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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)

CLARIFICATION ANNOUNCEMENT
INSIDE INFORMATION

This announcement is made pursuant to Rule 13.09(2) 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 “SFO”).

The board of directors (the “Board”) of Real Gold Mining Limited (the “Company”) noted that Oriental Daily News published an article on 10 June 2017 (the “Article”) in which it was reported that the Securities and Futures Commission of Hong Kong (the “Commission”) has commenced an action against (i) the Company; (ii) Mr. Wu Ruilin, a substantial shareholder of the Company; (iii) Mr. Cui Jie, a former executive director of the Company; and (iv) Citigroup Global Markets Asia Limited, the sponsor of the Company during its initial public offering, for market misconduct in relation to the Company’s initial public offering prospectus, annual results announcements and annual reports of the Company for the two years ended 31 December 2009 and 31 December 2010 (the “Action”).

It was also reported in the Article that the Commission is seeking orders under section 213 of the Securities and Futures Ordinance that (a) the Company to unwind the transactions for the minority shareholders who held the shares of the Company on 27 May 2011 or compensate such shareholders for their losses; and (b) a managing party be appointed to execute and manage the transaction order mentioned in paragraph (a) above.

In view of the Article, the Board has instructed its legal advisers to conduct a search of the Registry of the High Court of the Hong Kong Special Administrative Region through which the Company has obtained a copy of the writ in relation to the Action (the “Writ”). In the Writ, the Commission has brought claims on a joint and/or several liability basis for orders for relief under section 213 of the SFO against (1) the Company (the “1st Defendant”, as the case may be); (2) Mr. Wu Ruilin (the “2nd Defendant”), the Company’s former controlling shareholder who still retains 15.41% shareholding in the Company; (3) Mr. Cui Jie (the “3rd Defendant”), one of the Company’s former executive directors who ceased to be the same on 30 June 2016; and (4) Citigroup Global Markets Asia Limited (the “4th Defendant”), the sole sponsor and one of the underwriters of the offering of shares in the Company to the public in Hong Kong in February 2009 (collectively, the “Defendants”) in respect of market misconduct on their part.

The Commission’s claims against the Defendants in respect of market misconduct concern (i) the prospectus for the global offering of the share capital of the Company disseminated on 10 February 2009 (the “Prospectus”); (ii) the annual results announcement for the year ended 31 December 2009 of the Company disseminated on 7 March 2010 (the “2009 Annual Results Announcement”); (iii) the 2009 annual report of the Company disseminated on 18 March 2010 (the “2009 Annual Report”); (iv) the annual results announcement for the year ended 31 December 2010 of the Company disseminated on 10 March 2010 (the “2010 Annual Results Announcement”); and (v) the 2010 annual report of the Company disseminated on 23 March 2011 (the “2010 Annual Report”).

Specifically, the Commission is seeking, amongst other things, the following main forms of relief pursuant to section 213 of the SFO for the benefit of the independent minority shareholders of the Company which have entered into transactions as a result of alleged market misconduct on the part of the Defendants (or one or some of them):

- (1) A declaration that the Defendants have contravened section 277 of the SFO by disclosing in the Prospectus false or misleading information that was likely to induce others to subscribe for, buy or sell the Company’s securities or have a material influence on the price of the Company’s shares.
- (2) A declaration that the Defendants have contravened section 342F of the Companies Ordinance (Cap. 32) by authorizing the issue, circulation or distribution of the Prospectus which includes untrue statements.
- (3) A declaration that the 1st, 2nd, and 3rd Defendants have contravened section 277 of the SFO by disclosing in the 2009 Annual Results Announcement, the 2009 Annual Report, the 2010 Annual Results Announcement and/or the 2010 Annual Report false or misleading information that was likely to induce others to subscribe for, buy or sell the Company’s securities or have a material influence on the price of the Company’s shares.

- (4) An order under section 213(2)(b) of the SFO requiring the Defendants (or one or some of them) to take such steps as the court may direct, including steps to restore the independent minority shareholders of the Company who entered into any transaction as a result of the aforesaid contravention(s) of section 277 of the SFO and section 342F of the Companies Ordinance who held shares in the Company as at 27 May 2011 (i.e. the date on which the Company voluntarily suspended trading in its shares) to the position in which they were before the transaction was entered into.
- (5) An order under section 213(2)(c) of the SFO restraining the Defendants (or one or some of them) from disposing of, or otherwise dealing in, any property specified in the order.
- (6) An order under section 213(2)(d) of the SFO for the appointment of one or more qualified person(s) as administrator(s) to, *inter alia*, implement and administer the process referred to in paragraph (4) above.
- (7) An order that the Defendants (or one or some of them) do pay the fees, costs and expenses of the administrator(s) within 21 days of the Commission notifying the Defendants.
- (8) An order under section 213(2)(e) of the SFO declaring contracts in, or in relation to, any of the transactions referred to in paragraph (4) above to be void or voidable to the extent specified in the order.
- (9) Further, or in the alternative to paragraph (4) above, an order under section 213(8) of the SFO requiring the Defendants (or one or some of them) to pay damages (which may include pre-judgment interest pursuant to the High Court Ordinance or otherwise) to the independent minority shareholders of the Company referred to in paragraph (4) above.

As at the date of this announcement, the Writ has not yet been served on the Company by the Commission. Further, the Writ has only been generally endorsed with the Commission's claims and no particulars of the claims have been pleaded. The Company is not required to respond to the Writ until it is served on the Company and the full particulars of the claims have been provided. The Company is seeking legal advice on the Writ and will make a further announcement in due course.

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

Hong Kong, 14 June 2017

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