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REAL GOLD MINING LIMITED

瑞 金 礦 業 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 246)

UPDATE ANNOUNCEMENT AND TRANSITIONAL ARRANGEMENTS FOR THE AMENDMENTS TO DELISTING FRAMEWORK UNDER THE LISTING RULES

The board of directors (the “Board”) of Real Gold Mining Limited (the “Company”) is making this announcement to provide the latest updates on the Company, together with its subsidiaries (the “Group”), and information on the transitional arrangements for the amendments to the delisting framework under the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). For each of the following sections, references are made to certain previous announcement(s) of the Company. Unless otherwise defined, capitalized terms used in the following sections shall have the same meanings as those defined in the announcements referred to therein.

UPDATE ON THE ACTIVITIES AT THE GOLD MINES OF THE GROUP

The Company wishes to keep its shareholders and potential investors informed of the development of the gold mines owned by the Group. Reference is made to the announcements of the Company dated 31 March 2017, 15 September 2017, 6 December 2017, 15 January 2018, 2 March 2018, 29 March 2018, 4 May 2018, 12 June 2018 and 4 July 2018.

Shirengou Gold Mine and Nantaizi Gold Mine

The Group has two gold mines in the Chifeng Municipality, Inner Mongolia, namely, Shirengou Gold Mine and Nantaizi Gold Mine which are adjacent to each other and form one operating segment of the Group. Production at Shirengou Gold Mine and Nantaizi Gold Mine was suspended in 2016. The Group

continues to consider the merits of exploring for mineable resources in the outer parts of Shirengou Gold Mine and Nantaizi Gold Mine. The Board is not yet in a position to announce any concrete plan or timetable for resumption in production.

The application for renewal of one of the mining permits for Nantaizi Gold Mine has been renewed and will remain valid until September 2020. The applications for renewal of the other mining permit and the exploration permit for Nantaizi Gold Mine are still under consideration by the authorities.

The Board will continue to provide updates as to the progress of the applications for renewal.

Other gold mines

As at the date of this announcement, the Group also owns Luotuochang Gold Mine in the Chifeng Municipality, Inner Mongolia, Gaotaizi Gold Mine in Inner Mongolia, Yandan Gold Mine and three other smaller gold mines in Guangxi. As with the positions of Shirengou Gold Mine and Nantaizi Gold Mine, none of these mines are currently in production, and the Board is considering the possibility of production in the future.

Please refer to the Company's announcement dated 6 December 2017 for the latest status of the other licences and permits in respect of these mines, in particular the exploration permits of Yandan Gold Mine and three other small gold mines in Guangxi.

UPDATE ON THE CHANGES OF LEGAL REPRESENTATIVES OF SUBSIDIARIES IN THE PRC

Reference is made to the announcements of the Company dated 21 August 2017, 6 December 2017, 15 January 2018, 2 March 2018, 4 May 2018, 12 June 2018 and 4 July 2018.

The Company continues to take steps to effect changes of the legal representatives of two remaining subsidiaries, namely, Fubon and Fuqiao. Please refer to the Company's announcements dated 21 August 2017 and 6 December 2017 for details relating to the investigation by the Huizhou Police and the freezing of the entire shares in Fubon, and the consequent impediment on the progress of effecting changes of legal representatives of Fubon and Fuqiao. The Company continues to work with its PRC legal advisers to prepare a written application to the Huizhou Police for the discharge of the frozen shares, it is expected that the said application will be submitted to the Huizhou Police in the near future.

UPDATE ON GUANGFA BANK ACCOUNTS OF THE GROUP

Reference is made to the announcements of the Company dated 23 May 2017, 21 August 2017, 15 September 2017, 6 December 2017, 2 March 2018, 29 March 2018, 4 May 2018, 12 June 2018 and 4 July 2018.

In relation to the two civil actions commenced by the Group against Guangfa Bank at the Yuexiu Court, the Guangzhou Intermediate People's Court has dismissed the appeal by Guangfa Bank against the Dismissal Ruling regarding jurisdictional challenge, it is expected that the actions will be transferred back to the Yuexiu Court.

UPDATE ON THE ENGAGEMENT OF SHINEWING FAS

Reference is made to the announcements of the Company dated 6 December 2017, 15 January 2018, 29 March 2018, 4 May 2018 and 12 June 2018 in relation to the engagement of Shinewing FAS.

As previously announced, Shinewing FAS is engaged to perform an agreed procedures review of the financial position of the Group, in order to identify issues and provide background information for further investigations. Under the retainer, Shinewing FAS is engaged to ascertain and/or understand, among others, (i) the Group's historical and current financial positions, (ii) the Fixed Deposits and Rich Vision Deposits with Guangfa Bank and (iii) the freezing of the Fubon shares by the Huizhou Police.

Shinewing FAS has submitted its revised draft report on the agreed procedures review to the Board and the Board is reviewing the revised draft report and preparing the further information and documents requested by Shinewing FAS in order for Shinewing FAS to finalise their findings for use in other subsequent engagements of the Group.

TRANSITIONAL ARRANGEMENTS FOR THE AMENDMENTS TO THE DELISTING FRAMEWORK UNDER THE LISTING RULES

Reference is made to (i) the announcement of the Company dated 27 May 2011 in respect of the suspension of trading in the Company's shares on the Main Board of the Stock Exchange; (ii) the announcement of the Company dated 30 March 2012 in respect of the Resumption Conditions for trading of the Company's shares imposed on the Company by the Stock Exchange; and (iii) the announcement of the Company dated 28 June 2016 (the "28 June 2016 Announcement") in respect of the direction by the Commission to suspend trading in the Company's shares under Section 8(1) of the Securities and Futures (Stock Market Listing) Rules (the "Section 8(1) Direction"). Reference is also made to the Guidance Letter on Long Suspension and Delisting (GL95-18) published by the Stock Exchange on 25 May 2018. The amendments to the delisting framework under the Listing Rules will come into effect on 1 August 2018 (the "Effective Date"), and the transitional arrangements under the amended delisting framework would apply to the Company.

As the shares of the Company will have been suspended from trading on the Stock Exchange for more than 12 months as at the Effective Date, under Rule 6.01A(2)(b)(ii) of the Listing Rules, the Stock Exchange may cancel the Company's listing if trading in the Company's shares has remained suspended for 12 continuous months from the Effective Date.

The 12-month period will expire on 31 July 2019. If the Company fails to fulfil all the Resumption Conditions to the satisfaction of the Stock Exchange and resume trading in its shares by 31 July 2019, the Listing Department of the Stock Exchange will recommend the Listing Committee of the Stock

Exchange to proceed with the cancellation of the Company's listing. This is subject to the Stock Exchange's right to impose a shorter specific remedial period under Rule 6.10 of the Listing Rules where appropriate.

CONCERNS RAISED BY THE COMMISSION

Reference is made to the 28 June 2016 Announcement.

The Board would like to clarify that the Commission issued the Section 8(1) Direction because it appears to the Commission that:

- “(i) the Company's prospectus dated 10 February 2009, annual reports for the years 2009 and 2012, and other reports or statements published by the Company contained materially false or misleading information;*
- (ii) it is necessary or expedient to sic direct the suspension of trading in the Company's shares in the interest of maintaining an orderly and fair market in those shares; and*
- (iii) it is in the interest of the investing public or in the public interest, or it is appropriate for the protection of investors generally or for the protection of investors in the shares of the Company to do so”.*

The Company has been taking and continues to take all necessary steps to address and resolve the Commission's concerns.

SUSPENSION OF TRADING

Trading in the shares of the Company will remain suspended until further notice.

The Company continues to work closely with its advisers to take all necessary steps in addressing its issues, with the aim of resuming trading in the shares of the Company as soon as practicable. The Company will keep its shareholders informed of the progress in relation to the above from time to time.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Real Gold Mining Limited
Lu Chunxiang
Chairman

Hong Kong, 31 July 2018

As at the date of this announcement, the executive directors are Mr. Lu Chunxiang (Chairman), Mr. Li Feng, Mr. Ren Yancheng, Mr. Sean Zhang, Mr. Wang Chunqi, Mr. Shao Jiulin, Mr. Kirk Vincent Wiedemer; and the independent non-executive directors are Mr. Liu Aiguo, Ms. Zhang Hui, Mr. Guo Honggang and Ms. Wang Xu.