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(formerly known as Vital Group Holdings Limited 維奧集團控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1164)

ANNOUNCEMENT – PRICE-SENSITIVE INFORMATION

This announcement is made by CGN Mining Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of the Company announces that it has been informed by China Uranium Development Company Limited, the controlling shareholder of the Company (the “**Controlling Shareholder**”) that, on 9 March 2012, the Controlling Shareholder had entered into a Memorandum of Understanding (the “**MOU**”) with Silver Grant International Industries Limited (“**Silver Grant**”).

Pursuant to the MOU, subject to the entering into a formal subscription agreement (the “**Subscription Agreement**”) and the completion of it, the Controlling Shareholder agrees to issue and Silver Grant agrees to subscribe an exchangeable bond in the principal amount of HK\$776,000,000 (the “**Exchangeable Bond**”), pursuant to which, Silver Grant can exercise the exchange right (the “**Exchange Right**”) under the Exchangeable Bond to request the Controlling Shareholder to transfer to it the ordinary shares of the Company (the “**Shares**”) held by the Controlling Shareholder. The major terms of the Exchangeable Bond under the MOU are as follows:

Principal Amount	:	HK\$776,000,000
Maturity Date	:	the fifth (5th) anniversary of the issue date, if such date is not a business day, then the next following business day
Interest	:	5% per annum, payable for every twelve (12) months
Exchange Price	:	the higher of (i) HK\$1.2; or (ii) the 130% of the average closing price of the Shares as quoted on The Stock Exchange of Hong Kong Limited for the five (5) consecutive trading days immediately prior to the date on which the Subscription Agreement is executed

Save for the terms of the Exchangeable Bond set out above and certain customarily confidentiality obligation, the MOU is non-legally binding.

The terms and conditions of the Subscription Agreement and the Exchangeable Bond will be subject to the further negotiation between the Controlling Shareholder and Silver Grant.

As at the date of this announcement, a total of 1,670,000,000 Shares are held by the Controlling Shareholder, representing approximately 50.11% of the existing issued share capital of the Company. In addition, a redeemable convertible bond in the principle amount of HK\$600,000,000 had been issued by the Company (the “**Convertible Bond**”) to the Controlling Shareholder on 18 August 2011, upon the full exercise of the conversion right attached thereto at an initial conversion price of HK\$0.23, a total of 2,608,695,652 Shares will be issued. Also, pursuant to a share charge dated 1 April 2011 (the “**Share Charge**”), Perfect Develop Holding Inc. had charged 450,000,000 Shares in favour of the Controlling Shareholder. The details of the Convertible Bond and the Share Charge can be referred to the circular and the announcement issued by the Company dated 23 May 2011 and 18 August 2011 respectively.

Assuming the Exchange Price is HK\$1.2, upon the full exercise of the Exchange Right, a maximum of 646,666,667 Shares out of the 1,670,000,000 Shares held by the Controlling Shareholder will be transferred to Silver Grant, as a result, the shareholding of the Controlling Shareholder will be reduced approximately from 50.11% to 30.71% and the shareholding of Silver Grant in the Company will approximately be 19.40% (assuming the conversion right attached to the Convertible Bond and the enforcement of the Share Charge have not been exercised and assuming there has been no change to the existing issued share capital of the Company).

Silver Grant is a company incorporated in Hong Kong with its shares listed on The Stock Exchange of Hong Kong (stock code: 171).

The Board considers that the MOU has no material adverse impact on the financial and operational position of the Company.

As the Subscription Agreement and the issue of the Exchangeable Bond may or may not proceed, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
CGN Mining Company Limited
Mr. He Zuyuan
Chief Executive Officer

Hong Kong, 9 March 2012

As at the date of this announcement, the board of directors of the Company comprises two executive directors: Mr. He Zuyuan (chief executive officer) and Mr. Li Zhengguang, four non-executive directors: Mr. Yu Zhiping (chairman), Mr. Wei Qiyan, Ms. Zheng Xiaowei and Mr. Chen Zhiyu and three independent non-executive directors: Mr. Ling Bing, Mr. Qiu Xianhong and Mr. Huang Jinsong.

* *For identification purposes only*