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CNNC INTERNATIONAL LIMITED

中核國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

EXPECTED DECREASE IN LOSS FOR THE YEAR

This announcement is made by CNNC International Limited (the “Company”, together with its subsidiaries shall be referred to as the “Group”) pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that based on a preliminary review on the unaudited consolidated management account for the year ended 31st December, 2016 (the “2016 Year”) of the Group and information presently available to the Board, the Group is expected to record a material decrease in loss for the 2016 Year as compared to the loss recorded for the corresponding period in 2015 (the “2015 Year”). The material decrease in loss, notwithstanding the Trading Business Loss (as set out below), is mainly due to the absence of the following items in the 2016 Year:- the Group (i) shared the loss of its associate (Société des Mines d’Azelik S.A.) for approximately HK\$135,715,000; and (ii) had made full provision of approximately HK\$72,898,000 for loan receivables from the associate for the 2015 Year (the aforesaid amounts differed from those set out in the announcement of the Company dated 15th July, 2016, as an amount of approximately HK\$46,959,000 was charged as additional share of loss of associate in the second half of the 2015 Year rather than as provision of investment equity of the associate as set out in the annual account of the 2015 Year). As the carrying amount of interest in an associate was nil at 31st December, 2015, the Group is no longer required to share any further losses in the associate in 2016, if any,

until it becomes a positive net asset position. Further details of the provision and share of loss of an associate are disclosed in the Interim Report 2015 and the Annual Report 2015 of the Group.

As reported in the Group's Interim Report 2016, the market price of natural uranium declined in the first half of 2016. Such market price declined further during the second half of 2016. As a result, the Group expects to record a gross loss for the 2016 Year as compared to a gross profit of approximately HK\$1,585,000 for the 2015 Year in its trading of natural uranium business (the "Trading Business Loss").

The information contained in this announcement is only a preliminary assessment by the management of the Company based on the information currently available to the Group, and is not based on any figures or information which has been audited or reviewed by the auditors. Shareholders and potential investors should refer to the announcement of the annual results of the Group for the 2016 Year which is expected to be released before the end of March 2017, and the subsequent publication of the Group's Annual Report 2016.

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

By order of the Board
CNNC International Limited
中核國際有限公司
Li Philip Sau Yan
Company Secretary

Hong Kong, 16th January, 2017

As at the date of this announcement, the Board comprises chairman and non-executive director, namely Mr. Du Yunbin, executive directors, namely Ms. Wang Ying and Mr. Gao Shangxiong, non-executive director, namely, Mr. Xu Shouyi and independent non-executive directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Liguang and Mr. Zhang Lei.