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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
EXEMPT CONNECTED TRANSACTION
DIVESTMENT OF MUTOSHI PROJECT
& ACQUISITION OF MINING RIGHTS

The Company announces that on 5 September 2013, an agreement was entered into giving effect to Gécamines' purchase right, pursuant to which EMIKO agreed to sell and Gécamines agreed to purchase, EMIKO's 70% interest in the Mutoshi Project for an aggregate consideration of US\$52.5 million. This consideration will be satisfied by Gécamines granting exploration and mining rights over eight tenements adjacent to the Kinsevere mine in the DRC to the Company under a lease agreement.

The transfer of shares held by EMIKO in SMK to Gécamines completed on 5 September 2013.

Reference is made to the circular (Circular) of MMG Limited (Company) dated 24 February 2012 in relation to a recommended takeover offer to acquire all of the common shares in Anvil Mining Limited (Acquisition). As part of the Acquisition, the Company acquired the Mutoshi copper/cobalt project (Mutoshi Project) located at Kolwezi in the Democratic Republic of Congo (DRC).

As disclosed in the Circular, the Company's wholly-owned subsidiary Entreprise Minière de Kolwezi SPRL (EMIKO) and Générale de Carrières et des Mines SARL (Gécamines), were parties to a joint venture established to develop the Mutoshi Project through a special purpose joint venture company, Société Minière de Kolwezi SPRL (SMK). As further disclosed in the Circular, under a Heads of Agreement dated 10 February 2012, EMIKO granted Gécamines a right to purchase EMIKO's 70% interest in the Mutoshi Project for an agreed value of US\$52.5 million.

On 5 September 2013, an agreement was entered into giving effect to Gécamines' purchase right, pursuant to which EMIKO agreed to sell and Gécamines agreed to purchase EMIKO's 70% interest in the Mutoshi Project for an aggregate consideration of US\$52.5 million (Transaction). This consideration will be satisfied by Gécamines granting exploration and mining rights over eight tenements adjacent to the Kinsevere mine in the DRC to the Company under a lease agreement (Lease Agreement). The Lease Agreement will become effective, and the payment of the purchase price under the Transaction will be deemed to be satisfied upon satisfaction or waiver of certain conditions precedent, including but not limited to, the granting of final approval by the Company's board of directors (Board), the completion of legal due diligence and the registration of the Lease Agreement with the mining registry in the DRC. However, if (i) the Board approval is not obtained by 30 September 2013; or (ii) all other conditions precedents are not met by 31 December 2013, Gécamines will be required to pay the US\$52.5 million purchase price in cash (or as EMIKO shall direct) by no later than 3 January 2014.

The transfer of the shares held by EMIKO in SMK to Gécamines completed on 5 September 2013.

The Lease Agreement will allow the Company to undertake exploration works over the tenements and exploit ore with a maximum of 1.8 million tonnes of contained copper metal and is otherwise on terms broadly commensurate with the Kinsevere mine lease agreement. The acquisition of exploration and mining rights aligns with the Company's strategic objective of extending the life of the Kinsevere mine. As Gécamines held a 30% interest in SMK before the Transaction, it was a connected person of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Listing Rules). The Transaction is a connected transaction of the Company but is exempt from reporting, announcement and shareholders' approval pursuant to Rule 14A.31(9) (transactions with persons connected at the level of subsidiaries) of the Listing Rules.

By order of the Board

MMG Limited

Andrew Gordon Michelmore

CEO and Executive Director

Hong Kong, 6 September 2013

As at the date of this announcement, the Board comprises nine directors, of which three are executive directors, namely Mr Andrew Gordon Michelmore, Mr David Mark Lamont and Mr Xu Jiqing, three are non-executive directors, namely Mr Wang Lixin (Chairman), Mr Jiao Jian 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.