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MMG Limited 五礦資源有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 1208)

VOLUNTARY ANNOUNCEMENT

MMG Limited (“**MMG**”) today announced that its wholly-owned subsidiaries, Anvil Mining Limited (“**Anvil Mining**”) and MMG Africa Investments Limited (formerly known as Anvil Mining Investments Limited “**MMG Africa**”) have signed an agreement with CASA Mining Limited (“**CASA Mining**”) granting CASA Mining an option (the “**Option**”) to acquire the entire issued share capital of the DRC-incorporated entity Leda Mining Congo Sprl (“**Leda**”) from Anvil Mining and MMG Africa.

CASA Mining will pay to Anvil Mining and MMG Africa, on exercise of the Option, US\$5 million plus a further payment (the “**Discovery Payment**”), calculated as set out below, should certain criteria be met. The Option will expire 18 months following the date of it being granted.

About Leda

Leda is part of the Anvil Mining group acquired by MMG in February 2012. Leda is the sole registered and beneficial holder of nine gold exploration licences (Permis de Recherches or exploration permits – the “**PR’s**”) in the DRC. Three of the PR’s (the “**Project Area**”), located in the South-Kivu province of the DRC, are the subject of an unincorporated joint venture (established through an earn-in agreement (the “**Earn-in Agreement**”)) between Anvil Mining and CASA Resources Limited, a wholly-owned subsidiary of CASA Mining, an unlisted exploration company and an independent third party not otherwise connected to MMG.

MMG’s investment in Leda is non-core and does not fit within MMG’s current commercial focus.

About the Option

Exercise of the Option is conditional on (i) the release of a resource statement prepared under the JORC Code by CASA Mining and (ii) entry into a deed of termination and release in respect of the Earn-in Agreement.

The Discovery Payment will be triggered if, prior to the exercise of the Option, CASA Mining should publish or classify exploration results in respect of the Project Area with a total mineral resource (calculated as the aggregate of the inferred, indicated and measured resources under the JORC Code) in excess of 1.2 million ounces of gold.

For every ounce of gold in excess of this threshold, as calculated under the JORC Code (using a 0.5 gram per tonne gold cut-off) (referred to as "Y") for the Project Area, the Discovery Bonus will be Y multiplied by US\$5 per JORC ounce (Y x US\$5).

The Option will expire 18 months following the date of it being granted, to the extent it is not exercised.

By order of the Board
MMG Limited
Andrew Gordon Michelmore
CEO and Executive Director

Hong Kong, 29 October 2012

As at the date of this announcement, the board of directors of the Company comprises nine directors, of which two are executive directors, namely Mr. Andrew Gordon Michelmore and Mr. David Mark Lamont; four are non-executive directors, namely Mr. Wang Lixin (Chairman), Mr. Jiao Jian, Mr. Xu Jiqing and Mr. Gao Xiaoyu; and three are independent non-executive directors, namely Dr. Peter William Cassidy, Mr. Anthony Charles Larkin and Mr. Leung Cheuk Yan.