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SINO RESOURCES GROUP LIMITED
(carrying on business in Hong Kong as Sino Gp Limited)

神州資源集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 223)

**SETTLEMENT OF THE LEGAL PROCEEDINGS BETWEEN
THE COMPANY AND THE TRUSTEES OF BANKRUPT, MR. HUNG
AND
RESUMPTION OF TRADING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 16 December 2009 and 8 January 2010, 25 January 2010, 2 February 2010, 12 February 2010, 30 March 2010, 28 April 2010, 13 September 2010, 21 September 2010, 6 October 2010, 7 October 2011, 13 October 2011, 27 August 2013 and 19 February 2014 in relation to, among other things, the legal proceedings between the Company and Mr. Hung.

On 24 April 2015, the Company, the Trustees, Mega Wealth and Webright entered into the Settlement Deed, pursuant to which the Parties agreed, without admission of any liability, to settle all the legal proceedings among the Parties in accordance with the terms and conditions therein.

The Settlement Deed shall become effective upon signing and exchanging of the signing pages among the Parties and the Court Sanction and the Company Approval having been obtained.

Upon the Settlement Deed becoming effective and completion of performance of all the steps contemplated in the Settlement Deed, the financial effects of the settlement on the Company will be as follow:

1. the liability in the amount of HK\$173,500,000 being the outstanding principal of the Convertible Note will be waived;

2. the liability in the amount of HK\$3,000,000 together with the accrued interest in an amount of HK\$5,463,917, being part of the Loan and Advancements as at 27 April 2015 with interest continues to accrue will be waived; and
3. the Outstanding Cash Consideration in an amount of HK\$158,600,000 alleged to be the remaining balance of cash consideration under the WG Agreement will be waived; and
4. the Company will receive net proceeds for the sale of the Company's Apportioned Shares (i.e. 151,052,000 Shares). For illustrative purpose only, based on the closing price of the Shares of HK\$0.29 on the latest trading day (i.e. 23 April 2015), the gross proceed from the sale will be approximately HK\$43,805,000.

Further, the Company will be able to utilize two sums of deposit as follow:

1. HK\$10,000,000 plus interest which was deposited with the Court as fortification of damages for the Injunction Order will be released to the Company; and
2. The security deposit of HK\$10,658,922 together with interest accrued deposited in a designated bank account in connection with the proceedings of HCCW 48/2010, after payment of HK\$9,600,000 to the Trustees, the remaining balance including interest accrued thereon will be released to the Company upon service of the sealed order for the Second HCA 2477/2009 Consent Summons on the legal representative of the Company which holds the funds in escrow on behalf of the Company.

As the Settlement Deed will be effective upon, among other things, the obtaining of the Company Approval including the obtaining of Shareholders' Approval, an EGM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the Settlement Deed and the transactions contemplated thereunder. A circular containing, among other things, details of the Settlement Deed, will be despatched to the Shareholders as soon as practicable.

The Board considers the current liabilities under Settlement Deed will be reduced by an amount of approximately HK\$349,658,000 and net assets will be increased by an amount of approximately HK\$340,058,000 as compared with unaudited interim result as at 30 September 2014. Subject to the review by the Company's auditors, there will be an extraordinary gain of approximately HK\$340,560,000 and net proceeds for the sale of the 151,052,000 Shares, being the Company's Apportioned Shares, in the next financial year.

INTRODUCTION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 16 December 2009 and 8 January 2010, 25 January 2010, 2 February 2010, 12 February 2010, 30 March 2010, 28 April 2010, 13 September 2010, 21 September 2010, 6 October 2010, 7 October 2011, 13 October 2011, 27 August 2013 and 19 February 2014 in relation to, among other things, the legal proceedings between Mr. Hung and the Company.

The Company is pleased to announce that on 24 April 2015 the Company has entered into the Settlement Deed with the Trustees, Mega Wealth and Webright, pursuant to which the Parties agreed, among other things, to settle the claims and legal proceedings between the Company, Mr. Hung, Mega Wealth and Webright on the terms and conditions set out in the Settlement Deed.

Details of the events leading to the legal proceedings between the Company and Mr. Hung and the terms and conditions of the Settlement Deed are set out below.

EVENTS LEADING TO THE LEGAL PROCEEDINGS BETWEEN THE COMPANY AND MR. HUNG

The sequence of events leading to the legal proceedings between the Company and Mr. Hung and the details of the legal proceedings are summarized as follows:–

1. On 18 July 2007, Mr. Hung, via Wealth Gain entered into a framework agreement with the Mine Seller to acquire the entire issued capital of the Coal Mine Company which owned the Coal Mine. On 30 October 2007, a formal agreement was entered into between Wealth Gain and the Mine Seller in respect of such acquisition for the consideration of RMB140,000,000.
2. On 25 September 2007, the Company and Mr. Hung entered into the WG Agreement, pursuant to which, the Company agreed to acquire from Mr. Hung the entire issued capital of Wealth Gain for HK\$700,000,000 on condition that the Coal Mine be owned by Wealth Gain through its ownership of the Coal Ming Company at the time of the completion of the WG Agreement and such consideration shall be satisfied in the following manner:
 - (a) the Company shall pay Mr. Hung a deposit of HK\$20,000,000;
 - (b) on completion of the WG Agreement, the Company shall issue the Consideration Shares;
 - (c) the Company shall issue the Convertible Note; and

- (d) 6 months after completion (or such other date as the parties may agree), the Company shall pay HK\$300,000,000.
3. On 31 March 2008, the WG Agreement was allegedly completed and the Company paid part consideration to Mr. Hung and acquired Wealth Gain as follows:
- (a) payment of HK\$20,000,000 by the Company to Mr. Hung on or about 25 September 2007;
 - (b) the Company issued the Consideration Shares on or about 31 March 2008;
 - (c) the Company issued the Convertible Note on or about 31 March 2008;
 - (d) the Company paid HK\$33,000,000 and HK\$8,400,000 to Mr. Hung on 18 April 2008 and 11 July 2008 respectively; and
 - (e) the Company paid HK\$100,000,000 (comprising HK\$97,000,000 in cash and HK\$3,000,000 recorded as a loan from Mr. Hung) on or about 4 December 2008.
4. By a claim dated 17 January 2009 made in the Supreme People's Court in Heilongjiang by the Mine Seller against Wealth Gain, the Mine Seller had sought rescission of the sale of the Coal Mine to Wealth Gain and the return of equity interest in the Coal Mine Company to the Mine Seller. By a judgment dated 5 February 2010, the Supreme People's Court in Heilongjiang ordered the rescission of the sale of the Coal Mine to Wealth Gain and the return of the equity interest in the Coal Mine Company to the Mine Seller.
5. On 15 December 2009, the Company commenced legal proceedings against Mr. Hung, Mega Wealth and Webright under HCA2477/2009, under which, the Company alleged, among other things, that Mr. Hung:–
- (a) misrepresented various facts and matters to the Company to induce the Company to enter into the WG Agreement;
 - (b) fraudulently misrepresented the validity of the Formal Agreement;
 - (c) breached warranties set out in the WG Agreement; and
 - (d) breached his duties owed to the Company as a director.
6. The Company under HCA 2477/2009 claims the following:–
- (a) against Mr. Hung, among other things:–
 - (i) recession of the WG Agreement;

- (ii) the 76,640,000 Shares issued to and held in the name of Mr. Hung at an issue price of HK\$0.5 per share;
 - (iii) the 100,000,000 Shares converted from HK\$50,000,000 Convertible Note on or about 29 April 2008 and transferred to International Gold Profit Limited by Mr. Hung, or alternatively, damages to be assessed;
 - (iv) the traceable equivalent of the 38,360,000 Shares disposed of by Mr. Hung in or about May 2008 or alternatively, damages to be assessed;
 - (v) the Convertible Note in the principal amount of HK\$173,500,000 which has not yet been converted into the Shares at a conversion price of HK\$0.5 per Share;
 - (vi) further or alternatively, all payments made by the Company to Mr. Hung and/or damages arising from the breach of the WG Agreement;
 - (vii) a declaration that Mr. Hung holds the Consideration Shares and the Convertible Note and their traceable equivalent on trust for the Company and that all necessary tracing orders accounts and inquiries be taken as to what had happened to the said Consideration Shares and Convertible Note and to ascertain the traceable equivalent thereof;
- (b) against Mega Wealth, among other things:–
- (i) the 100,000,000 Shares issued to Mr. Hung as Convertible Note which was converted and passed to Mega Wealth at an issue price of HK\$0.5 per share;
 - (ii) further or alternatively, all loss and/or damages (to be assessed) arising from the matters;
- (c) against Webright:–
- (i) the 98,000,000 Shares issued to Mr. Hung as Convertible Note which was converted and passed to Webright at an issue price of HK\$0.5 per Share;
 - (ii) further or alternatively, all loss and/or damages (to be assessed) arising from matters pleaded;
7. On 22 January 2010, the Company applied and obtained the Injunction Order against Mr. Hung, Mega Wealth and Webright prohibiting disposal of, deal with or diminish the value of the following assets:–

- (a) 76,640,000 Shares issued to Mr. Hung at HK\$0.5 per Share;
 - (b) the remaining value of the Convertible Note;
 - (c) 100,000,000 Shares issued to Mr. Hung as Convertible Note which was converted into Shares and passed to Mega Wealth; and
 - (d) 98,000,000 Shares issued to Mr. Hung as Convertible Note which was converted into Shares and passed to Webright.
8. By the defence and counterclaim dated 19 March 2010, amended on 16 January 2012 and subsequently re-amended on 24 September 2013, Mr. Hung refuted and defended all claims made by the Company and in return, counterclaimed the Company for the following:–
- (a) the amount of HK\$158,600,000 alleged to be the remaining balance of cash consideration payable by the Company to the Mr. Hung pursuant to the sale and purchase of Wealth Gain, being the Outstanding Cash Consideration;
 - (b) repayment of Loans and Advancements made by Mr. Hung to the Company together with interests; and
 - (c) HK\$173,500,000 allegedly payable by the Company to Mr. Hung in relation to the outstanding principal amount of the Convertible Note, being the Outstanding Convertible Note.
9. On 30 April 2010, Mr. Hung commenced legal proceeding in the Labour Tribunal under claim no. LBTC1585/2010. Part of the claim for reimbursement of expenses was transferred to High Court under HCA 1058/2010. Mr. Hung claimed against the Company under HCA 1058/2010, among other things, for the unpaid salary and expenses allegedly incurred by Mr. Hung in the course of his employment in the total sum of HK\$3,212,137.70. In the same proceedings, the Company counterclaimed against Mr. Hung for expenses of HK\$67,569 allegedly wrongfully incurred by Mr. Hung during the course of his employment.
10. On 28 January 2010, Mr. Hung applied for the winding-up of the Company under HCCW48/2010 for a debt of HK\$41,000,000 plus interest. On 24 August 2010, Mr. Hung amended the winding up petition, including and among others, a reduction of debt to HK\$9,600,000. On 24 February 2014, the Court approved the joint application of the Company and Mr. Hung to dismiss the petition upon the undertaking given by the Company to the Court that it shall not in any way dispose of or deal with HK\$10,658,922 (and interest accrued) deposited at a designated bank account until after determination of HCA 2477/2009 or until such time as may be agreed between the Company and Mr. Hung.

11. Mr. Hung was adjudged bankrupt on 19 February 2014 and on 30 April 2014, the Trustees were appointed. The Company filed a proof of debt against the estate of Mr. Hung on 29 April 2014 for HK\$600,644,853 plus other liquidated sums. Subsequently, by written resolutions passed by Mr. Hung, the Trustees were appointed directors of Webright and Mega Wealth in place of their existing directors with effect from 6 June 2014.
12. Without admission of liability and subject to obtaining the Court Sanction and the Company Approval, the Trustees, the Company, Mega Wealth and Webright agreed to enter into the Settlement Deed to reach a full and final settlement on all the legal proceedings.

PRINCIPAL TERMS OF THE SETTLEMENT DEED

Date: 24 April 2015

Parties:

- (1) the Company;
- (2) the Trustees;
- (3) Mega Wealth; and
- (4) Webright

To the best of the Directors' knowledge, information and belief, save for the 76,640,000 Shares in the name of Mr. Hung vested in the Trustees and the 100,000,000 Shares and 98,000,000 Shares in the name of Mega Wealth and Webright indirectly held by the Trustees through Mega Wealth and Webright, representing 7.11% of the issued share capital in the Company, each of the Trustees, Mega Wealth and Webright and its ultimate beneficial owner is third parties independent of the Company.

Conditions Precedent: The Settlement Deed shall become effective upon signing and exchanging of the signing pages among the parties and the Court Sanction and the Company Approval having been obtained. In the event that any of the Court Sanction and/or the Company Approval is not granted, the Settlement Deed shall be null and void ab initio and deemed to be made on a without prejudice basis and no Party shall have any claims against any other Party arising out of or in connection

with the Settlement Deed and no Party shall produce the Settlement Deed or the content thereof as evidence in an legal proceeding.

Without prejudice to the aforesaid, if the Court or any regulator expresses any reservation on the terms of the Settlement Deed, the Parties shall negotiate in good faith to suitably amend such terms so as to make them acceptable to the Court or relevant regulator.

Principal Terms:

The Parties agreed that, without admission of any liability:–

1. the Court Deposit including the interest shall be released to the legal representative of the Company to hold the funds in escrow on behalf of the Company (“**Escrow Funds 1**”) pursuant to the Order which the Court may make consequent upon the First HCA2477/2009 Consent Summons;
2. upon the legal representative of the Company receiving the sealed copy of the Order made consequent upon the First HCA 2477/2009 Consent Summons, the Company shall pay HK\$9,600,000 to the legal representative of the Trustees to hold the funds in escrow on behalf of the Trustees (the “**Company’s Payment**”) within 3 business days thereafter, whether out of the Security Deposit or otherwise. Upon paying the Company’s Payment to the legal representative of the Trustees, the Company shall pay the Security Deposit, or its remaining balance (as the case may be), including interest accrued to the legal representative of the Company to hold the funds in escrow on behalf of the Company (“**Escrow Funds 2**”);
3. the legal representative of the Trustees shall immediately release the Company’s Payment and any interest accrued thereon to the Trustees upon service of the sealed order of the Second HCA 2477/2009 Consent Summons on the legal representative of the Company;
4. the legal representative of the Company shall immediately release Escrow Funds 1 and Escrow Funds 2 and any interest accrued thereon to upon service of the sealed order for the Second HCA 2477/2009 Consent Summons on the legal representative of the Company. Thereafter, the Company shall be entitled to deal with them freely at its own disposal without any limitation or restriction;
5. Upon the legal representative of the Trustees receiving the Company’s Payment, the Parties shall take all necessary steps to apply the discharge of the Injunction Order by the Second HCA 2477/2009 Consent Summons. Upon paying the Company’s Payment by the legal representative of the Trustees according to paragraph 3 above, the Shares under the Injunction Order or the net proceeds realized from disposal of the Shares under the Injunction Order shall be distributed as follows:

- (i) 55% of the Shares under the Injunction Order, equivalent to 151,052,000 Shares, be distributed to the Trustees and sold and the net proceeds shall be paid to the Company (i.e. the Company's Apportioned Shares);
 - (ii) 45% of the Shares under the Injunction Order, equivalent to 123,588,000 Shares, be distributed to the Trustees (i.e. the Trustees' Apportioned Shares).
6. the Trustees shall have the option of:–
- (i) selling the Trustees' Apportioned Shares first within the Trustees' Disposal Period. If and when the Trustees' Apportioned Shares are fully disposed of before the expiry of the Trustee Disposal Period, the Trustees shall notify the Company in writing within 3 business days thereafter. Before the expiry of the Trustees' Disposal Period or the notification of by the Trustees that they have fully disposed of the Trustees' Apportioned Shares, whichever is earlier, the Company must not sell any Company's Apportioned Shares without the Trustees' written consent;
 - (ii) appointing a joint agent with the Company to sell the Company's Apportioned Shares and the Trustees' Apportioned Shares together. The net proceeds (after deduction of costs and expenses) be apportioned and distributed 55% to the Company and 45% to the Trustees;
7. the outstanding Convertible Note shall be cancelled. The Trustees shall, within 3 business days after the service of the sealed orders for the Second HCA 2477/2009 Consent Summons and the consent summons in respect of HCA 1058/2010, whichever is later, entered into a cancellation deed with the Company for the cancellation of the Outstanding Convertible Note;
8. upon the Trustees' receipt of the Company's Payment, the Trustees and the Company will take all steps necessary to discontinue HCA 2477/2009 between Mr. Hung, Webright and Mega Wealth with no order as to costs as follows:–
- (i) the Trustees and the Company shall forthwith procure their respective legal representative to sign the Second HCA 2477/2009 Consent Summons and the Trustees shall procure the filing of such consent summons with the Court of First Instance of Hong Kong; and
 - (ii) the legal representative of the Trustees shall serve a sealed copy of the Order made consequent upon the Second HCA 2477/2009 Consent Summons on the legal representative of the Company on the same day of the sealing thereof by the Court.
9. upon the Trustees' receipt of the Company's Payment, the Trustees and the Company will take all steps necessary to discontinue HCA 1058/2010 between Mr. Hung and the Company with no order as to costs as follows:–

- (i) the Trustees and the Company shall forthwith procure their respective legal representative to sign a consent summons in respect of HCA 1058/2010 in a mutually-agreed form at the same time when the Second HCA 2477/2009 Consent Summons is signed and the Trustees shall procure the filing of such consent summons with the Court of First Instance of Hong Kong; and
 - (ii) the legal representative of the Trustees shall serve a sealed copy of the Order made consequent upon the consent summons mentioned in paragraph 9(i) above on the legal representative of the Company;
10. within 3 business days of the legal representative of the Company being served with the sealed orders for the Second HCA 2477/2009 Consent Summons and the Consent Summons for HCA 1058/2010, whichever is later, the Company shall execute and serve a copy of the letter of withdrawal on the Trustees for the purpose of withdrawing the Company's proof of debts;
11. upon the Settlement Deed becoming effective, the Trustees, Mega Wealth and Webright irrevocably and unconditionally discharges, waives and releases all claims (including any claim for costs and interest) which they may have had or may have or will have against the Company relating to any matter between the Trustees, Mr. Hung, Mega Wealth, Webright and the Company including but not limited to any payments or issues arising from the WG Agreement, the Convertible Note, the Loans and Advancements, HCA 2477/2009, HCA 1058/2010 and HCCW 48/2010; and
12. upon the Settlement Deed becoming effective, the Company irrevocably and unconditionally discharges, waives and releases all claims (including any claim for costs, interest and filing proof of debt) which they may have had or may have or will have against the Trustees, Mr. Hung, Mega Wealth and Webright relating to any matter between the Trustees, Mr. Hung, Mega Wealth, Webright and the Company including but not limited to any payments or issues arising from the WG Agreement, the Convertible Note, the Loans and Advancements, HCA 2477/2009, HCA 1058/2010 and HCCW 48/2010.

FINANCIAL EFFECT OF THE SETTLEMENT ON THE COMPANY

Upon the Settlement Deed becoming effective and completion of performance of all the steps contemplated in the Settlement Deed, the financial effects of the settlement on the Company will be as follow:

1. the liability in the amount of HK\$173,500,000 being the outstanding principal of the Convertible Note will be waived;
2. the liability in the amount of HK\$3,000,000, together with the accrued interest in the amount of HK\$5,463,917, being part of the Loan and Advancements as at 27 April 2015 with interest continues to accrue will be waived;

3. the Outstanding Cash Consideration in an amount of HK\$158,600,000 alleged to be the remaining balance of cash consideration under the WG Agreement will be waived; and
4. the Company will receive net proceeds for the sale of the Company's Apportioned Shares (i.e. 151,052,000 Shares). For illustrative purpose only, based on the closing price of the Shares of HK\$0.29 on the latest trading day (i.e. 23 April 2015), the gross proceed from the sale will be approximately HK\$43,805,000. The Company will make further announcement regarding the details of the sale of the Company's Apportioned Shares as and when appropriate.

Further, the Company will be able to utilize two sums of deposit as follow:

1. the Court Deposit in the total sum of HK\$10,000,000 plus interest which was deposited with the Court as fortification of damages for the Injunction Order will be released to the Company; and
2. the Security Deposit of HK\$10,658,922 together with interest accrued deposited in a designated bank account in connection with the proceedings of HCCW 48/2010, after payment of HK\$9,600,000 to the Trustees, the remaining balance including interest accrued thereon will be released to the Company upon service of the sealed order for the Second HCA 2477/2009 Consent Summons on the legal representative of the Company which holds the funds in escrow on behalf of the Company.

The Board considers the current liabilities under the Settlement Deed will be reduced by an amount of approximately HK\$349,658,000 and the net assets will be increased by an amount of approximately HK\$340,058,000 as compared with unaudited interim results as at 30 September 2014. Subject to the review by the Company's auditors, there will be an extraordinary gain of approximately HK\$340,560,000 and net proceeds for the sale of 151,052,000 Shares, being the Company's Apportioned Shares, in the next financial year.

REASONS FOR ENTERING INTO THE SETTLEMENT DEED

The Board is of the view that the entering into of the Settlement Deed by the Company with the Trustees is in the interests of the Company and the Shareholders as a whole in light of the followings:-

1. the legal proceedings between the Company and Mr. Hung have been lasted for more than 5 years and the Company has already incurred considerable legal costs in this respect. Should the Company continues the legal proceedings, it is estimated that the Company will further incur a substantial amount of legal expenses;
2. the outstanding legal proceedings would impose an adverse impact to the Company's financial prospects and affect the Company's ability to conduct financing activities. A settlement can eliminate the uncertainties on the Company's

financial prospects from the perspective of the potential investors, bankers and Shareholders;

3. pursuant to the Settlement Deed, the Company will be able to receive the Court Deposit and the net proceeds from the sale of the Company's Apportioned Shares. This would provide positive cash flow effect to the Company and increase the Company's working capital for its further business development. In addition, the disposal of the Trustees' Apportioned Shares by the Trustees can broaden the shareholders' base of the Company;
4. although the Board believes that the Company has a very good arguable case against Mr. Hung, a settlement can avoid the risks in litigation;
5. Mr. Hung has already been adjudged bankrupt and has other creditors apart from the Company. Even if we were awarded by the Court the full amount we claimed in those legal proceedings, such judgment sum is unsecured and the total amount we entitled will be dependent on the total numbers of creditors of the Bankrupt and the total pooled amount which are subject to distribution by the Trustees. It remains uncertain as to whether we are entitled to recover the full amount of the judgment sums;
6. in addition to costs, the Company has already spent considerable amount of time and resources in the legal proceedings against Mr. Hung. Taking into account the possibility of appeals, it may take another few years before the legal proceedings are fully and finally settled. Settlement of the legal proceedings will allow the Company to devote more time and resources in its business development while at the same time bring tangible benefits to the Company within a shorter period of time, including the writing off of the Convertible Note and Loans and Advancement and receiving the net proceeds from the sale of the Company's Apportioned Shares.

SHAREHOLDERS' APPROVAL

As the Settlement Deed will only be effective upon, among other things, the obtaining of the Company Approval including the obtaining of Shareholders' approval, an EGM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the Settlement Deed and the transactions contemplated thereunder. A circular containing, among other things, details of the Settlement Deed, will be despatched to the Shareholders as soon as practicable.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 24 April 2015 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 1:00 p.m. on 27 April 2015.

DEFINITIONS

“Board”	the board of directors of the Company
“Coal Mine”	a coal mine situated at Jixian County, Shuangyashan City, Heilongjiang Province, the People’s Republic of China
“Coal Mine Company”	雙鴨山北方升平礦業有限責任公司(Shuangyashan Northern Sheng Ping Mining Limited*), previously known as 佳木斯升平煤礦 (Jiamusi Sheng Ping Coal

“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Settlement Deed and the transactions contemplated thereunder
“First HCA 2477/2009 Consent Summons”	the Consent Summons in the agreed form set out in the Settlement Deed in respect of HCA 2477/2009 consenting, among other matters, the release of the Court Deposit
“HCA 2477/2009”	the legal proceedings under High Court Action No. 2477 of 2009 in the Court of First Instance of Hong Kong commenced by the Company against Mr. Hung, Mega Wealth and Webright
“HCA 1058/2010”	the legal proceedings under High Court Action No. 1058 of 2010 in the Court of First Instance of Hong Kong transferred from the Labour Tribunal Claim No. LBTC 1585/2010
“HCCW 48/2010”	the legal proceedings under High Court Companies Winding-up No. 48 of 2010 in the Court of First Instance of Hong Kong commenced by Mr. Hung on 28 January 2010 for the winding-up of the Company
“Injunction Order”	the Injunction Order dated 22 January 2010 under HCA 2477/2009 and re-granted on 30 March 2010
“Loans and Advancements”	the outstanding loans and advancements made by Mr. Hung to the Company between 4 December 2008 to 3 December 2009 in the sums of (a) HK\$3,000,000 bearing interest at a fixed rate of 8% per annum pursuant to a loan agreement dated 4 December 2008 (which was due on 3 December 2009); (b) HK\$8,000,000 bearing interest at a fixed rate of 8% per annum pursuant to a loan agreement dated 4 March 2009 (which was due on 8 March 2010); and (c) HK\$1,600,000 (non-interest bearing and repayable on demand)
“Mega Wealth”	Mega Wealth Capital Limited
“Mine Seller”	Heilongjiang Northern Enterprise Group Limited

“Mr. Hung”	Mr. Hung Chen Richael, who was adjudged bankrupt on 19 February 2014
“Outstanding Convertible Note”	HK\$173,500,000 of the Convertible Note which remains outstanding and the conversion right of which has not yet been exercised
“Outstanding Cash Consideration”	HK\$158,600,000 remaining balance of cash consideration payable by the Company to the Mr. Hung pursuant to the WG Agreement
“Parties”	the parties to the Settlement Deed, including the Company, the Trustees, Mega Wealth and Webright
“Security Deposit”	the security deposit of HK\$10,658,922 deposited in a designated bank account by the Company in relation to HCCW 48/2010 and interest accrued therein
“Settlement Deed”	a settlement deed dated 24 April 2015 between the Company, the Trustees, Mega Wealth and Webright
“Second HCA 2477/2009 Consent Summons”	the Consent Summons in the agreed form set out in the Settlement Deed in respect of HCA 2477/2009 consenting, among other matters, the discharge of the Injunction Order
“SFC”	Securities and Futures Commission
“Shareholders”	the shareholders of the Company
“Shares”	the shares of the Company
“Shares under Injunction Order”	the aggregate of 76,640,000 Shares held by Mr. Hung, 100,000,000 Shares held by Mega Wealth and 98,000,000 Shares held by Webright subject to the Injunction Order
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Trustees”	Cosimo Borrelli and Chan Ho Yin, who are the joint and several trustees of the property of Mr. Hung appointed on 30 April 2014 and the directors of Mega Wealth and Webright with effect from 6 June 2014
“Trustees’ Apportioned Shares”	45% of the Shares under the Injunction Order, equivalent to 123,588,000 Shares
“Trustees’ Disposal Period”	a period of 3 months after the distribution of the Company’s Apportioned Shares and the Trustees’ Apportioned Shares pursuant to the terms and conditions of the Settlement Deed
“Wealth Gain”	Wealth Gain Global Investment Limited
“Webright”	Webright Limited
“WG Agreement”	a conditional agreement entered into between the Company and Mr. Hung dated 25 September 2007 and the subsequent supplemental agreements thereof

On behalf of the Board
Sino Resources Group Limited
(carrying on business in Hong Kong as Sino Gp Limited)
Geng Ying
Chairman

Hong Kong, 27 April 2015

As at the date of this announcement, the executive Directors are Ms. Geng Ying, Mr. Gao Feng and Mr. Chiu Sui Keung, the non-executive Director is Mr. Wang Xihua and the independent non-executive Directors are Mr. Cheng Wing Keung Raymond, Mr. Williamson Lam and Mr. Wong Hoi Kuen.

* *for identification purpose only*