the case of joint applicants, to the first named applicant) through ordinary post at the risk of the applicants on or before Tuesday, 25 February 2020. No receipt will be issued in respect of any application monies received.

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.

Transfer and splitting of nil-paid Rights Shares

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer a part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Friday, 7 February 2020 to the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, which will cancel the original PAL and issue new PAL in the denominations required, which will be available for collection at the same place after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly known as "splitting" the nil-paid Rights Shares. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of the rights to subscribe for the Rights Shares. Having "split" the nil-paid Rights Shares, a Qualifying Shareholder who wishes to accept the provisional allotment of Rights Shares represented by a new PAL should do so in accordance with the instructions given above.

LETTER FROM THE BOARD

If a Qualifying Shareholder wishes to transfer all of his/her/its nil-paid Rights Shares under a PAL (or a split PAL, as the case may be) to another person, he/she/it should complete and sign the registration information in the PAL and hand the PAL to the person to or through whom he/she/it is transferring his/her/its nil-paid Rights Shares. The transferee must then complete and sign the registration details in the PAL and lodge the PAL intact, together with a remittance for the full amount payable on acceptance with the Registrar by no later than 4:00 p.m. on Monday, 17 February 2020. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of the rights to subscribe for the Rights Shares.

The PAL contains full information regarding the procedures to be followed if a Qualifying Shareholder wishes to accept a number of Rights Shares different from his/her/its provisional allotment and the procedures to transfer the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholder.

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 have applied for excess Rights Shares 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 PALs 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 provisional allotment of the Rights Shares.

LETTER FROM THE BOARD

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.

Application for excess Rights Shares may be made by lodging the EAF in accordance with the instructions printed thereon, together with a remittance for the full amount payable on application in respect of the excess Rights Shares applied for, with the Registrar by 4:00 p.m. on Monday, 17 February 2020. All remittances must be made by cheques or cashier's orders in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**Greenway Mining Group Limited – Excess Application Account**" and crossed "**Account Payee Only**".

All cheques and cashier's orders accompanying completed EAFs will be presented for payment upon receipt and all interest (if any) earned on such monies will be retained for the benefit of the Company. Completion and return of an EAF with a cheque or a cashier's order in payment for the excess Rights Shares applied for will constitute a warranty by the applicant that the cheque or cashier's order will be honoured on first presentation. If the cheque or the cashier's order is dishonoured on first presentation, the application for excess Rights Shares is liable to be rejected.

If no excess Rights Shares are allotted to the Qualifying Shareholders who have applied for excess Rights Shares, the amount tendered on application will be returned to such Qualifying Shareholders without interest by means of a cheque despatched by ordinary post to their registered addresses at their own risk on or before Tuesday, 25 February 2020. If the number of excess Rights Shares allotted to the Qualifying Shareholders is less than that applied for, the surplus application money will also be returned to such Qualifying Shareholders without interest by means of a cheque despatched by ordinary post to their registered addresses at their own risk on or before Tuesday, 25 February 2020.

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.

LETTER FROM THE BOARD

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 Tuesday, 25 February 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 Tuesday, 25 February 2020 by ordinary post at the respective Shareholders' own risk.

Application for listing of the Rights Shares

The Company has applied 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 dates 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.

The Rights Shares in both their nil-paid and fully-paid forms will be traded in board lots of 1,000 Shares.

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 had 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 Latest Practicable Date.

LETTER FROM THE BOARD

ARRANGEMENT ON ODD LOT TRADING

In order to facilitate the trading of odd lots of the Rights Shares arising from the Rights Issue, the Company has appointed, Computershare Hong Kong Investor Services Limited, as an agent to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Rights Shares to make up a full board lot, or to dispose of their holding of odd lots of the Rights Shares during the period from Wednesday, 26 February 2020 to Tuesday, 17 March 2020. Shareholders who wish to take advantage of this service should contact Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or at telephone number (852) 2862 8555 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period. Shareholders should note that successful matching of the sale and purchase of odd lots of the Rights Shares is not guaranteed. Shareholders who are in doubt about this service are recommended to consult their professional advisors.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon the obligations of the Underwriter under the Underwriting Agreement becoming unconditional on or before the Latest Time for Termination and the Underwriting Agreement not being terminated in accordance with its terms and conditions as referred to in the section headed "Termination of the Underwriting Agreement" in this Prospectus.

If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.

THE UNDERWRITING AGREEMENT

Date:	13 December 2019 (as supplemented on 24 December 2019)
Underwriter:	Astrum Capital Management Limited, a licensed corporation under the SFO 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 and its ordinary course of business includes underwriting of securities
Number of Underwritten Shares:	894,944,250 Rights Shares, representing all the Rights Shares
Underwriting commission:	1.5%

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.

LETTER FROM THE BOARD

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) loss attributable to owners of the Company of approximately RMB8.6 million and RMB13.8 million recorded by the Group for the year ended 31 December 2018 and for the 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 underwriters.

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 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;

LETTER FROM THE BOARD

- (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.

As at the Latest Practicable Date, none of the conditions above have been fulfilled.

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.

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 major production and operation activities of the Group continued to focus on its three key mines, including GPS JV Mine and Aung Jiuja Mine in Myanmar, and the Dakuangshan Mine located at Yunnan Province, the PRC.

GPS JV Mine is an underground lead-silver polymetallic mine located in Bawsaing Track, Kalaw Township, Southern Shan State, Myanmar, in a karst topography between 1,200 metres to 1,550 metres above sea level. It is one of the major lead-silver deposits in Myanmar and covers an area of approximately 2 square kilometres. However, the production of GPS JV Mine was continuously affected by (i) the inefficient supply of mining operations of the existing mining zones which are under development; (ii) the complex underground mining operations and relatively low grade of lead ores; and (iii) the additional and more stringent social and environmental regulations promulgated by the local government in Myanmar. With an aim of improving the production level of GPS JV Mine, the Board intends to enhance the exploration activities to locate other mining zones with higher grade mineral resources and in a more cost effective manner for its mining and processing productions in the future. Barring any extraordinary or unforeseen circumstances which are beyond contemplation and control of the Board, it is expected that the first phase of exploration works of GPS JV Mine will be completed by the end of 2023.

LETTER FROM THE BOARD

Aung Jiuja Mine is an open pit and underground lead mine located at Depanbing Village, Ruian County, Shan State, Myanmar, in a karst topography between 800 metres to 1,500 metres above sea level and is characterized by low mountains and flat valleys. The mining permit of Aung Jiuja Mine covers an area of approximately 0.2 square kilometres. Due to the impact of certain intermittent faults at the underground body and the increasingly stringent environmental and safe production policies in Myanmar, the mining production of Aung Jiuja Mine was affected. Accordingly, the Company contemplated to have short term suspension of the operation and processing plant of Aung Jiuja Mine in order to meet the Myanmar government's requirements for environmental protection and safe production in the mineral industry and to carry out the production enhancement work. At the same time, the Board contemplated to expand the processing plant to increase the lead ore processing capacity from 1,000 tonnes per day to 1,500 tonnes per day, so as to achieve the long term sustainable development in Myanmar. Barring any extraordinary or unforeseen circumstances which are beyond contemplation and control of the Board, it is expected that the expansion of the processing plant of Aung Jiuja Mine will be completed by the end of June 2020.

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 financing the operation and development of the existing business of the Group (including but not limited to the exploration work of GPS JV Mine and the expansion of processing plant of Aung Jiuja Mine), 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 shareholding 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) (the “**Venture Million Acquisition**”);
- (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

LETTER FROM THE BOARD

- (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).

With the gradual reduction of mines with open-pit mining and rich mineral resources, most of the mining operators in the PRC shifted to develop underground mining with higher mining operation costs in recent years. In addition, as the requirements for environmental protection (such as energy savings, waste reduction, production safety and green mine construction) in the PRC have gradually strengthened, a large number of mines were closed or undergone substantial and lengthy technology innovations to meet the relevant requirements. The operational environment of the mining sector in the PRC became more difficult and costly. In comparison, the overall mining industry in Myanmar continues to improve and the operating cost of mines is relatively lower. In view of above, the Board determined to increase the investment in the mining industry of Myanmar since 2018, so as to achieve higher profitability. As at the Latest Practicable Date, Venture Million, a 51%-owned subsidiary of the Company, was interested in approximately 98% of share capital of GPS JV which is principally engaged in exploration, mining, processing and sale of lead and silver and related products in Myanmar and is the legal and beneficial holder of the mining license granted by the Ministry of Mines of Myanmar in respect of the GPS JV Mine. The Company considers that the Venture Million Acquisition represents a good opportunity for the Group to enhance the control over Venture Million and GPS JV and further expand its lead and silver mining businesses in Myanmar, which is in line with the Group's development strategy.

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 turn 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 that 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.

LETTER FROM THE BOARD

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 Latest Practicable Date; and (ii) immediately after completion of the Rights Issue:

	As at the Latest Practicable Date		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	
	<i>Approximate</i> <i>No. of Shares</i>	<i>%</i>	<i>Approximate</i> <i>No. of Shares</i>	<i>%</i>	<i>Approximate</i> <i>No. of Shares</i>	<i>%</i>
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.

LETTER FROM THE BOARD

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 paragraph headed “The Underwriting Agreement – Conditions of the Underwriting Agreement” in this Letter from the Board 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 “Termination of the Underwriting Agreement” in this Prospectus for further details. Accordingly, the Rights Issue may or may not proceed.

The Shares have been dealt in on an ex-rights basis from Tuesday, 14 January 2020. Dealings in the Rights Shares in nil-paid form are expected to take place from 9:00 a.m. on Wednesday, 5 February 2020 to 4:10 p.m. on Wednesday, 12 February 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.

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 Latest Practicable Date.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or disposal of, or dealing in the Rights Shares. It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accept responsibility for any tax effects or liability of holders of the Rights Shares resulting from application for, purchase, holding or disposal of, or dealing in the Rights Shares.

LETTER FROM THE BOARD

FURTHER INFORMATION

Your attention is drawn to the further information set out in the appendices to this Prospectus.

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

1. FINANCIAL INFORMATION

Financial information of the Group for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 are disclosed on pages 77-140 of the 2016 annual report published on 19 April 2017 (“**2016 Annual Report**”), pages 74-147 of the 2017 annual report published on 18 April 2018 (“**2017 Annual Report**”) and pages 84-159 of the 2018 annual report published on 29 March 2019 (“**2018 Annual Report**”), respectively. Financial information of the Group for the six months ended 30 June 2019 are disclosed on pages 46-70 of the 2019 interim report published on 16 August 2019 (“**2019 Interim Report**”). The said annual reports and interim report are published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.chinapolymetallic.com).

Please refer to the hyperlinks as stated below:

2016 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2017/0419/ltn20170419019.pdf>

2017 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2018/0418/ltn20180418862.pdf>

2018 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0329/ltn20190329599.pdf>

2019 Interim Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0816/ltn20190816131.pdf>

2. INDEBTEDNESS OF THE GROUP

Indebtedness

At of 31 December 2019, being the Latest Practicable Date prior to the printing of this Prospectus for the purpose of this statement of indebtedness, the Group had the outstanding indebtedness of approximately RMB376 million which is set out as follows:

	Interest rate per annum/weighted average incremental borrowing rate (%)	As at 31 December 2019 RMB'000
<i>Bank loans – Secured and guaranteed</i>		
Current	4.75 – 5.15	35,549
Non-current	4.75 – 5.15	308,990
<i>Loans from a related party repayable within one year</i>		
Unsecured and unguaranteed	8.00	31,068
<i>Lease liabilities</i>		
Current	5.05	532
Non-current	5.05	221
		<u>376,360</u>

Notes:

- (a) Bank loans were guaranteed by Mr. Ran Xiaochuan and his spouse, Ms. Luo Chaochua for nil consideration. Mr. Ran Xiaochuan is the former executive director of the Company and retired on 6 June 2017.

At the same time, the Company has given corporate guarantee to Ms. Luo Chaochua to counter guarantee her personal guarantee over the Group's bank loans. The corporate guarantee given by the Company will expire when Ms. Luo Chaochua ceases to be the guarantor.

- (b) The bank loans were secured by the following assets:

	As at 31 December 2019 RMB'000
Net book amount of:	
Property, plant and equipment	57,888
Mining rights	61,794
Prepaid land lease payments	10,134
	<u>129,816</u>

The bank loans also secured by the pledge of equity interests in the following subsidiaries:

- i. 99% equity interests in Yingjiang County Kunrun Industry Company Limited;
- ii. 90% equity interests in Mang City Xin Di Mining Company Limited;
- iii. 90% equity interests in Meng La Chen Feng Mining Development Company Limited; and
- iv. 90% equity interests in Nujiang Shengjia Chengxin Industrial Co., Ltd..

Contingent liabilities

As at 31 December 2019, the Group did not have any significant contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade and other payables in the ordinary course of business, the Group did not have any other loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorized or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities outstanding as at 31 December 2019.

Save as disclosed above, the Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group from 31 December 2019 to the Latest Practicable Date.

3. WORKING CAPITAL STATEMENT

Taking into account the net proceeds from the Rights Issue and the financial resources available to the Group, the Directors are of the opinion that the Group will have sufficient working capital to satisfy its requirements for the next twelve months from the date of this Prospectus in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as disclosed in the 2019 Interim Report and/or the profit warning announcement of the Company dated 26 November 2019 in respect of the expected significant increase in net loss attributable to owners of the Company for the year ended 31 December 2019, the Directors confirm that there are no other material changes in the financial or trading position or outlook of the Group subsequent to 31 December 2018, being the date to which the latest published audited financial statements of the Group was made up.

5. FINANCIAL AND TRADING PROSPECTS

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.

Since the beginning of 2019, the global trade barriers rose and trade tensions escalated with the intensification of Sino-US trade frictions, and the global supply chains were disrupted, which led to the slowing down of economic growth in major economies and brought major challenges to the global economy. Under the situation that the global economic outlook is highly uncertain and the domestic demand recorded slowdown, the PRC domestic economy faced severe challenges. On the other hand, the PRC continued to steadily promote the Belt and Road Initiative, and the establishment of the China-Myanmar Economic Corridor and the China-ASEAN industrial cooperation were further strengthened. Benefiting from factors such as economic reforms and the influx of foreign capital, the economy of Myanmar, where the Group's major operating mines are located, maintained steady growth in 2019.

However, the domestic demand for lead and zinc in the PRC experienced a cyclical decline in the first half of 2019, and thus the sales of lead and zinc, which is the main business of the Group, inevitably affected. In respect of the supply side, as affected by increasingly stringent environmental protection regulations and continuously rising operating costs, large market players increased their production while weaker ones decreased their production. The stronger players remained with the weaker players being eliminated became an industry trend, and the degree of industry concentration was further strengthened. At the same time, the development of the recycling and reuse of used batteries continued stable, the output and proportion of recycled lead continued to increase. Therefore, the focus of certain portion of supply chain shifted from the supply of raw lead ores to the supply of refined lead.

In respect of the demand side, as affected by (i) the supply side reform; (ii) the saturated market of household appliances, electric bicycles and automobile traditional industries; and (iii) the rapid replacement of lead storage batteries by new energy batteries such as lithium electronics in some areas, the downstream consumer market of lead, the Group's main product, sustained downturn. Despite the tightening of supply due to the habitual maintenance of most smelters during the first half of 2019 and decrease in production of secondary lead as a result of sluggish market factors, the inventory level of the end users remained at high level during most of time within the six months ended 30 June 2019 due to the general unsatisfactory performance of the lead-acid battery companies, thus the seasonal recovery in the lead market delayed and lead price remained weak. At the same time, the self-sufficiency rate of domestic lead mineral resources declined and the processing cost of lead concentrates increased significantly due to factors such as environmental protection and limited new mines, which brought further adverse effect to lead producers.

Accordingly, with the deepening of ecological protection and pollution prevention work and the continued stagnant downstream consumer market, there will be an imminent need for the transformation and upgrading of the lead and zinc industry, and the integrated development of informatization and industrialization, and green development will continue to be the main development direction of the industry.

A. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 30 June 2019.

The Unaudited Pro Forma Financial Information is prepared for illustrative purposes only and, based on the judgments, estimates and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company as at the date to which it is made up or at any future date.

Unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2019 <i>RMB'000</i> <i>(note 1)</i>	Estimated net proceeds from the Rights Issue <i>RMB'000</i> <i>(note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company after the completion of the Rights Issue <i>RMB'000</i>	Consolidated net tangible assets per Share attributable to the owners of the Company as at 30 June 2019 <i>RMB'000</i> <i>(note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to the owners of the Company after the completion of the Rights Issue <i>RMB'000</i> <i>(note 4)</i>
Based on 894,944,250 Rights Shares at a Subscription Price of HK\$0.055 per Rights Share				
608,749	41,884	650,633	0.17	0.15

Notes:

- (1) The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as of 30 June 2019 is extracted from the published unaudited interim financial information for the six months ended 30 June 2019, which is equal to the unaudited consolidated net assets attributable to owners as of 30 June 2019 of RMB1,596,635,000 less intangible assets of RMB987,886,000 as of the same date.
- (2) The estimated net proceeds from the Rights Issue are based on 894,944,250 Rights Shares to be issued at the Subscription Prices of HK\$0.055 each per Rights Share, after deduction of the related expenses, including among others, the underwriting commission and other professional fees. The net proceeds being HK\$47,298,000, is equivalent to approximately RMB41,884,000.
- (3) The consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 30 June 2019 was RMB0.17, which was based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2019 of RMB608,749,000 and 3,579,777,000 Shares in issue as at the Latest Practicable Date.
- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is calculated based on 4,474,721,250 Shares, which represents 3,579,777,000 Shares in issue as at the Latest Practicable Date and 894,944,250 Rights Shares, assuming the Rights Issue had been completed on 30 June 2019.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

To the Directors of Greenway Mining Group Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Greenway Mining Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 30 June 2019, and related notes as set out on pages II-1 to II-2 of the prospectus dated 3 February 2020 (the “**Prospectus**”) issued by the Company (the “**Pro Forma Financial Information**”). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described on page II-1 to II-2 of the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 894,944,250 new shares of the Company (the “**Rights Shares**”) at the subscription price of HK\$0.055 per Rights share on the basis of one (1) Rights Share for every four (4) existing shares (the “**Rights Issue**”) on the Group’s financial position as at 30 June 2019 as if the Rights Issue had taken place at 30 June 2019. As part of this process, information about the Group’s consolidated net tangible assets has been extracted by the Directors from the Group’s financial statements for the six months ended 30 June 2019, on which no audit or review report has been published.

Directors’ responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline (“**AG**”) 7 “*Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars*” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information, in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of Rights Issue on unadjusted financial information of the Group as if the Rights Issue had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

Ernst & Young

Certified Public Accountants
Hong Kong

3 February 2020

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Rights Issue (assuming no Shares being issued or repurchased by the Company from the Latest Practicable Date up to completion of the Rights Issue) are set out as follows.

(i) as at the Latest Practicable Date

<i>Authorised:</i>	<i>HK\$</i>
<u>38,000,000,000 Shares</u>	<u>380,000.00</u>
<i>Issued and fully paid up:</i>	
<u>3,579,777,000 Shares</u>	<u>35,797.77</u>

(ii) immediately after completion of the Rights Issue:

<i>Authorised:</i>	<i>HK\$</i>
<u>38,000,000,000 Shares</u>	<u>380,000.00</u>
Issued and fully paid up:	
<u>3,579,777,000 Shares</u>	<u>35,797.77</u>
<u>894,944,250 Rights Shares</u>	<u>8,949.44</u>
<u>4,474,721,250 Total</u>	<u>44,747.21</u>

All the existing Shares in issue are fully-paid and rank *pari passu* in all respects including all rights as to dividends, voting and return of capital. The Rights Shares (when allotted, issued and fully-paid) will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the Rights Shares in their fully-paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, the Company had no other outstanding convertible securities, options in issue which confer any right to subscribe for, convert or exchange into Shares.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, no share or loan capital of the Company or any members of the Group had been put under option or agreed conditionally or unconditionally to be put under option.

3. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in Shares, underlying Shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, none of the Directors and the chief executive of the Company has any interest or short position in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules .

(b) Substantial Shareholders' and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, so far as was known to the Directors, the persons (other than a director or chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO and, so far as is known to the Directors of the Company, who has an interest in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Name of Shareholder	Capacity	Number of ordinary shares held (Note 5)	Approximate percentage of shareholding (%) (Note 3)
CITIC Dameng Investments Limited (Note 1)	Beneficial owner	1,073,531,131 (L)	29.99 (Note 3)
CITIC Dameng Holdings Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Apexhill Investments Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Metal Group Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Metal and Mining Link Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Highkeen Resources Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Group Smart Resources Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Starbest Venture Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)

Name of Shareholder	Capacity	Number of ordinary shares held (Note 5)	Approximate percentage of shareholding (%) (Note 3)
CITIC Resources Holdings Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Keentech Group Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Projects Management (HK) Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Corporation Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Glory Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Polaris Limited (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
CITIC Group Corporation (Note 1)	Interest of corporation controlled by the substantial shareholder	1,073,531,131 (L)	29.99 (Note 3)
Astrum Capital Management Limited (Note 2)	Other	894,944,250 (L) 223,000,000 (S)	20.00 4.98 (Note 4)
Major Harvest Investments Limited (Note 2)	Interest of corporation controlled by the substantial shareholder	894,944,250 (L) 223,000,000 (S)	20.00 4.98 (Note 4)

Name of Shareholder	Capacity	Number of ordinary shares held (Note 5)	Approximate percentage of shareholding (%) (Note 4)
Astrum Financial Holdings Limited (Note 2)	Interest of corporation controlled by the substantial shareholder	894,944,250 (L) 223,000,000 (S)	20.00 4.98 (Note 4)
Autumn Ocean Limited (Note 2)	Interest of corporation controlled by the substantial shareholder	894,944,250 (L) 223,000,000 (S)	20.00 4.98 (Note 4)
Pan Chik (Note 2)	Interest of corporation controlled by the substantial shareholder	894,944,250 (L) 223,000,000 (S)	20.00 4.98 (Note 4)
Liu Ming Lai Lorna (Note 2)	Interest of spouse	894,944,250 (L) 223,000,000 (S)	20.00 4.98 (Note 4)
Shi Xiaozhou	Beneficial owner	453,690,996 (L)	12.67 (Note 3)

Notes:

- The entire issued share capital of CITIC Dameng Investments Limited is owned by CITIC Dameng Holdings Limited (HKSE Stock Code: 1091), which is in turn owned as to 9.07% by Apexhill Investments Limited (“**Apexhill**”) and 34.39% by Highkeen Resources Limited (“**Highkeen**”). Apexhill is wholly owned by CITIC Metal Group Limited, which is in turn wholly owned by Metal and Mining Link Limited (“**MML**”). MML is wholly owned by CITIC Corporation Limited (“**CITIC Corporation**”). Highkeen is wholly owned by Group Smart Resources Limited, which is in turn wholly owned by Starbest Venture Limited (“**Starbest Venture**”). Starbest Venture is wholly owned by CITIC Resources Holdings Limited (HKSE Stock Code: 1205), which is in turn owned as to 49.57% by Keentech Group Limited (“**Keentech**”). Keentech is wholly owned by CITIC Projects Management (HK) Limited (“**CITIC Projects**”). CITIC Projects is wholly owned by CITIC Corporation. CITIC Corporation is wholly owned by CITIC Limited (HKSE Stock Code: 267), which is owned as to 25.60% by CITIC Glory Limited and as to 32.53% by CITIC Polaris Limited. CITIC Glory Limited and CITIC Polaris Limited are wholly owned by CITIC Group Corporation. CITIC Group Corporation is a company established in the PRC.
- The long position in respect of 894,944,250 Shares are the Rights Shares which Astrum Capital Management Limited as the Underwriter is interested in under the Underwriting Agreement on the assumption of no acceptance by the Qualifying Shareholders under the Rights Issue. Astrum Capital Management Limited is a wholly-owned subsidiary of Major Harvest Investments Limited, which is in turn wholly owned by Astrum Financial Holdings Limited, and is in turn owned as to 66.6% by Autumn Ocean Limited. Autumn Ocean Limited is wholly owned by Pan Chik, whose spouse is Liu Ming Lai Lorna.
- The percentage shareholdings are calculated based on the issued share capital of the Company as at the Latest Practicable Date comprising 3,579,777,000 Shares.

4. The percentage shareholdings are calculated based on the expected issued share capital of the Company as enlarged by the issue of the Rights Shares under the Rights Issue comprising 4,474,721,250 Shares.
5. The letter “L” denotes the person’s long position and the letter “S” denotes the person’s short position in such Shares.

4. MATERIAL CONTRACTS

The following contracts (not being contracts entered into under the ordinary course of business of the Group) have been entered into by the Company within the two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the capital increase agreement dated 10 May 2019 entered into between 盈江縣昆潤實業有限公司 (Yingjiang County Kunrun Industry Company Limited), a wholly-owned subsidiary of the Company, 盈江昆潤工貿有限公司 (Yingjiang Kunrun Gongmao Company Limited) (“**Kunrun Gongmao**”), and two independent third parties pursuant to which those two independent third parties agreed to make capital contributions of RMB13,000,000 and RMB12,000,000, respectively, in cash to the registered capital to gain equity interests of Kunrun Gongmao by 28.89% and 26.67%; and
- (b) the Underwriting Agreement.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contract or had an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

6. LITIGATION

As at the Latest Practicable Date, no member of the Group is engaged in any litigation or arbitration of material importance and there is no litigation or claims of material importance known to the Directors to be pending or threatened by or against any member of the Group.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice which are contained in this Prospectus:

Name	Qualification
Ernst & Young	Certified Public Accountants

Ernst & Young has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letter and references to its name in the form and context in which it appears herein.

As at the Latest Practicable Date, Ernst & Young did not have any direct or indirect shareholding interest in any member of the Group nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Ernst & Young had no direct or indirect interest in any assets which had been, since 31 December 2018 (being the date to which the latest published audited financial statements of the Group were made up), acquired, disposed of by or leased to, or were proposed to be acquired, disposed of by or leased to any member of the Group.

8. DIRECTOR'S INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group. As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2018 (being the date to which the latest published audited financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

9. COMPETING INTERESTS

None of the Directors or their respective associates was materially interested in any business which competes or is likely to compete, either directly or indirectly, with the Group's business as at the Latest Practicable Date.

10. EXPENSES

The expenses in connection with the Rights Issue, including underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$2.0 million, which are payable by the Company.

11. CORPORATE INFORMATION

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Principal place of business in the PRC	Room 102, Unit 1, Building 1 Ruiyuan, Jinjiang Community Yanchang Line, Beijing Road Panlong District, Kunming City Yunnan Province, China
Head office and principal place of business in Hong Kong	Room 2510, 25/F Harcourt House 39 Gloucester Road Wanchai, Hong Kong
Authorised representatives	Mr. Lei Dejun Room 2510, 25/F Harcourt House 39 Gloucester Road Wanchai, Hong Kong Ms. Chan Wai Ling Room 2510, 25/F Harcourt House 39 Gloucester Road Wanchai, Hong Kong
Company Secretary	Ms. Chan Wai Ling a member of each of The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute in the United Kingdom
Legal adviser to the Company	<i>Legal advisers as to Hong Kong Law</i> LCH Lawyers LLP Room 702, 7/F Admiralty Centre Tower One 18 Harcourt Road Admiralty, Hong Kong

Auditor and reporting accountant	Ernst & Young 22/F CITIC Tower 1 Tim Mei Avenue Central, Hong Kong
Underwriter	Astrum Capital Management Limited Room 2704, 27/F, Tower 1 Admiralty Centre 18 Harcourt Road Admiralty, Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Computershare Hong Kong Investor Services Limited Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Principal bankers	Agricultural Bank of China Bank of Communications China Merchants Bank Citibank, N.A. Ping An Bank

12. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT**Executive Director**

Mr. Lei Dejun (雷德君), aged 41, was appointed as an executive director of the Company with effect on 12 June 2017 and is the chairman of safety, health and environment committee and strategy committee of the Company. He has been the chief operating officer of the Group since April 2012 and was an executive Director from 18 September 2015 to 9 May 2016. He is also a director of several subsidiaries of the Group. Mr. Lei is responsible for the overall production and development of polymetallic projects and the monitoring of the development of Dakuangshan project and he participated in parts of management of the Shizishan Mine project since September 2013. He was appointed as the president of Dehong Yinrun Mining Group Company Limited, a subsidiary of the Company, subsequently in April 2015 where he was fully responsible for daily operation and management of each of the Group's mining entities. He graduated with an associate degree from Kunming Metallurgy College in 1998. He has about 22 years of experience in the production management and operation of mines. Prior to joining the Group, He worked as a technician, deputy director and director of the production department and supervising engineer of the factory at Huize Lead-Zinc Mine and Qujing Company of Yunnan Chihong Zinc & Germanium Co., Ltd. (雲南馳宏鋅銻股份有限公司) from 1998 to March 2012 where he was responsible for factory production, cost management, human resources, technique and equipment management. During that tenure, he led a number of mining and metallurgical projects and obtained several domestic invention patents and utility model patents.

Non-executive Directors

Mr. Yin Bo (尹波), aged 58, was appointed as a non-executive Director with effect on 12 June 2017 and appointed as Chairman of the Board on 14 December 2017. He is a member of nomination and remuneration committee and strategy committee of the Company. He was the chairman, chief executive officer and executive director of CITIC Dameng Holdings Limited (HKSE Stock Code: 1091) from 4 December 2013 to 26 September 2019 and is still a director of its several subsidiaries. He was an executive director and chairman of the Company from 19 August 2015 and 25 August 2015 to 18 September 2015. He holds a Bachelor of Science in Electronics from Shandong Industrial College (now known as Shandong University) in 1982 and a Master Degree in Business Administration from University of Hull in 1997. He also obtained a PhD in Law in Shandong University in 2002. He has held various positions in Shandong Provincial Government and his last position was a Deputy Director of general office of Shandong Provincial Government of the PRC (中國山東省人民政府辦公廳). Mr. Yin has extensive experience in management.

Mr. Chan Suk Ching (陳淑正), aged 43, was appointed as a non-executive Director with effect on 12 June 2017. He is a member of audit committee and strategy committee of the Company. He is also a director of several subsidiaries of the Group. He is the legal counsel of CITIC Dameng Holdings Limited (HKSE Stock Code: 1091) and a consultant in TKC Lawyers. From February 2005 to February 2006, he worked as legal counsel in Inner Mongolia Qing Hua Group (內蒙古慶華集團). He has been in private legal practice since February 2006 and has worked as a consultant or partner in various law firms in Hong Kong. He holds a Master Degree in Laws from Renmin University of China in 2004. Mr. Chan has over 15 years' experience in mergers and acquisitions, corporate finance, regulatory and commercial work in mining and mineral sectors.

Mr. Zhang Yonghua (張永華), aged 56, was appointed as a non-executive Director on 19 October 2017. He is a member of strategy committee and safety, health and environment committee of the Company. Mr. Zhang holds a bachelor in law from Sichuan Radio & Television University (四川廣播電視大學) in 1988. He has been the lawyer of Elite Law Firm (四川英特信律師事務所) (formerly known as Sichuan Joint Law Firm (四川聯合律師事務所)) since 1996. He was granted the Chinese Lawyers Qualification Certificate (中國律師資格證書) in 1989 and has been in legal practice in various law firms in Sichuan province, China since 1989. Mr. Zhang has been a practicing lawyer in China for over 30 years.

Independent non-executive Directors

Mr. Ma Shirong (馬詩鎔), aged 67, retired, was appointed as an independent non-executive Director with effect on 16 June 2017. He is the chairman of audit committee and a member of the nomination and remuneration committee of the Company. He served as the vice president of CITIC Dameng Holdings Limited (HKSE Stock Code: 1091) and the deputy general manager and chief financial officer of CITIC Dameng Mining Co., Limited from 2006 to 2013 and was responsible for overseeing the financial operations of CITIC Dameng Mining Co., Limited. Prior to joining CITIC Dameng Mining Co., Limited, Mr. Ma had taken up management positions in a number of companies including airlines and bank. Mr. Ma worked at Shanghai Airline from December 1986 to August 1996 and had taken up various managerial positions, including the manager of the sales department and planning department and the assistant general manager in charge of business, planning and developments, aircraft purchasing and financing and information system construction. He had also taken up various managerial positions in the Bank of China, Shanghai Branch from August 1996 to November 2006 including acting as the general manager of corporate loan department, trustee business department and financial institutions department. Mr. Ma holds an Executive Master of Business Administration degree (EMBA) from China Europe International Business School and has extensive experience and knowledge in economics and finance.

Mr. Chi Hongji (遲洪紀), aged 68, researcher, retired, was appointed as an independent non-executive Director with effect on 16 June 2017. He is the chairman of nomination and remuneration committee and a member of safety, health and environment committee of the Company. He served successively as geological officer, person in charge of projects, division director engineer and chief engineer in No. 1 Institute of Geology and Mineral Resources of Shandong Province from 1980 to 2005. Mr. Chi graduated from the Department of Geology of Central South Institute of Mining and Metallurgy (中南礦冶學院) (currently known as Central South University) in 1979, and was accredited as a mineral reserves appraiser by the Ministry of Personnel of the PRC (中華人民共和國人事部) and the Ministry of Land and Resources of the PRC in 2002. Mr. Chi has extensive experience and knowledge in geological exploration.

Mr. Dong Tao (董濤), aged 45, was appointed as an independent non-executive Director with effect on 5 March 2018. He is a member of audit committee and nomination and remuneration committee of the Company. He is a Chinese Certified Public Accountant and Chinese Certified Tax Agent. He holds a bachelor degree in accounting from Shandong Economic University (now known as Shandong University of Finance and Economics) and a master degree in business administration from Asia International Open University (Macau) (now known as City University of Macau). He worked as the chief financial officer of Shenzhen Heungkong Holding Co., Ltd. (Stock Code: 600162.SH) from 2008 to 2011, and as the general manager of financial management centre in Maoye International Holdings Limited (HKSE Stock Code: 848) from 2011 to 2013. Since 2014, he worked at 廣州廣電房地產開發集團股份有限公司 (Guangzhou Guangdian Property Development Group Shares Co., Ltd.), and served as the assistant general manager and general manager of financial management centre and his current position is deputy general manager, responsible for the financial works. Mr. Dong has extensive experience and knowledge in financial operations.

Senior Management

Mr. Guo Zhonglin (郭忠林), aged 57, was appointed as the Chief Technical Officer of the Group in 2011. Since his appointment as Chief Technical Officer, Mr. Guo has been responsible for the technical guidance, technical supervision and technical management in respect of the mining and safety of each mine owned by the Group. Mr. Guo graduated from Kunming University of Science and Technology (昆明理工大學) with a master degree in mining engineering in 1986. He has extensive working experience in mining and the safety of mines. Prior to joining the Group, he was a professor in Kunming University of Science and Technology.

Company Secretary

Ms. Chan Wai Ling (陳蕙玲), FCIS, FCS (PE), is the company secretary of the Company. She is a director of Corporate Services of Tricor Services Limited and a fellow member of both The Hong Kong Institute of Chartered Secretaries (“HKICS”) and The Chartered Governance Institute in the United Kingdom. Ms. Chan is a holder of the Practitioner’s Endorsement from HKICS. Ms. Chan is currently the joint company secretary of IMAX China Holding, Inc. (HKSE Stock Code: 1970), Budweiser Brewing Company APAC Limited (HKSE Stock Code: 1876), China Feihe Limited (HKSE Stock Code: 6186) and Razer Inc. (HKSE Stock Code: 1337). Ms. Chan was also a former company secretary of TCC International Holdings Limited (HKSE Stock Code: 1136, delisted on 20 November 2017), China Maple Leaf Educational Systems Limited (HKSE Stock Code: 1317, resigned on 27 August 2018) and Sun Art Retail Group Limited (HKSE Stock Code: 6808, resigned on 1 November 2019) as well as a former joint company secretary of SITC International Holdings Company Limited (HKSE Stock Code: 1308, resigned on 18 October 2019).

Business address of the Directors and senior management

The business address of the Directors and senior management is the same as the Company's head office and principal place of business in Hong Kong at Room 2510, 25/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.

13. BINDING EFFECT

The Prospectus Documents and all acceptance of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an acceptance or application is made pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed "7. Expert and consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the head office and principal place of business of the Company in Hong Kong at Room 2510, 25/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong during normal business hours from 9:30 a.m. to 5:30 p.m. on any weekday, except public holidays, during the period of 14 days from the date of this Prospectus:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the three years ended 31 December 2016, 31 December 2017 and 31 December 2018 and the interim report of the Company for the six months ended 30 June 2019;
- (c) the letter on the unaudited pro forma financial information of the Group from Ernst & Young, the text of which is set out in part B of Appendix II to this Prospectus;
- (d) the material contracts referred to in the paragraph headed "4. Material Contracts" in this appendix;

- (e) the written consent referred to in the paragraph headed “7. Expert and consent” in this appendix; and
- (f) the Prospectus Documents.

16. GENERAL

In case of inconsistency, the English text of this Prospectus, the PAL and the EAF shall prevail over its Chinese text.