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M-Resources Group Limited

脈資資源集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 08186)

ANNOUNCEMENT

Reference is made to the Company's announcement dated 25 April 2022. Terms used in this announcement shall have the same meaning as those defined in the said announcement.

Under the Scheme approved by the requisite majority of the creditors as required under Sections 670, 673 and 674 of the Companies Ordinance at the creditors meeting held on 25 April 2022, the creditors are entitled to elect either (i) settlement in cash representing 2.0% of their respective admitted claims ("Cash Settlement"); or (ii) settlement by way of allotment and issue of new shares of the Company on the basis of one new share of the Company for every HK\$10 of their respective admitted claims ("Share Settlement") credited as fully paid. The Scheme is subject to the sanction of the court at the sanction hearing scheduled on 22 July 2022 before it will become legally binding and effective.

Based on the total debt of the Company of HK\$54.2 million as stated in the scheme document relating to the Scheme, (i) if all the creditors elect for Cash Settlement, the amount of cash to be paid by the Company will be HK\$1.1 million; or (ii) if all the creditors elect for Share Settlement, 5.4 million new shares of the Company will be allotted and issued to the creditors.

Assuming that all the creditors opt for Share Settlement, the shareholding structure of the Company will be as follows:

	Date of this announcement		Following completion of the Scheme	
	<i>Number of shares</i>	<i>%</i>	<i>Number of shares</i>	<i>%</i>
Mega Trillion International Corporation	2,596,875	16.7	2,596,875	12.4
Landmass Investments Limited	1,517,212	9.7	1,517,212	7.2
Jade Metro Limited	1,031,250	6.6	1,031,250	4.9
Director	676,127	4.3	676,127	3.2
Creditors (<i>Note 3</i>)	–	–	5,420,000	25.8
Public shareholders	9,763,867	62.7	9,763,867	46.5
Total	15,585,331	100.0	21,005,331	100.0

Notes:

1. The above table is for illustrative purpose only and the actual number of new shares of the Company to be issued under the Scheme will be subject to (i) the final amount of claims admitted under the Scheme; and (ii) the final number of creditors electing for Share Settlement. Accordingly, the Company may issue new shares under general mandate or specific mandate, which, in the latter case, will require shareholders' approval.
2. The issuance of new shares of the Company under Share Settlement will be subject to the following conditions precedent: (i) the share allotment taking place within 6 months from the date of registration of the Court Order sanctioning the Scheme with the Companies Registry; (ii) approval of the shareholders of the Company at a special general meeting; and (iii) approval from the Listing Committee of The Stock Exchange of Hong Kong Limited. If condition precedent (i) above is not fulfilled, the creditors having elected for the Share Settlement will receive cash payment representing 0.5% of their respective admitted claims.
3. Subject to dilution as a result of the issue of new shares by the Company to an independent third party financier for the settlement of financing provided to the Company as working capital and for settlement of the Cash Settlement.

The Company will keep its shareholders and the investing public updated with the progress of the Scheme and publish further announcement(s) as and when appropriate.

For and on behalf of the Board of
M-Resources Group Limited
Leung Ka Ho
Company Secretary

Hong Kong, 8 June 2022

As at the date of this announcement, the Board comprises Ms. Chan Ho Yee as executive director, and Ms. Pang King Sze, Rufina, Mr. Hong Bingxian and Mr. Huang Zhe as independent non-executive directors.

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 GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for seven days from the date of its publication and will also be published on the website of the Company at www.m-resources.com.hk.