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Greenway Mining Group Limited

信盛礦業集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2133)

QUARTERLY UPDATE ON SUSPENSION OF TRADING AND VOLUNTARY ANNOUNCEMENT ON POSSIBLE MYANMAR PROJECT COOPERATION

This announcement is made by Greenway Mining Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**We**”) pursuant to Rule 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 19 March 2021, 30 March 2021, 1 April 2021, 23 April 2021, 18 June 2021, 30 June 2021, 18 August 2021, 30 September 2021, 7 November 2021, 24 December 2021, 11 February 2022 and 25 March 2022 (the “**Announcements**”), in relation to, among other things, (1) delay in publication of the 2020 Annual Results and despatch of 2020 Annual Report, (2) postponement of Board meeting, (3) suspension of trading, continued suspension of trading and the quarterly update on suspension of trading (the “**Suspension**”), (4) update on development of Myanmar mines, (5) Resumption Guidance and update on resumption progress, (6) delay in publication of 2021 Interim Results and despatch of 2021 Interim Report, (7) delay in publication of the 2021 Annual Results and despatch of 2021 Annual Report, (8) postponement of 2021 Annual General Meeting. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

BUSINESS UPDATE

The Company is an investment holding company. The principal activities of its major subsidiaries are exploration, mining and preliminary processing of non-ferrous metals mineral resources, mainly including lead, zinc and silver, as well as the sales of non-ferrous metals concentrates in Myanmar and China.

The PRC mining projects of the Group have basically remained normal operation in exploration, mining and preliminary processing of non-ferrous metals mineral resources and sales of non-ferrous metals concentrates.

Given the emergency and Epidemic in Myanmar remaining volatile, the PRC and Myanmar government have imposed stringent preventive measures throughout the region, including but not limited to, the temporary closure of the road transportation of the Ruili and Wan Ding entry ports (the “**Port Closure**”). In order to minimize the significant adverse impacts brought by the Port Closure towards the operation and trading businesses of the Company, the management of the Group has decided to adjust its business strategy and endeavour to arrange the ocean freight business (the “**Ocean Freight**”) from Myanmar to China so that the Company can restart the trading and sales businesses of concentrates in Myanmar within a short period of time. As at the date of this announcement, the Company has filed applications for the Ocean Freight quotas to the relevant government departments of Myanmar and is still waiting for their approval and response, which is expected to take approximately not less than four months. As at the date of this announcement, the Company has approximately 1,100 tonnes of concentrate waiting to be transported from Myanmar to China. We will strive for the first batch of shipment to be commenced on or before the end of October 2022.

As disclosed in the Announcements:

- (i) The emergency in Myanmar has continued to worsen since early 2021. Although the Myanmar government has stepped up vigilance and increased patrols, public security has not improved. In March 2022, the Myanmar military government and the local militia held an open peace talks meeting. The representatives of both sides did not reach a consensus on the withdrawal of troops. The Myanmar military government continued to increase its military power and conduct military operations frequently. During March to June of 2022, numerous violent clashes broke out in Myanmar, which shows that Myanmar is in a state of high tension and war is imminent at any time. Some Myanmar local militia engaged in widespread and systematic attacks on the towns and cities in Myanmar, including setting fire to and damaging shops, banks, police stations, military properties and military camps. Several civil servants and police were even shot and killed, and civilian casualties were happened. The security situation in Myanmar has always been a concern. Terrorist destruction and deadly incidents occur every day in towns and cities, including but not limited to the firing of cannons, shooting, homemade bombs, arson, drug trafficking, firearms smuggling, theft, murder, bank robbery activities, air raids and wars. The number of casualties continues to rise, and it is expected that social security may be more complicated in the short term.
- (ii) Wars and landmine explosions continue occurring on some main export trading routes in Myanmar. It damaged public transportations, trucks and cars, and some roads were suspended until further notice. In addition, apart from some logistics and transportation services being forced to suspend operations, most parts of Myanmar are also facing fuel shortages and supply difficulties. The Company expects that road security on other main export trading routes in Myanmar is still dangerous and/or wars may occur at any time.

The Company is encountering significant challenges in the export of concentrates through road transportation from Myanmar to China export of concentrates from Myanmar to China.

- (iii) With the emergence of new and more transmissible viral variants (including Delta virus and Omicron virus) in various provinces and cities, the Epidemic in Myanmar has been exacerbated. As at the date of this announcement, the cumulative number of confirmed cases increased to approximately 613,000 in Myanmar.

In view of the above, the abovementioned factors have caused the following unfavorable effects to the Company:

- (a) The Company has made applications and/or renewal applications of the mining licenses and/or exploration licenses of the mines in Myanmar to the Myanmar government. As at the date of this announcement, the Company is still waiting for approval and response from the relevant authorities of the Myanmar government, but the progress is expected to be further delayed.
- (b) Due to frequent clashes happened between military coups and local militia from time to time near the Myanmar project of the Group, there are some military ambush in the mountains nearby the mine and also numerous of assassination incidents. The Company expects that the broke out of a civil war may across Myanmar at any time. In order to ensure the safety of our employees, the Company has temporarily suspended the mining and operations of the Myanmar mines until the public security situation is recovered.
- (c) Due to the numerous explosions and terrorist attacks occurring in various towns and cities in Myanmar every day, the sale and purchase of explosives are strictly prohibited across the country, resulting in the lack of blasting materials for the mines of the Group in Myanmar. Therefore, the Group has to temporarily suspend the mine operation until the supply of blasting materials is recovered.
- (d) In April 2022, the mines of the Group in Myanmar were under thorough search by the Myanmar military government for a long time. The Group could not resume full operation of the Myanmar mines in an orderly manner until the investigation is completed.
- (e) Due to the unfavorable factors caused by the escalation of armed conflict, the continuation of the state of emergency and the Epidemic, some European and American countries have imposed further economic sanctions on Myanmar, which caused cash shortages and uncertain financial fluctuations in Myanmar. Certain Myanmar banks and other financial institutions imposed various degrees of restrictions and constraints on withdrawals and remittances, which further affected the Company's daily operations, including but not limited to cash withdrawals and money transfers.

The Company will closely monitor and evaluate the status and development of the situation in Myanmar and the Epidemic, continue to adopt a prudent business strategy and take appropriate actions and countermeasures to minimize the adverse impacts to the Group.

UPDATE ON THE TIMELINE IN FULFILLING THE RESUMPTION CONDITIONS

The Company has been in discussions with professional advisers to explore, consider, implement available viable solutions and take other appropriate actions at the same time to fulfill the Resumption Guidance.

In view of the latest situation in Myanmar and the development of the Epidemic, to protect the safety of the Group's employees and auditors, it is temporarily difficult for the audit team to travel to the Myanmar mines of the Group in person to collect all necessary audit evidence. Assuming the situation in Myanmar improves during the year, the following table sets forth the pending events and latest development in the expected timetable for resumption of trading in the shares of the Company:

Key event	Timetable
Publication of the 2020 Annual Results	On or before 31 March 2023
Publication of the 2020 Annual Report	On or before 31 March 2023
Publication of the 2021 Interim Results	On or before 31 March 2023
Publication of the 2021 Interim Report	On or before 31 March 2023
Publication of the 2021 Annual Results	On or before 31 March 2023
Publication of the 2021 Annual Report	On or before 31 March 2023
Publication of the 2022 Interim Results	On or before 31 March 2023
Publication of the 2022 Interim Report	On or before 31 March 2023
Publication of the 2022 Annual Results	On or before 31 March 2023
Publication of the 2022 Annual Report	On or before 30 April 2023
Resumption of trading in the shares of the Company	Subject to the Listing Review Committee review process and further assessment by the Board

VOLUNTARY ANNOUNCEMENT ON POSSIBLE MYANMAR PROJECT COOPERATION

The board (the “**Board**”) of directors of the Company is pleased to announce that the Company is currently negotiating with a PRC mining company (the “**Business Partner**”), which is an independent third parties of the Group, about a possible cooperation (the “**Possible Cooperation**”) that the Business Partner intends to provide funding for the development of existing Myanmar mine projects of the Company.

REASON AND BENEFIT FOR THE POSSIBLE COOPERATION

As mentioned above and disclosed in the Announcements, the Company is currently encountering unprecedented difficulties, which have adversely affected the business of the Group. Therefore, the Board has been looking for various development opportunities and/or business partners, hoping to resume the normal operation of the Myanmar projects within a short period of time.

The Directors are of the view that the Possible Cooperation of the Group may effectively further develop the existing Myanmar projects of the Company through investment funds from Business Partner, including investment in machinery and equipment and exploration work, which will be imported into China for sale through Ocean Freight. The Directors believe that the Possible Cooperation can, on the one hand, complement the business of the Group, and on the other hand, allow the Group to benefit from the investment funds of the partners. As a result, the revenue base of the Group and the return on investment of shareholders can be increased.

The Board wishes to emphasize that no binding agreement in relation to the Possible Cooperation has been entered into between the Company and the Business Partner as at the date of this announcement. As the Possible Cooperation may or may not proceed, investors and Shareholders are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Cooperation will be made by the Company as and when appropriate in accordance with the Listing Rules.

CONTINUED TRADING SUSPENSION OF THE SHARES OF THE COMPANY

At the request of the Company, trading in its shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021 and will remain suspended until the release of the 2020 annual results, 2020 annual report, 2021 interim results, 2021 interim report, 2021 annual results and 2021 annual report.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Greenway Mining Group Limited
Lei Dejun
Executive Director

Hong Kong, 30 June 2022

As at the date of this announcement, the Board comprises Mr. Lei Dejun as executive director; Mr. Pan Junhong, Mr. Yin Bo, Mr. Chan Suk Ching and Mr. Zhang Yonghua as non-executive directors; and Mr. Ma Shirong, Mr. Chi Hongji and Mr. Dong Tao as independent non-executive directors.

**For identification purpose only*