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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)

EFFECTIVE DATE OF CAPITAL REDUCTION AND SUBDIVISION AND FREE EXCHANGE OF SHARE CERTIFICATES

Reference is made to the announcements of Grand Ocean Advanced Resources Company Limited (the “**Company**”) dated 3 November 2016, 17 November 2016 and 17 February 2017, the circular of the Company dated 18 November 2016 (the “**Circular**”) in relation to, among other things, the proposed Capital Reduction and Subdivision. Unless otherwise defined in this announcement, capitalised terms used herein shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Law with respect to the Capital Reduction were filed and duly registered with the Registrar of Companies in the Cayman Islands on 22 March 2017 (Cayman Islands date). The Company further announces that all the other conditions precedent for the implementation of the Capital Reduction and the Subdivision have been fulfilled. Accordingly, the Capital Reduction and the Subdivision became effective after 4:00 p.m. on 22 March 2017 and before 9:00 a.m. on 23 March 2017 in Hong Kong due to time difference between Hong Kong and the Cayman Islands.

FREE EXCHANGE OF SHARE CERTIFICATES

Shareholders may, during the period from 9:00 a.m. on 23 March 2017 to 4:30 p.m. on 27 April 2017 (both days inclusive), submit the Existing Share Certificates to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for exchange, at the expense of the Company, for the New Share Certificates. The colour of the Existing Share Certificates and the New Share Certificates will be the same, which is blue. Following the expiry of the period for free exchange of share certificates, the Existing Share Certificates will be accepted for exchange only on payment of a fee of HK\$2.50 (or such amount as may from time to time prescribed in the Listing Rules) payable by the Shareholders for each Existing Share Certificate or New Share Certificate, whichever number of certificates cancelled/issued is higher.

All the Existing Share Certificates will continue to be evidence of title to such Shares and be valid for delivery, trading and settlement purpose.

TIMETABLE

Set out below is the timetable for the implementation of the Capital Reduction and the Subdivision:

2017

(Hong Kong dates and time unless otherwise specified)

Expected effective date of the Capital

Reduction and the Subdivision Wednesday, 22 March
(Cayman Islands date),
which will take effect
after 4:00 p.m. on 22 March and
before 9:00 a.m. on 23 March
in Hong Kong due to time difference

First day of the free exchange of

the Existing Share Certificates for

the New Share Certificates for the New Shares. 9:00 a.m. on Thursday, 23 March

Commencement of
the dealings in the New Shares 9:00 a.m. on Thursday, 23 March

Last day for the free exchange
of the Existing Share Certificates
for the New Share Certificates 4:30 p.m. on Thursday, 27 April

By order of the Board
Grand Ocean Advanced Resources Company Limited
Xu Bin
Chairman and Executive Director

Hong Kong, 22 March 2017

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Xu Bin (Chairman), Mr. Zhang Fusheng (Chief Executive Officer), Mr. Ng Ying Kit and Ms. Huo Lijie; and three independent non-executive Directors, namely Mr. Kwok Chi Shing, Mr. Huang Shao Ru and Mr. Chang Xuejun.