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## **NAN NAN RESOURCES ENTERPRISE LIMITED**

### **南南資源實業有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1229)**

### **POSITIVE PROFIT ALERT**

This announcement is made by Nan Nan Resources Enterprise Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on preliminary review by the Board on the draft unaudited consolidated statements of comprehensive income and financial position of the Company and its subsidiaries (the “**Group**”) for the year ended 31 March 2012, the Group is expected to record a profit for the year ended 31 March 2012 as compared to a loss of approximately HK\$81,955,000 recorded for the year ended 31 March 2011. The expected profit is mainly attributable to the improvement in gross profit and a reversal of impairment loss on intangible assets.

The Company is still in the process of finalising the consolidated results of the Group for the year ended 31 March 2012. The information contained in this announcement is only a preliminary assessment made by the Board based on currently available information and such information has not been audited or reviewed by the Company’s auditor. Details of the Group’s annual results will be disclosed in the Company’s results announcement for the year ended 31 March 2012, which is expected to be released on 20 June 2012.

The Company would also like to refer to its announcement dated 21 March 2012 (the “**Announcement**”). The Management Restructuring Plan as mentioned in the Announcement is now pending for approval by the relevant government authorities. Under the Management Restructuring Plan, the Company is expecting to receive a restructuring proposal from the government authority on the exploration right arrangement of the Company’s Zexu Open Pit Coal Mine. Such restructuring proposal, depending on its content, may have an impact on the profit of the Group. The Company shall keep the shareholders and investors of the Company informed of any further development in this regard.

**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**  
**Wang Xiangfei**  
*Executive Director*

Hong Kong, 13 June 2012

*As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Lo Fong Hung, Mr. Wang Xiangfei and Mr. Kwan Man Fai and three independent non-executive Directors, namely Mr. Wong Man Hin, Raymond, Mr. Lam Ka Wai, Graham and Mr. Chan Yiu Fai, Youdey.*