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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)

POSITIVE PROFIT ALERT AND BUSINESS UPDATE

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).

Positive Profit Alert

The board of directors (the “Board”) of the Company is pleased to inform the shareholders of the Company (“Shareholders”) and potential investors that, based on the preliminary review on the unaudited consolidated management accounts for the six months ended 30th June, 2018 (the “2018 Half Year”) of the Group and information presently available to the Board, the Group is expected to record a significant increase in revenue generated from the business of trading of natural uranium and electronics products of the Group and a net profit for the 2018 Half Year as compared to the revenue and the net loss recorded for the corresponding period in 2017. The Board believes that the aforesaid turnaround from loss to profit is primarily due to the write-back of a tax provision in the People’s Republic of China which were provided in previous years.

The above information 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 interim results of the Group for the 2018

Half Year which is expected to be released before the end of August 2018, and the subsequent publication of the Group's Interim Report 2018.

Business Update

In view of the significant revenue generated from the business of trading in electronics products of the Group, which was commenced at the beginning of 2018, the Board is pleased to announce the setting up of a new business segment, namely the "Supply Chain" segment, in addition to its "Trading of Mineral Property" and "Exploration and Trading of Mineral Properties" segments, and its intention to diversify its trading activities to other products, such as metal raw materials, electrical appliances, etc. The Supply Chain segment covers the Group's business of trading in electronic products and other products, through its participation in supply chain management. The management expects that the new segment can diversify the income streams of the Group, and will be in the interest of the Group and its shareholders as a whole.

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, 24th July, 2018

As at the date of this announcement, the Board comprises the Chairman and Non-executive Director, namely, Mr. Yang Chaodong, the Chief Executive Officer and Executive Director, namely, Mr. Bai Donghai, Non-executive Director, namely, Mr. Li Zhihuang and Independent Non-executive Directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Liguang and Mr. Zhang Lei.