NAN NAN RESOURCES ENTERPRISE LIMITED
南南資源實業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1229)

INSIDE INFORMATION IN RELATION TO (1) SUCCESSFUL RENEWAL OF THE MINING PERMIT; AND (2) RESUMPTION OF MINING OPERATIONS AND SALE

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, 21 March 2014, 31 May 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.

SUCCESSFUL RENEWAL OF THE MINING PERMIT

As stated in the Company's announcement dated 31 December 2018, Kai Yuan Company suspended its mining operations and sale following the expiry of the Existing Mining Permit on 31 December 2018.

After further communication between the Company and the Xinjiang Natural Resources Department, having considered that (i) Kai Yuan Company has been complying with the relevant laws and regulations of the PRC regarding its mining operations and sale; and (ii) the demand for coal in winter is huge in Xinjiang, the Xinjiang Natural Resources Department decided to approve renewal of the Existing Mining Permit (the "**Renewed Mining Permit**"). Kai Yuan Company obtained the Renewed Mining Permit on 7 January 2019, which is valid from 3 November 2018 to 3 November 2019.

RESUMPTION OF MINING OPERATIONS AND SALE

On 2 January 2019, the Safety Bureau of the Zhundong Development Zone suspended the operations of the Kaiyuan Mine due to the expiry of the Existing Mining Permit. On 9 January 2019, the Safety Bureau of the Zhundong Development Zone re-examined the mining permits of Kai Yuan Company and confirmed that the Existing Mining Permit had been renewed. According to the legal opinion issued by the PRC legal adviser of the Company, Kai Yuan Company based on such confirmation, is allowed to resume its mining operations and sale. On 10 January 2019, Kai Yuan Company resumed its mining operations and sale.

According to the legal opinion issued by the PRC legal adviser of the Company, the grant of the Renewed Mining Permit would not affect the Kaiyuan Extended Area Mining Right Application. Moreover, the Renewed Mining Permit shall be cancelled in accordance with the directions issued by the Xinjiang Natural Resources Department upon obtaining the Kaiyuan Extended Area Mining Right by Kai Yuan Company.

The board of Directors (the "**Board**") will closely monitor the progress of the Kaiyuan Extended Area Mining Right Application. 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, 11 January 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; three independent non-executive Directors, namely Mr. Wong Man Hin Raymond, Mr. Chan Yiu Fai Youdey and Mr. Pak Wai Keung Martin.