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HONBRIDGE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code:8137)

**VOLUNTARY ANNOUNCEMENT
ENTERING INTO AN MEMORANDUM OF UNDERSTANDING
BETWEEN
IRON ORE PROJECT COMPANY SAM AND INDEPENDENT THIRD PARTIES
TO PERFORM FEASIBILITY STUDY ON THE SECOND PORT**

The Board announce that, in August 2013, an MOU was entered into between SAM and two Brazil Companies (both independent third parties) to perform feasibility study on the Second Port.

Shareholders and potential investors should note that completion of the MOU may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

This announcement is made by the Company on a voluntary basis to keep the Shareholders and potential investors of the Company informed of the latest business development of the Company.

BACKGROUND

Sul Americana De Metais S.A. ("SAM") is a subsidiary of Honbridge Holdings Limited (the "Company"). SAM hold fifty four exploration rights in nine mining blocks (divided into Block 5, 6, 7, 8, 9, 10, 11, 12 and 13) in the state of Minas Gerais and state of Bahia in Brazil. In the phase one construction of Block 8, SAM will develop a twenty-five million tons annual capacity, with 65 percent Fe grading iron ore project which include mining, beneficiation, pipeline and port transportation.

SAM has entered into a memorandum of understanding with three companies to set up a joint venture company ("SPV") to construct and operate an integrated port, Porto Sul (the "First Port") which is approximately 480 kilometers northeast from Block 8. Porto Sul Preliminary Environmental License ("LP") has been obtained and the negotiation with the government for an agreement is in the final stage. SAM will use the port to ship at least twenty-five million tons of iron concentrate annually.

THE MEMORANDUM OF UNDERSTANDING

The Board announced that in August 2013 SAM and two companies have entered into a Memorandum of Understanding ("MOU") for the feasibility study of the construction of a port in São Mateus (the "Second Port"). The two companies are registered in Brazil and both of them are independent third parties to the Company. The two companies are experienced in project development and management, especially in infrastructure and they have signed a memorandum of understanding with the state of Espírito Santo and the mayor of São Mateus to study the feasibility of constructing a port in city São Mateus (the "Project").

The Second Port will be located at the southeast of SAM iron ore mine and approximately 500 kilometers from Block 7. SAM would like to explore the feasibility of constructing and operating a port with an annual loading capacity of not less than twenty million tons of iron concentrate.

MAJOR TERMS AND CONDITIONS OF THE MEMORANDUM OF UNDERSTANDING

1. The terms and conditions of the MOU have a valid period of six months after the signature date of the MOU. The valid period can be extended by written agreement from all the parties (the two companies and SAM).
2. All the parties should work together to carry out all the relevant works referred to in the MOU, approve all the studies performed previously and investigate the need for new technical research based on the latest development of the Project.
3. Mutual consent from all parties must be obtained in advance before employing any person for the feasibility study and SAM will bear fifty percent of the cost.
4. The parties agreed a protection period of 24 months after signing the MOU, all parties shall undertake that in this period no cooperative relationships with other parties should be established to achieve the purpose of the MOU.
5. Any of the parties may at any time unilaterally withdraw from the Project by formal communication in writing.

REASONS FOR ENTERING INTO THE MEMORANDUM OF UNDERSTANDING

As disclosed in the 24 December 2010 announcement, Coffey Mining estimated that the control and inferred resources was at least one billion tons iron ore (JORC compliant) in Block 7. In 2013, SAM has also completed the detailed exploration report for Block 7 in accordance with the Brazilian standard and submitted a final report to the National Department of Mineral Production (“DNPM”) in Brazil. The iron ore resources in Block 7 are estimated to be approximately 4.2 billion tons(non-JORC compliant).

As a preliminary work for Block 7, the feasibility study of the Second Port is very important. It will enable the Company to prepare a more detailed and accurate engineering plan and budget.

For the mutual benefits of all parties and the long term development of SAM Iron Ore Project, SAM and the two Companies entered into the MOU.

Shareholders and potential investors should note that completion of the MOU may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
Honbridge Holdings Limited
LIU Wei, William
Director and Chief Executive Officer

Hong Kong, 30 August 2013

As at the date of this announcement, the Board comprises Mr. He Xuechu, Mr. Liu Wei, William and Mr. Shi Lixin as executive Directors; Mr. Ang Siu Lun, Lawrence and Mr. Yan Weimin as non-executive Directors and Mr. Chan Chun Wai, Tony, Mr. Fok Hon and Mr. Ma Gang as independent non-executive Directors.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the “GEM Listing Rules” for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the day of its posting and on the Company’s website www.8137.hk.