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G-Resources Group Limited

國際資源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1051)

ANNOUNCEMENT

INVESTMENT STRATEGY

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board of the Company has resolved on 9 December 2014 to adopt a strategy to expand its business to include a principal investment business.

A. Background and Reasons for the Investment Strategy

The Company is principally engaged in the businesses of mining and investment holding. The Company acquired the Martabe Project in Indonesia in 2009. The construction of the Martabe Project was completed in 2012 and the Martabe Mine commenced production on 24 July 2012. Since then, production at the Martabe Mine has ramped up steadily and is generating positive cash flow for the Company.

However, the gold and silver prices started declining in April 2013. Since that time, the Company has adopted various measures to improve the efficiency of the operation at the Martabe Mine. The Company achieved an AISC of USD679/ounce of gold sold in the third quarter of 2014 compared with an AISC of USD846/ounce achieved in the second quarter of 2013, when the Company started reporting on AISC.

The Company has been adopting a conservative approach in managing its cash on hand. Most of the cash on hand was placed in time deposits with banks generating small interest return to the Company. As at end of October 2014, the Company was holding USD358 million equivalent of cash and marketable securities.

The Martabe Mine is the only mining operation of the Company and is located in Indonesia. The Board sees the necessities of (a) to diversify the Group's sources of revenue and business risks; and (b) to generate better return on its cash on hand.

B. The Principal Investment Business

As part of the treasury function for the Group, the Company has periodically been investing in bonds, which have generated better return than deposits with banks.

Given the current global investment environment and volatile commodities prices, the Board believes that there are good investment opportunities in other industries, besides mining. Accordingly, the Board has resolved on 9 December 2014 to allocate more resources to search for investment opportunities and to invest in different industries, including mining, and to expand its investment portfolio under its treasury operations. The goal is to establish a principal investment business to provide better risk weighted return and capital value to the Group. The Company will make appropriate disclosures pursuant to the Listing Rules for investment made.

C. Dividend Policy

The dividend policy of the Company announced on 3 December 2013 remains unchanged.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings as set out below:

“AISC”	all-in sustaining costs under the World Gold Council guidelines issued on 27 June 2013
“Board”	the board of Directors
“Company”	G-Resources Group Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Martabe Mine”	the Martabe Gold and Silver Mine owned by the Company in the Regency of South Tapanuli, Northern Sumatra, Indonesia
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	U.S. dollars, the lawful currency of the United States of America

By Order of the Board
G-Resources Group Limited
Peter Geoffrey Albert
Chief Executive Officer

Hong Kong, 9 December 2014

As at the date of this announcement, the Board comprises:

- (i) Mr. Chiu Tao, Mr. Owen L Hegarty, Mr. Peter Geoffrey Albert, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie and Mr. Hui Richard Rui as executive directors of the Company; and*
(ii) Dr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.

For media or investor enquiries please contact:

Hong Kong:

Mr. Richard Hui
T. +852 3610 6700

Ms. Joanna Ip
T. +852 3610 6700

Melbourne, Australia:

Mr. Owen Hegarty
T. +61 3 8644 1330

Ms. Amy Kong
T. +61 3 8644 1330

** For identification purpose only*