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GRAND T G GOLD HOLDINGS LIMITED
大唐潼金控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8299)

MEMORANDUM OF UNDERSTANDING
IN RESPECT OF
ACQUISITION OF HENAN JIAYING MINING COMPANY LIMITED

On 14 January 2010 after the morning trading session closed at 12:30 p.m., the Company entered into the MOU with the Vendors in respect of the Company's proposed acquisition of equity interest in the Target Company by two stages, i.e. the First Acquisition and the Second Acquisition.

Subject to the signing of formal agreement(s), the Company will acquire the entire equity interest in the Target Company by two stages, i.e. the First Acquisition and the Second Acquisition.

In the First Acquisition, the Company will acquire from the Vendors 60% equity interest in the Target Company at a consideration of HK\$12.96 million, of which HK\$4.05 million shall be satisfied by cash and the balance by the issuance of 33,000,000 Consideration Shares, credited as fully paid, at the Issue Price by the Company.

In the Second Acquisition, the Company will, within 12 months from the completion date of the First Acquisition, acquire from the Vendors the remaining 40% equity interest in the Target Company. In view of the Vendors are commencing an exploration program for the Target Company at their own cost, the consideration for the Second Acquisition shall be determined and calculated according to the gold reserve and resources of the Target Company resulting such exploration program and satisfied by the issuance of Consideration Shares, credited as fully paid, at the Issue Price.

The Target Company is a company incorporated in Henan Province, the PRC. Its principal business is industrial investment and development of exploration technology in non-ferrous metals. It is applying for the registration of itself as the legal owner of the Exploration Permit which covers an area of 7.5 km² in Henan Province, the PRC.

** For identification purpose only*

This announcement is issued pursuant to Rule 17.10 of the GEM Listing Rules.

MEMORANDUM OF UNDERSTANDING

The Board is pleased to announce that on 14 January 2010 after the morning trading session closed at 12:30 p.m., the Company entered into the MOU with the Vendors. To the best of the knowledge, information and belief having made all reasonable enquiries by the Directors, the Vendors and the Target Company are third parties independent of both the Company and its connected persons in accordance with the GEM Listing Rules.

Subject to the signing of formal agreement(s), the Company will acquire the entire equity interest in the Target Company by two stages, i.e. the First Acquisition and the Second Acquisition.

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In the Second Acquisition, the Company will, within 12 months from the completion date of the First Acquisition, acquire from the Vendors the remaining 40% equity interest in the Target Company. In view of the Vendors are commencing an exploration program for the Target Company at their own cost, the consideration for the Second Acquisition shall be determined and calculated according to the gold reserve and resources of the Target Company resulting such exploration program and satisfied by the issuance of Consideration Shares, credited as fully paid, at the Issue Price as follows :

| Gold resources and reserve of the Target Company (tonnes) | Consideration for the Second Acquisition (HK\$ million) | No. of Consideration Shares (million) |
|--|---|--|
| 2.2 or above | 8.64 | 32 |
| 3.0 or above | 9.72 | 36 |
| 4.0 or above | 10.80 | 40 |
| 5.0 or above | 11.88 | 44 |
| 6.0 or above | 12.96 | 48 |
| 7.0 or above | 14.04 | 52 |
| 8.0 or above | 15.12 | 56 |
| 9.0 or above | 16.20 | 60 |
| 10.0 or above | 17.28 | 64 |

Other than the provisions relating to earnest money, exclusivity, due diligence exercise, confidentiality, Validity Period and governing laws of the MOU, the MOU are not legally binding.

Issue Price

The Issue Price represents :

- (i) A premium of approximately 159.6% to the closing price of HK\$0.104 per Share as quoted on the Stock Exchange in the morning trading session on 14 January 2010 prior to the publication of this announcement;
- (ii) a premium of approximately 150.0% to the closing price of HK\$0.108 per Share as quoted on the Stock Exchange on 13 January 2010, being the last trading day in the Shares on the Stock Exchange prior to the publication of this announcement;
- (iii) a premium of approximately 144.6% to the average closing price per Share as quoted on the Stock Exchange of HK\$0.1104 for the past 5 trading days up to and including 13 January 2010; and
- (iv) a premium of approximately 135.4% to the average closing price per Share as quoted on the Stock Exchange of HK\$0.1147 for the past 10 trading days up to and including 13 January 2010.

Earnest Money

The Company shall pay to the Vendors an earnest money of HK\$4.05 million in aggregate in the following manner :

1. HK\$2 million is payable on or before 31 March 2010; and
2. HK\$2.05 million is payable or on before 30 April 2010.

The earnest money shall be refunded to the Company immediately if the Company decides to terminate the Acquisitions.

Conditions precedent

Completion of the Acquisitions shall be subject to fulfillment of the following conditions precedent :

1. if applicable, obtaining all the necessary approvals from the relevant government authorities in the PRC in respect of the Acquisitions;
2. if applicable, obtaining an approval by the Shareholders at an extraordinary general meeting approving the Acquisitions;
3. the GEM Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Consideration Shares;
4. completion of due diligence exercise on the Target Company by the Company and informing the Vendors that the Company is satisfied with the results of the due diligence;
5. submission of a SRK report by the Vendors to the satisfaction of the Company;
6. completion of a valuation report by a valuer to be appointed by the Company;
7. obtaining of a PRC legal opinion to the satisfaction of the Company; and
8. the Target Company is free of any debts and liabilities, and the equity interest of the Target Company shall be free from encumbrance, third party's rights and restrictions.

Representations, warranties and undertakings of the Vendors

The Vendors represent, warrant and undertake to the Company that :

1. the Vendors are the beneficial owners of 100% equity interest in the Target Company;

2. the SRK report will confirm that the Target Company is the owner of a valid exploration permit covering an area of 7.5 km² and has gold reserve and resources of not less than 2.2 tonnes;
3. the Target Company will be the owner of 80% interest of the Exploration Permit which is free from encumbrance, third party's rights and restrictions;
4. the Vendors shall endeavour to acquire the remaining 20% interest in the Exploration Permit for the Target Company; and
5. the Vendors shall be responsible for all the costs and expenses to be incurred by the Target Company in relation to the acquisition of any additional mining right licences / exploration permits and geological exploration works before the completion of the Second Acquisition.

Exclusivity

Pursuant to the MOU, the Vendors agree to grant to the Company an exclusivity of 18 months from the date of the MOU whereby the Company shall have the exclusive rights to acquire the equity interest of the Target Company or the Exploration Permit.

Due diligence

A due diligence exercise on the Target Company, which shall include but not be limited to geological, technical, legal, incorporation, continuance, assets, liabilities, financial and operational aspects of the Target Company, shall be undertaken by the Company.

Management of the Target Company

Upon completion of the Acquisitions, the board of directors of the Target Company shall consist of 3 members, of which 2 members together with the chairman, legal representative and financial controller of the Target Company shall be nominated by the Company and the remaining 1 member shall be nominated by the Vendors. Upon completion of the Second Acquisition, all board members of the Target Company shall be nominated by the Company.

INFORMATION ON THE TARGET COMPANY

According to the information available to the Company, the Target Company is a company incorporated in Henan Province, the PRC. Its principal business is industrial investment and development of exploration technology in non-ferrous metals. It is applying for the registration of itself as the legal owner of the Exploration Permit which covers an area of 7.5 km² in Henan Province, the PRC.

GENERAL

In the event that formal agreement(s) are signed, the Acquisitions shall constitute notifiable transaction(s) of the Company and the Company will comply with the relevant requirements under the GEM Listing Rules.

The Acquisitions are still subject to the signing of formal agreement(s) and accordingly, the Acquisitions may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

The Group is principally engaged in gold exploration, mining and mineral processing in the PRC. It also involves in the design, manufacture and distribution of desktop personal computer display cards business. Apart from the MOU, the Group will continue to look for further acquisition opportunities in order to strengthen its gold reserve and the operation of its gold mining division, and upon completion of the disposal of its personal computer component business, the Group will streamline its operation and focus its resources and management effort on the gold mining business.

DEFINITIONS

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

| | |
|--------------------------|--|
| “Acquisitions” | the First Acquisition and / or the Second Acquisition |
| “Board” | the board of Directors |
| “Company” | Grand T G Gold Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM |
| “Consideration Share(s)” | such new Shares to be issued by the Company for payment of the consideration for the acquisition of shareholding interest in the Target Company by the Company |
| “Directors” | directors of the Company |
| “Exploration Permit” | a permit for the exploration works of an area of 7.5 km ² in Hennan Province, the PRC |
| “GEM” | the Growth Enterprise Market of the Stock Exchange |
| “GEM Listing Rules” | Rules Governing the Listing of Securities on the GEM |
| “GEM Listing Committee” | the listing subcommittee of the board of the Stock Exchange which is responsible for the GEM |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Issue Price” | HK\$0.27 per Consideration Share |
| “MOU” | the memorandum of understanding dated 14 January 2010 signed between the Company and the Vendors |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Share(s)” | ordinary share(s) of HK\$0.004 each in the share capital of the Company |

| | |
|--------------------|---|
| “Shareholder(s)” | holder(s) of Shares in the issued capital of the Company |
| “SRK” | SRK Consulting China Limited, an independent technical adviser of international repute |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Target Company ” | Henan Jiaying Mining Company Limited (河南嘉盈礦業有限公司), a limited company incorporated in the PRC which is wholly owned by the Vendors |
| “Validity Period” | the term of the MOU, being 18 months from the date of the MOU |
| “Vendors” | Mr. Guo Xujun and Mr. Guo Junke being the respective owner of 60% and 40% equity interests in the Target Company |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “km ² ” | square kilometers |
| “%” | per cent |

By Order of the Board
GRAND T G GOLD HOLDINGS LIMITED
Lee Sing Leung, Robin
Chief Executive Officer and Executive Director

Hong Kong, 14 January 2010

As at the date of this announcement, the executive directors of the Company are Mr. Lee Shing, Mr. Lee Sing Leung, Robin, Ms. Kwok Tai Pan and the independent non-executive directors of the Company are Mr. Orr Joseph Wai Shing, Mr. Jiao Zhi and Dr. Cheung Wai Bun, Charles J.P..

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with The Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company.

The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its publication and on the website of the Company at <http://www.aplushk.com/clients/8299GrandTG/>