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Wanguo International Mining Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3939)

INSIDE INFORMATION

PROPOSED ACQUISITION OF 55% EQUITY INTERESTS OF A GOLD MINE COMPANY

This announcement is made by Wanguo International Mining Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company and its potential investors that the Company and an Australian company (the “**Vendor**”), which owns 90% equity interests of a gold mine company (the “**Gold Company**”), entered into a non-legally binding investment framework agreement (the “**Non-legally Binding Investment Framework Agreement**”), pursuant to which the Company proposed to acquire 55% equity interests in the Gold Company (the “**Proposed Acquisition**”). As at the date of this announcement, the Gold Company holds the entire equity interests in a gold mine in the Pacific region with substantial mineral resources and a partially damaged processing plant used to process 2.5Mt of ore per annum.

The Proposed Acquisition is still in the preliminary stage of negotiation. As at the date of this announcement, the Company did not enter into any formal and legally binding agreement(s) in relation to the Proposed Acquisition.

Subject to a series of standard conditions, the Vendor has agreed to grant to the Company an exclusivity period of 150 days commencing from the date of the Non-legally Binding Investment Framework Agreement (the “**Exclusivity Period**”). Prior to entering into any formal and legally binding agreement(s) and during the Exclusivity Period, the Group will undertake due diligence of the Gold Company for its technical, legal and commercial status.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, the Vendor is an independent third party of and is not connected with the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group is principally engaged in the business of mining, ore processing and sale of the concentrates products in the People's Republic of China. One of our growth strategies is to expand our mineral resources and ore reserves through acquisition of new mines.

The Board considers the re-startup cost of the gold mine is relatively low as the main infrastructure remains on the site. In view of the current growth of gold prices, the Proposed Acquisition can diversify the risk of continuous slipping of other metal prices in the Group. The Directors consider that the Proposed Acquisition offers the Group an opportunity to increase its revenue and profit and is in the interest of the Company and its shareholders as a whole.

GENERAL

The Board wishes to emphasise that the Proposed Acquisition is subject to further negotiation with the Vendor and entering into of a formal and legally binding agreement, and the Proposed Acquisition may or may not proceed. The Proposed Acquisition, if materialised, may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. The Company will make further announcement(s) in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

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

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

Hong Kong, 20 July 2016

As at the date of this announcement, the Board comprises Mr. Gao Mingqing (Chairman), Ms. Gao Jinzhu, Mr. Xie Yaolin and Mr. Liu Zhichun as executive Directors; Mr. Li Kwok Ping and Mr. Lee Hung Yuen as non-executive Directors; and Dr. Lu Jian Zhong, Mr. Qi Yan and Mr. Shen Peng as independent non-executive Directors.