

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to the accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



NORTH MINING SHARES COMPANY LIMITED

北方礦業股份有限公司

(Provisional Liquidators Appointed)

(For Restructuring Purposes)

(Incorporated in Bermuda with limited liability)

(Stock Code: 433)

MONTHLY PROGRESS UPDATE ON THE POSSIBLE WHITEWASH TRANSACTION REGARDING A POSSIBLE SUBSCRIPTION PURSUANT TO THE TAKEOVERS CODE

This announcement is made by North Mining Shares Company Limited (the “**Company**”) pursuant to the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”).

Reference is made to the announcements of the Company dated 18 September 2019, 18 October 2019, 18 November 2019 and 18 December 2019 (the “**Announcements**”) in relation to, among other things, the non-legally binding memorandum of understanding (the “**MOU**”) regarding a possible subscription of new shares of the Company and possible application for whitewash waiver. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

PROGRESS OF THE POSSIBLE SUBSCRIPTION

As at the date of this announcement, the Company and the Liquidators are still in the process of discussing and finalising the structure and terms of the restructuring plan for the Company, which is currently proposed to be conducted by way of a creditors’ scheme of arrangement. The preliminary plan of the creditor’s scheme of arrangement is that

each creditor of the Company will convert its outstanding principal and interest amounts into shares of the Company and has an option to subscribe for such number of shares that would not exceed 100% of its outstanding principal and interest amounts as at the date of the creditor meeting at a conversion price has yet to be finalised. As such, the Potential Subscribers and the Company require further time to negotiate the structure and terms of the Possible Subscription by taking into account of the aforesaid restructuring plan. No concrete terms of the Possible Subscription has been finalised as at the date of this announcement.

The Company will continue to issue monthly announcement(s) setting out the progress of the discussions with the Potential Subscribers regarding the Possible Subscription until announcement of the signing of the Formal Agreement or of a decision not to proceed with the Possible Subscription. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

Completion of the Possible Subscription, if materialises, will be subject to the terms of the Formal Agreement. As the MOU may or may not lead to the entering into of the Formal Agreement and the Possible Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
North Mining Shares Company Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
Yang Ying Min
Chairman

Hong Kong, 17 January 2020

As at the date of this announcement, the Board of the Company comprises Mr. Yang Ying Min, Mr. Qian Yi Dong, Mr. Zhang Jia Kun and Mr. Zhao Jian as Executive Directors; and Mr. Wong Wai Chun Alex, Dato Dr. Cheng Chak Ho and Mr. Yeung Yat Chuen as Independent Non-executive Directors.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.