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## **GREEN GLOBAL RESOURCES LIMITED**

**綠色環球資源有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 61)**

### **NEW DEVELOPMENTS RELATING TO THE VERY SUBSTANTIAL ACQUISITION**

Reference is made to the announcements of the Company dated 8 June 2009, 8 July 2009, 15 July 2009, 18 August 2009, 14 October 2009 and 10 November 2009 and the circular of the Company dated 23 October 2009 in relation to, among other things, the Acquisition.

The ordinary resolution approving the Acquisition and the transactions contemplated thereunder was duly passed by the independent Shareholders by way of poll at the SGM held on 10 November 2009 and the Company expects that Completion will take place as soon as practicable upon the granting of the Mining Rights Licence to Golden Pogada on such terms and conditions which are acceptable to the Company. The purpose of this announcement is to inform and update the Shareholders of certain new developments relating to the Acquisition.

As advised by the Vendors, on 13 November 2009, Golden Pogada has entered into the Offtake Agreement, the Transportation Agreement and the Choir Docking Agreement with China Railway Mongolia pursuant to which, China Railway Mongolia has agreed to, among other things, (i) purchase not less than 1.5 million tonnes per annum of the Mine's Output from Golden Pogada; (ii) provide transportation services for the transportation of the Mine's Output to Erenhot; and (iii) acquire the Mongolian Company and carry out the construction of the Dock and the Extension Line connecting the Dock to the main rail line at the Choir Train Station.

### **INTRODUCTION**

Reference is made to the announcements of the Company dated 8 June 2009, 8 July 2009, 15 July 2009, 18 August 2009, 14 October 2009 and 10 November 2009 and the circular (the "Circular") of the Company dated 23 October 2009 in relation to, among other things, the Acquisition. Unless otherwise stated, the terms used herein shall have the same meanings as defined in the Circular. The purpose of this announcement is to inform and update the Shareholders of certain new developments relating to the Acquisition.

\* *For identification purposes only*

## **NEW AGREEMENTS ENTERED INTO BETWEEN GOLDEN POGADA AND CHINA RAILWAY MONGOLIA**

As advised by the Vendors, on 13 November 2009, Golden Pogada has entered into three agreements (the “Agreements”) with China Railway Mongolia, details of which are set out as follows:

### **Offtake Agreement**

Pursuant to an offtake agreement entered into between Golden Pogada and China Railway Mongolia dated 13 November 2009 (the “Offtake Agreement”), Golden Pogada has agreed to sell and China Railway Mongolia has agreed to purchase from Golden Pogada, not less than 1.5 million tonnes per annum of iron ore and/or other minerals extracted from the Mine (the “Mine’s Output”). The sales price of the Mine’s Output will principally be determined periodically with reference to the then weighted average market prices of the relevant ore or other minerals. The term of the Offtake Agreement is ten years, commencing from the earlier of (i) 1 June 2010; or (ii) the commencement of the production of any of the Mine’s Output and is renewable for two successive terms of five years each. According to the Offtake Agreement, China Railway Mongolia also has the first right of refusal to purchase any quantity beyond 1.5 million tonnes of the Mine’s Output at the prevailing market prices.

### **Transportation Agreement**

Pursuant to a transportation agreement entered into between Golden Pogada and China Railway Mongolia dated 13 November 2009 (the “Transportation Agreement”), China Railway Mongolia has agreed, among other things, to provide transportation services to Golden Pogada for the transportation of the Mine’s Output (of not less than 2.5 million tonnes per annum) to Erenhot. The term of the Transportation Agreement is ten years commencing from 1 June 2010 and is renewable for two successive terms of five years each. According to the Transportation Agreement, Golden Pogada shall pay China Railway Mongolia a management fee for the provision of the transportation and management services.

### **Choir Docking Agreement**

Pursuant to an agreement entered into between Golden Pogada and China Railway Mongolia dated 13 November 2009 (the “Choir Docking Agreement”), China Railway Mongolia shall assist Golden Pogada to acquire the entire shareholding interests in a company incorporated in Mongolia with limited liability (the “Mongolian Company”) which shall hold the land use rights for a parcel of land with a site area of approximately ten hectares (the “Land”), and will be responsible for the construction of a transit and loading dock (the “Dock”) on the Land. The Land is located in close proximity to the train station of Choir, Govisumber aimag<sup>#</sup> in Mongolia (the “Choir Train Station”) which is the train station closest to the Mine. Moreover, according to the Choir Docking Agreement, a restricted rail extension line (the “Extension Line”) linking the Dock to the main rail line of the Choir Train Station will be built.

According to the Choir Docking Agreement, China Railway Mongolia shall, and shall assist and ensure that Golden Pogada and the Mongolian Company will, among other things, (i) obtain the land use rights for the Land for the construction of the Dock; (ii) complete

the transfer of the entire shareholding of the Mongolian Company to Golden Pogada (the “Mongolian Company Transfer”); (iii) obtain all the necessary licences and approvals for the construction of the Dock and the Extension Line; (iv) design and construct the Dock and the Extension Line within the prescribed timeframe; (v) obtain all the necessary licences and approvals for the commencement of the operation of the Dock and the Extension Line; and (vi) provide maintenance service for a twelve-month period from the date of obtaining all the inspection documents and commencement of the operation of the Dock and the Extension Line.

For the services to be rendered by China Railway Mongolia, Golden Pogada shall pay an aggregate maximum amount of US\$3.8 million to China Railway Mongolia in stages depending on the progress of the completion of the Mongolian Company Transfer and the design and the construction of the Dock and the Extension Line.

## **GENERAL**

The ordinary resolution approving the Acquisition and the transactions contemplated thereunder was duly passed by the independent Shareholders by way of poll at the SGM held on 10 November 2009 and the Company expects that Completion will take place as soon as practicable upon the granting of the Mining Rights Licence to Golden Pogada on such terms and conditions which are acceptable to the Company.

The Board believes that the entering into of the Agreements by Golden Pogada with China Railway Mongolia will secure sales orders and provide transportation solutions for the Mine’s Output. The Company has therefore given its written consent under the Acquisition Agreement to the Vendors for the entering into of the Agreements by Golden Pogada.

**Shareholders and/or investors should note that the Completion is conditional upon the fulfillment of the conditions precedent of the Acquisition Agreement as set out in the section headed “Conditions precedent” in the “Letter from the Board” of the Circular. Accordingly, Shareholders and/or investors are advised to exercise caution when dealing in the Company’s securities. Further announcement(s) in respect of the Acquisition will be made by the Company as and when appropriate.**

By order of the Board  
**Green Global Resources Limited**  
Tse Michael Nam  
*Chairman*

Hong Kong, 13 November 2009

*As at the date of this announcement, Mr. Tse Michael Nam (Chairman and Chief Executive Officer) and Mr. Puongpun Sananikone are the executive Directors and Mr. Lim Yew Kong, John, Mr. Albert Theodore Powers and Mr. Pang Seng Tuong are the independent non-executive Directors.*

# the English translation of the Mongolian name in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such name