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Wanguo International Mining Group Limited

萬國國際礦業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3939)

VOLUNTARY ANNOUNCEMENT ENTERING INTO A CONSTRUCTION AND MINING CONTRACT

This announcement is made by the Company on a voluntary basis.

THE CONSTRUCTION AND MINING CONTRACT

The Board would like to inform the Shareholders and its potential investors that on 5 September 2019, GRML (the Company's investment target) as the **Developer**, the Company as the **Guarantor** and the **Contractors** entered into a Construction and Mining Contract in respect of the Gold Ridge Project located in the Solomon Islands.

The Construction and Mining Contract shall only become effective upon, among others, completion of the Company's acquisition of 77.78% equity interest in AXF Gold Ridge Pty Ltd. Upon the acquisition completion, GRML will become an indirect non-wholly owned subsidiary of the Company as disclosed in the Company's announcements dated 22 February 2018, 30 April 2018, 31 July 2018, 28 September 2018, 22 October 2018, 31 December 2018, 31 March 2019, 31 May 2019 and 31 July 2019.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of the Contractors and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

Principal terms of the Construction and Mining Contract are as follows.

1. Scope of Work

The scope of work under the Construction and Mining Contract mainly covers two phases as follows:-

- (1) the open-pit stripping and mining operation (the “**First Phase**”); and
- (2) the deep underground development, underground mining, road and bridge construction and maintenance, new tailings construction, etc. (the “**Second Phase**”).

2. Fixed Completion Date

The completion date of the Construction and mining Contract is fixed on the end date of the operation period of the Gold Ridge Project, which is 12 March 2034. If the Solomon Islands government approves an extension of the operation period, the completion date shall be automatically adjusted to the new end date of the operation period.

3. Guarantee

The Company, as a guarantor, will provide the guarantee to secure the GRML’s performance of its obligations under the Construction and Mining Contract.

4. Contract Price

The contract price for the First Phase is approximately USD276 million, covering current mining operation period of Gold Ridge Project up to March 2034. The contract price for the Second Phase is undetermined and subject to further clarification of the scope of works and negotiations between the Parties. The value of the Second Phase could be more than USD500 million.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CONSTRUCTION AND MINING CONTRACT

The Board believes that the entering into of the Construction and Mining Contract marks the Company’s cooperation with CRGL, one of the Fortune 500 companies. Such cooperation will speed up the development of the Gold Ridge Project in the Solomon Islands, prompting a smooth production and operation of the Gold Ridge Project in a short period of time and generating benefits. It aims to further expand our business and maximise returns to our Shareholders. Accordingly, the Board is of the view that the Construction and Mining Contract is in the interests of the Company and the Shareholders as a whole.

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

Hong Kong, 5 September 2019

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, Mr. Lee Hung Yuen and Ms. Iu Ching as non-executive Directors; and Dr. Lu Jian Zhong, Mr. Qi Yan, Mr. Shen Peng and Mr. Xiong Zeke as independent non-executive Directors.

DEFINITIONS

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

“Board”	Board of Directors
“China Railway International Group Co., Ltd”	China Railway International Group Co., Ltd (中鐵國際集團有限公司) is a wholly-owned subsidiary of CRGL. Its principal activity is infrastructure construction
“China Railway No.10 Engineering Group Co., Ltd.”	China Railway No.10 Engineering Group Co., Ltd. (中鐵十局集團有限公司) is a wholly-owned subsidiary of CRGL. Its principal activity is infrastructure construction
“CRGL”	China Railway Group Limited (中國中鐵股份有限公司), which is a company listed on Shanghai Stock Exchange and HK Stock Exchange with stock code of 601390 and 390 respectively. Its principal activity is infrastructure construction
“Company”	Wanguo International Mining Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the HK Stock Exchange
“Contractors”	collectively, China Railway International Group Co., Ltd and China Railway No.10 Engineering Group Co., Ltd.

“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	directors of the Company
“Construction and Mining Contract”	the Construction and Mining contract entered into on 5 September 2019 by and among the Company, the Developer and the Contractors whereby, among other things, the Contractors are responsible for the mining and construction activities of the Gold Ridge Project
“Group”	the Company and its subsidiaries
“GRML” or “Developer”	Gold Ridge Mining Limited, a company incorporated in the Solomon Islands (Solomon Islands company number 20111559), owns the mining license in respect of the Gold Ridge Project on Guadalcanal in the Solomon Islands, in which AXF Gold Ridge Pty Ltd owns 90% attributable interest as at the date of this announcement and will become a non-wholly owned subsidiary of the Company upon its completion of the acquisition of 77.78% equity interest in AXF Gold Ridge Pty Ltd
“Gold Ridge Mine”	the gold mine located on the island of Guadalcanal, the central island of the Solomon Islands, approximately 30 km south-east of Honiara, the capital city of the Solomon Islands
“Gold Ridge Project”	the project concerning the mining and operation of the Gold Ridge Mine
“Hong Kong”	the Hong Kong Special Administrative Region of People’s Republic of China
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the issued Share(s)

“USD”

United States dollars, a lawful currency of the United States

“%”

per cent