

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of the Company or any of its subsidiaries or affiliates in any jurisdiction or an inducement to enter into investment activity, and neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever. Neither this announcement nor any copy hereof may be taken into or distributed in the United States.

The information contained in this announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares and the Bonds mentioned herein have not been, and will not be, registered under the Securities Act, and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Shares or the Bonds will be made in the United States.

Bay Area Gold Group Limited

灣區黃金集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1194)

RESET OF CONVERSION PRICE OF THE HK\$1,028,000,000 7.25% CONVERTIBLE BONDS DUE 2018 (ISIN: XS0880097620)

Reference is made to (i) the circular (the “**Circular**”) of Bay Area Gold Group Limited (formerly known as Munsun Capital Group Limited) dated 9 August 2019 in relation to, among other things, the proposed amendment of Terms and Conditions and Trust Deed of the Bonds; and (ii) the announcement of the Company dated 27 August 2019 in relation to the poll results of the special general meeting and the effectiveness of the new proposal in relation to the Bonds. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless the context requires otherwise.

As disclosed in the Circular and in accordance with condition 6(E) of the Amended Terms and Conditions of the Bonds, if, on any Reset Reference Date, the Volume Weighted Average Price of the Shares for each Trading Day during the period of 20 consecutive Trading Days immediately prior to the Reset Reference Date is less than the prevailing Conversion Price on the last day of such period, the Conversion Price shall be adjusted on the business day immediately following the last day of such period in accordance with the following formula and shall be rounded down, if necessary, to 4 decimal places:

$$\text{Adjusted Conversion Price} = \text{Average Market Price}$$

The Board announces, and notice is hereby given, that as the Average Market Price (being HK\$0.0443 per Share) prior to 31 March 2020 is less than the prevailing Conversion Price (being HK\$0.088 per Share) and the reset floor price (being HK\$0.071 per Share), the Conversion Price has been adjusted to HK\$0.071 per Share, being the Benchmark Price, with effect from 31 March 2020.

Save for the above adjustment, all other Amended Terms and Conditions of the Bonds remain unchanged.

As at the date of this announcement, the total outstanding principal amount of the Bonds is HK\$302,678,131. In the event that the Bonds are fully converted at the Adjusted Conversion Price of HK\$0.071 per Share, an aggregate of 4,263,072,267 Shares will be issued, representing approximately 71.75% of the total issued share capital of the Company as at the date of this announcement and approximately 41.77% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.

Any holder of the Bonds who is in doubt as to the action to be taken should consult his/her/its stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

By Order of the Board
Bay Area Gold Group Limited
YI Shuhao
Chairman

Hong Kong, 31 March 2020

As at the date of this announcement, the Executive Directors of the Company are Mr. Yi Shuhao, Mr. Chen Sheng, Mr. Zhang Lirui, Mr. Wang Baozhi and Mr. Huang Zhiwei; the Non-Executive Director of the Company is Mr. Hsu Jing-Sheng; and the Independent Non-Executive Directors of the Company are Ms. Wong Chi Yan, Professor Xiao Rong Ge and Professor Zhang Tianyu.