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Wanguo International Mining Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3939)

ENTERING INTO EXPLORATION AGREEMENTS WITH SNOW PEAK MINING PTY LIMITED

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the SFO.

Reference is made to the announcement of the Company dated 14 July 2014 (the “**Announcement**”) in relation to the MOU of the Regional Project and the Near Mine Project. Unless the context requires otherwise, terms defined in this announcements shall have the same meanings as those defined in the Announcement.

THE EXPLORATION ACTIVITIES

The Board is pleased to announce that on 24 October 2014, the Company entered into a Farm In Agreement and a Minerals Royalty Deed with SPM pursuant to which the Company will perform Exploration Activities in the Regional Project and the Near Mine Project respectively. Both Regional Project and Near Mine Project are owned by SPM.

The following sets out the principal terms and conditions to progress Exploration Activities on SPM exploration tenures:

Farm In Agreement – Regional Project:

- a) The Regional Project includes the Einasleigh region, and that part of the Surveyor-Balcooma region which is outside the SPM’s granted Mining Leases ML 1393 and ML 30156.
- b) The Company will undertake a minimum of 150,000 metres of exploration drilling within three years in return for a stake in the Regional Project up to a maximum 50%.
- c) SPM will enter into a 50/50 joint venture with the Company in respect of the Regional Project provided that the Company has (i) successfully reached an additional JORC Measured Resource of 20 million tonnes at a minimum average grade of greater than 1% copper or greater than 10% zinc plus lead; or (ii) completed a minimum of 150,000 metres of exploration drilling at the Regional Project.

- d) An environmental deposit of A\$250,000 is payable to SPM, which will be refunded to the Company after deduction of any for environmental liabilities caused or contributed to by the Company in respect of the Tenements upon termination. If the Company has paid the environmental deposit for Minerals Royalty Deed, it is deemed that the Company has been paid the environmental deposit for Farm In Agreement.
- e) SPM will grant to the Company a licence to access the Tenements in order for the Company to carry out exploration on the Tenements at its sole expense.

Minerals Royalty Deed – Near Mine Project

- a) The Near Mine Project includes tenures located near Mt Garnet, the Maitland project, and that part of the Surveyor-Balcooma region which is inside the granted Mining Leases ML 1393 and ML 30156.
- b) The Company will be required developing or upgrading a minimum of 200,000 tonnes per year to JORC Reserve category in return for a NSR in respect of each separate deposit within the Near Mine Project in which a JORC Reserve is defined by the Company. The NSR payable to the Company, will be 3% for the first one million tonnes mined and processed from each deposit, and 1.5% thereafter.
- c) An environmental deposit of A\$250,000 is payable to SPM, which will be refunded to the Company after deduction of any for environmental liabilities caused or contributed to by the Company in respect of the Tenements upon termination. If the Company has paid the environmental deposit for Farm In Agreement, it is deemed that the Company has been paid the environmental deposit for Minerals Royalty Deed.
- d) SPM will grant to the Company a licence to access the Tenements in order for the Company to carry out exploration on the Tenements at its sole expense.

The Board considers that the Exploration Activities are in the Company's ordinary and usual course of business and believes that the Exploration Activities will result in further cooperation with SPM and expansion of our mineral resources and ore reserves in Australia, aiming at further growing our business and maximizing returns to our Shareholders. The Board also considers that the terms and conditions of the Exploration Agreements and transactions contemplated thereunder are fair and reasonable and in the best interest of the Shareholders as a whole. The estimated initial expenditure for both of the Regional Project and Near Mine Project is approximately RMB8 million in aggregate.

LISTING RULES IMPLICATION

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, SPM or CSD and their associates are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

As each of the applicable percentage ratios in respect of the entering into the Exploration Agreements is below 5%, the entering into the Exploration Agreements does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the SFO.

At the date of this announcement, there has been no definite joint venture agreement and there are no any obligations upon signing of the Farm In Agreement and Minerals Royalty Deed, except for the environmental deposit of A\$250,000.

By the order of the Board
Wanguo International Mining Group Limited
Gao Mingqing
Chairman

Hong Kong, 24 October 2014

As at the date of this announcement, the executive Directors are Mr. Gao Mingqing, Ms. Gao Jinzhu, Mr. Xie Yaolin and Mr. Liu Zhichun; the non-executive Directors are Mr. Li Kwok Ping, Mr. Lee Hung Yuen and Mr. Wen Baolin; and the independent non-executive Directors are Dr. Lu Jian Zhong, Mr. Qi Yang, Mr. Shen Peng and Mr. Li Hongchang.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“A\$”	Australian dollars, the lawful currency of Australia
“Board”	the board of Directors of the Company
“Company”	Wanguo International Mining Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited
“connected person(s)”	has the meaning ascribed to such term under the Listing Rules
“CSD”	Consolidated Tin Mines Limited (ASX: CSD), a company incorporated in Australia as a limited liability company, the issued shares of which are listed on the Australian Stock Exchange, owns 9.8% shareholding in SPM at date of this announcement. CSD intended to acquire all the assets (including Regional Project and Near Mine Project) of SPM, subject to CSD shareholders’ approval.
“Director(s)”	director(s) of the Company
“Exploration Activities”	Exploration activities include exploration works in the Regional Project and the Near Mine Project by the Company
“Exploration Agreements”	The Farm In Agreement and Minerals Royalty Deed entered into between SPM and the Company on 24 October 2014
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“JORC”	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, as published by the Joint Ore Reserves Committee
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“MOU”	Memorandum of Understanding dated 11 July 2014, entered into between the Company and SPM

“NSR”	Net Smelter Return (NSR) means royalty based on the gross proceeds received from sales of product by SPM less cost of smelting and refining, including penalty.
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“SPM”	Snow Peak Mining Pty Limited, a company incorporated in Australia as a limited liability company in December 2012, which holds extensive exploration tenure in North Queensland, Australia.
“%”	Per cent