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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)

INSIDE INFORMATION SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO SUSPENSION OF PRODUCTION AT KAIYUAN MINE

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).

Reference is made to the announcement of Nan Nan Resources Enterprise Limited (the “**Company**”) dated 13 April 2018 (the “**Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meaning as those defined in the Announcement.

The Company would like to supplement and clarify the Announcement with the following information.

EXPIRY AND RENEWAL OF THE WORK SAFETY PERMIT AND MINING RIGHTS

On 11 April 2018, the Production Safety Supervision and Administration Bureau* (安全生產監督管理局) of the Xinjiang Zhundong Economic and Technological Development Zone* (新疆准東經濟技術開發區) issued the Decision because the Work Safety Permit at the Kaiyuan Mine of Kaiyuan Company already expired on 18 January 2018, attributable to the fact that the Mining Rights of Kaiyuan Company which had expired on 26 December 2017.

The renewal of the Work Safety Permit is conditional on the renewal of the Mining Rights.

According to the PRC legal opinion obtained by the Company, based on PRC laws and regulations, the renewal application of Mining Rights needs to be submitted to and reviewed by different governmental departments in a hierarchical order. Kaiyuan Company commenced the renewal application for the Mining Rights in September 2017 at the Zhundong Economic and Technological Development Zone Division of the Ministry of Land and Resources * (新疆准東經濟技術開發區分局) and in turn the Ministry of Land and Resources of Changji Hui Autonomous Prefecture* (昌吉回族自治州國土資源局).

On 9 November 2017, Kaiyuan Company already applied to the Department of Land and Resources of Xinjiang Uygur Autonomous Region* (新疆維吾爾自治區國土資源廳) (the “**Xinjiang Land Department**”) for the renewal of the Mining Rights. After initial review by the Xinjiang Land Department, Kaiyuan Company submitted supplemental information on 14 December 2017.

The renewal application of the Mining Rights was accepted at the office of the head of the Xinjiang Land Department meeting* (廳長辦公會議) on 9 March 2018 and the Xinjiang Land Department has requested the Administration Committee of Xinjiang Zhundong Economic and Technological Development Zone* (新疆准東經濟技術開發區管委會) (the “**Administration Committee**”) to issue renewal approval documents so that the Mining Rights can be renewed.

On 9 April 2018, Kaiyuan Company submitted the Application Report on consent to the renewal of the mining permit of 90,000 tonnes/year of Kaiyuan Company* (同意木壘縣凱源煤炭有限責任公司9萬噸/年採礦證研續的申請報告) to the Administration Committee, who is processing the renewal application.

The PRC lawyer further opined that, based on past experience, the renewal application of Mining Rights shall be approved in approximately three months after the expiry. However, due to the local situation and the priority to deal with the social stability of the local area, the Xinjiang government has been highly occupied with stability maintenance work, which has been causing delay to the renewal application process of the Mining Rights.

The Company shall keep the shareholders and investors of the Company informed of any further development in respect of the renewal of Mining Rights and the Work Safety Permit. Further announcement will be made by the Company as and when appropriate in compliance with the Listing Rules.

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

Made by the order of the Board, save for Ms. LO Fong Hung who could not be contacted as at the date of this announcement.

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

Hong Kong, 25 April 2018

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Kwan Man Fai, Ms. Lo Fong Hung and Mr. Wang Xiangfei; three independent non-executive Directors, namely Mr. Wong Man Hin, Raymond, Mr. Chan Yiu Fai, Youdey and Mr. Pak Wai Keung, Martin; and one alternate Director, Mr. Wong Sze Wai (alternate to Mr. Wang Xiangfei).

* *For identification purposes only*