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Grand Ocean Advanced Resources Company Limited

弘海高新資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 65)

GRANT OF SHARE OPTIONS

This announcement is made by Grand Ocean Advanced Resources Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of the directors (the “**Director**” and the “**Board**”, respectively) of the Company hereby announces that on 27 July 2018, the Company has granted share options (the “**Share Options**”) to certain eligible participants (the “**Grantee(s)**”) pursuant to the share option scheme adopted by the Company on 20 August 2009 (the “**Share Option Scheme**”), subject to the acceptance of the Share Options by the Grantees. The Options will enable the Grantees to subscribe for an aggregate of up to 150,000,000 new shares of HK\$0.01 each (the “**Share(s)**”) in the share capital of the Company. Details of the Share Options granted are set out below:

Date of grant	:	27 July 2018 (the “ Date of Grant ”)
Number of underlying Shares, being the subject of the Share Options granted	:	150,000,000 Shares
Exercise price of the Share Options granted	:	HK\$0.51 per Shares, which represents the highest of (i) closing price per Share of HK\$0.51 on the Date of Grant; (ii) the average closing price of HK\$0.50 per Share as stated in the daily quotation sheets issued by Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.01 per Share.

Closing price of the Shares on the Date of Grant : HK\$0.51 per Share

Exercise dates and validity period of the Options (“**Option Period**”) : All Options will be exercisable by the Grantees during a 10-year option period commencing from 27 July 2018 to 26 July 2028 (both days inclusive) and the Share Option shall lapse at the expiry of the Option Period.

Details of the Grantees of the Share Options are as follows:

Name of Grantees	Position held with the Company	Number of Share Options granted
Ng Ying Kit	Executive Director	15,000,000
Ren Hang	Executive Director	<u>15,000,000</u>
Sub-total of Share Options grant to Directors and chief executive of the Company		30,000,000
Other employees of the Group and other eligible participants under the Share Option Scheme who are not Directors, chief executive or substantial shareholders of the Company, nor an associate (as defined under the Listing Rules) of any of them		<u>120,000,000</u>
Total		<u>150,000,000</u>

The independent non-executive Directors have approved the grant of the above Share Options to the Directors, chief executive, other employees of the Group and other eligible participants under the Share Option Scheme who are not Directors, chief executive or substantial shareholders of the Company, nor an associate (as defined under the Listing Rules) of any of them.

Save as disclosed above, none of the Grantees is a Director, chief executive or substantial shareholder of the Company, nor an associate (as defined under the Listing Rules) of any of them.

By order of the Board
Grand Ocean Advanced Resources Company Limited
Ng Ying Kit
Executive Director

Hong Kong, 27 July 2018

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Ng Ying Kit, Ms. Huo Lijie and Mr. Ren Hang; and three independent non-executive Directors, namely Mr. Kwok Chi Shing, Mr. Huang Shao Ru and Mr. Chang Xuejun.