NAN NAN RESOURCES ENTERPRISE LIMITED
南南資源實業有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1229)

FURTHER DEVELOPMENT ON THE UPDATED OPTIMIZATION AND UPGRADING PLAN

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of Nan Nan Resources Enterprise Limited (the "**Company**") dated 11 November 2011, 12 March 2012, 21 March 2012, 15 June 2012, 23 May 2013, 21 March 2014, 15 August 2017, 28 March 2018, 31 May 2018, 14 December 2018 and 31 December 2018 (the "**Announcements**"). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

As stated in the Company's announcement dated 14 December 2018 in respect of the Updated Optimization and Upgrading Plan, the management of Kaiyuan Company has been actively proceeding with the application for the exploration permit in respect of the Outstanding Mining Area and the subsequent application for mining right of the Outstanding Mining Area.

On 10 May 2019, the Company received a notification dated 8 April 2019 regarding the grant of exploration right for the Outstanding Mining Area with an area of 1.68 km^2 by the Department of Natural Resources of Xinjiang Uygur Autonomous Region* (新疆維吾爾自治區自然資源廳) for a period of 3 years from 8 April 2019 to 8 April 2022. Now having obtained the exploration permit, the Company will proceed to fulfill all the necessary requirements and procedures to obtain the relevant mining permit.

The Board will closely monitor the progress of the application for mining right of the Extended Mining Area which includes the Outstanding Mining Area. The Company will keep the shareholders and potential investors of the Company informed of the same.

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

By Order of the Board
Nan Nan Resources Enterprise Limited
Kwan Man Fai
Chairman and Managing Director

Hong Kong, 15 May 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Kwan Man Fai, Mr. Wang Xiangfei (with Mr. Wong Sze Wai as alternate) and Mr. Wong Sze Wai and three independent non-executive Directors, namely Mr. Wong Man Hin Raymond, Mr. Chan Yiu Fai Youdey and Mr. Pak Wai Keung Martin.

* *For identification purpose only*