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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)

INSIDE INFORMATION UPDATES ON THE LAWSUIT RELATING TO THE MONGOLIAN MINING PROJECT

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).

Lawsuit relating to the Mongolian Mining Project

References are made to the announcements of the Company dated 9th January, 3rd February, 17th March and 28th April, 2020 (the “Announcements”). Unless the context requires otherwise, terms used in this announcement shall have the same meanings as defined in the Announcements.

The Company has been informed by the Group’s Mongolian legal adviser that in the hearing of the Court on 30th April, 2020, the Court refused discussion of the Group’s application. Without providing detailed reasons, the Court apparently considered that the application had been time-barred. Written judgement of the Court (with detailed reasons) are expected to be delivered within 14 days. Having considered the reasons that the application of the mining licenses had been launched according to the Mongolian Laws well before the expiration of the exploration licenses, the Group had been negotiating with the government officials of the relevant Mongolian authorities, and the advice from the Group’s Mongolian legal adviser, the management remains optimistic that the application could be resolved satisfactorily. Pending the delivery of the written judgement of the Court and further advice of the Group’s Mongolian legal adviser, the Group would appeal against the decision of the Court. However, in the event the final outcome of the Lawsuit shall not be favourable to the Group after the appeal, the Group shall have to perform further impairment assessment of the exploration and evaluation assets (as set out in the announcement of the Company dated 28th April, 2020, for the 2019 financial year, the impairment loss for the Mining Project is expected to be not less than HK\$78 million), which may materially and adversely affect the financial conditions and results of the Group.

The Company is closely monitoring the progress of the Lawsuit and will make further announcement(s) as and when appropriate to inform its shareholders and potential investors if there is any significant development in respect of the Lawsuit.

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, 4th May, 2020

As of the date of this announcement, the Board comprises non-executive director and chairman, namely, Mr. Zhong Jie, executive director and chief executive officer, namely, Mr. Zhang Yi, non-executive director, namely, Mr. Wu Ge and independent non-executive directors, namely, Mr. Cui Liguo, Mr. Zhang Lei and Mr. Chan Yee Hoi.