

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in L'sea Resources International Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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利海資源
L'SEA RESOURCES

L'SEA RESOURCES INTERNATIONAL HOLDINGS LIMITED

利海資源國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00195)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES AND
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of directors of the Company is set out on pages 4 to 8 of this circular (the “**Circular**”). A notice convening the annual general meeting (the “**AGM**”) of the Company to be held at Suite No. 1B on 9/F, Tower 1, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 8 June 2017 at 11:00 a.m. is set out on pages 15 to 19 of this Circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 4:30 p.m. on Monday, 5 June 2017. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

28 April 2017

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Suite No. 1B on 9/F, Tower 1, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 8 June 2017 at 11:00 a.m. (or any adjournment thereof);
“AGM Notice”	the notice convening the AGM as set out on pages 15 to 19 of this Circular;
“Articles of Association”	the Articles of Association of the Company (as amended from time to time);
“Board”	the board of Directors;
“Company”	L’sea Resources International Holdings Limited (利海資源國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Company Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Director(s)”	director(s) of the Company;
“General Mandates”	the Repurchase Mandate and the Issue Mandate;
“Group”	the Company and any entity in which the Company, directly or indirectly, holds any equity interest;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to issue, allot and otherwise deal with securities not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant ordinary resolution to grant such mandate;
“Latest Practicable Date”	21 April 2017, being the latest practicable date prior to the printing of this circular for inclusion of certain information herein;

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Ordinary Resolutions”	the proposed ordinary resolutions set out in the AGM Notice;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase the Shares not exceeding 10% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution to grant such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.005 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

EXPECTED TIMETABLE

2017

(Hong Kong time)

Latest time for lodging transfer of Shares in order to be entitled to attend and vote at AGM.....	4:30 p.m., Thursday, 1 June 2017
Closure of register of members of the Company for the entitlement to attend and vote at the AGM.....	Friday, 2 June 2017 to Thursday, 8 June 2017 (both days inclusive)
Record date for determining entitlement to attend and vote at the AGM.....	Thursday, 1 June 2017
Latest time for lodging forms of proxy for the AGM	4:30 p.m., Monday, 5 June 2017
AGM	11:00 a.m., Thursday, 8 June 2017
Announcement of the results of the AGM	Thursday, 8 June 2017

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be announced or notified to the Shareholders as and when appropriate.

LETTER FROM THE BOARD



利海資源
L'SEA RESOURCES

L'SEA RESOURCES INTERNATIONAL HOLDINGS LIMITED

利海資源國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00195)

Executive Directors:

Mr. NIE Dong
Mr. CHEUNG Wai Kuen
Mr. WANG Chuanhu
Dr. SHI Simon Hao

Independent Non-Executive Directors:

Mr. CHI Chi Hung, Kenneth
Mr. DENG Shichuan
Mr. James MUNN

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Suite No. 1B on 9/F, Tower 1
China Hong Kong City
33 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

28 April 2017

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES AND
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this Circular is to provide the Shareholders with information on (i) the proposed renewal of the general mandates to issue, allot and otherwise deal with new Shares and to repurchase Shares and the extension of Issue Mandate; (ii) the Directors to be re-elected at the AGM; and (iii) notice of AGM, for consideration on the related resolutions to be put forward at the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

In order to ensure flexibility when it is desirable to allot additional Shares or to repurchase Shares, the Directors will seek the approval of Shareholders to grant new general mandates to issue, allot and otherwise deal with new Shares and to repurchase Shares at the AGM.

Issue Mandate

Two Ordinary Resolutions, as set out in the AGM Notice, will be proposed for the following purpose:

- Ordinary Resolution no. 4 — to grant to the Directors a general mandate to issue, allot and otherwise deal with new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution; and
- Ordinary Resolution no. 6 — to increase the aggregate nominal amount of share capital of the Company which the Directors may issue, allot and otherwise deal with under the Issue Mandate in the Ordinary Resolution no. 4 by the aggregate nominal amount of share capital of the Company repurchased under the Repurchase Mandate in the Ordinary Resolution no. 5 provided that both Ordinary Resolutions no. 4 and 5 were passed at the AGM.

The Company had in issue an aggregate of 5,130,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the aforesaid Ordinary Resolution no. 4 and in accordance with the terms therein, the Company would be allowed to issue additional Shares up to a maximum of 1,026,000,000 Shares on the basis that no further Shares will be issued or repurchased prior to the AGM.

Repurchase Mandate

The Ordinary Resolution no. 5 as set out in the AGM Notice will be proposed to grant to the Directors a general mandate to exercise the powers of the Company to repurchase the Company's fully paid up Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution.

The Listing Rules contain provisions to regulate the repurchase of their own securities on the Stock Exchange by companies with primary listings on the Stock Exchange.

In accordance with the Listing Rules, Appendix I to this Circular serves as the explanatory statement to provide the Shareholders with the requisite information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the Ordinary Resolution for granting of the Repurchase Mandate.

LETTER FROM THE BOARD

Both the Issue Mandate and the Repurchase Mandate will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
- (c) the revocation or variation of such authority by an ordinary resolution of the Shareholders in general meeting.

3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently comprises seven Directors, of which Mr. Nie Dong, Mr. Cheung Wai Kuen, Mr. Wang Chuanhu and Dr. Shi Simon Hao are executive Directors; Mr. Chi Chi Hung, Kenneth, Mr. Deng Shichuan and Mr. James Munn are independent non-executive Directors.

According to article 86(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Further, in accordance with articles 87 and 88 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years and a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to article 86(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

As such, Mr. Nie Dong, Mr. Cheung Wai Kuen and Mr. Deng Shichuan will retire at the AGM. The retiring Directors, being eligible, will offer themselves for re-election at the AGM. For your further information, brief biographical details of the retiring Directors who are subject to re-election at the AGM are set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. ANNUAL GENERAL MEETING

The notice convening the AGM is set out on pages 15 to 19 of the Circular to consider the resolutions relating to, *inter alia*, the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the Directors.

5. ACTION TO BE TAKEN

A form of proxy for the AGM is also enclosed with the Circular and such form of proxy is also published on the designated website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.lsea-resources.com). Whether or not you intend to attend the AGM, you are requested to complete the form of proxy and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not later than 4:30 p.m. on Monday, 5 June 2017. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the AGM or any adjournment thereof if you so wish.

6. VOTING BY POLL

Pursuant to article 66 of the Articles of Association, a resolution put to the vote of a meeting shall be decided by way of a poll if voting by way of poll is required by the rules of Stock Exchange or a poll is otherwise demanded in accordance with that article 66.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Accordingly, all the Ordinary Resolutions in the AGM Notice will be put to vote by way of poll at the AGM.

7. RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the extension of Issue Mandate referred to in Ordinary Resolution no. 6 in the AGM Notice, the Repurchase Mandate and the re-election of Directors are in the best interests of the Company and its Shareholders as a whole. Moreover, the necessary information for seeking Shareholders' approval on the aforesaid matters are already set out herein for consideration. The Directors recommend that all Shareholders should vote in favour of the related Ordinary Resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

8. ADDITIONAL INFORMATION

Your attention is drawn to the explanatory statement for the Repurchase Mandate set out in Appendix I to this Circular and the biographical details of the Directors subject to re-election set out in Appendix II to this Circular.

Yours faithfully,
For and on behalf of the Board
L'sea Resources International Holdings Limited
NIE Dong
Executive Director and Chief Executive Officer

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to Shareholders for their consideration as to whether to vote for or against the Ordinary Resolution to be proposed at the AGM for granting the Repurchase Mandate.

LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

- (a) the shares proposed to be purchased by the company are fully-paid up;
- (b) the company has previously sent to its shareholders an explanatory statement complying with the provisions of Rule 10.06(1)(b) of the Listing Rules; and
- (c) the shareholders of the company have given a specific approval or a general mandate to the directors of the company to make such purchase, by way of an ordinary resolution which complies with the provisions of Rule 10.06(1)(c) of the Listing Rules and which has been passed at a general meeting of the company duly convened and held.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had in issue an aggregate of 5,130,000,000 Shares which are fully paid.

Subject to the passing of the Ordinary Resolution no. 5 as set out in the AGM Notice and in accordance with the terms therein, the Company would be allowed under the Repurchase Mandate to repurchase fully paid up Shares of a maximum of 513,000,000 Shares representing 10% of the issued share capital of the Company as at the date of the passing of this resolution on the basis that no further Shares will be issued or repurchased prior to the AGM.

REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and its Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile. At any time in the future when Shares trading at a discount to their underlying value, the ability of the Company to repurchase Shares will be beneficial to those Shareholders who retain their investment in the Company since their interests in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company and thereby resulting in an increase in net asset value and/or earnings per share of the Company. Such repurchases will only be made when the Directors believe that the repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association of the Company and the Articles of Association and the applicable laws and regulations of the Cayman Islands. Shares may only be repurchased out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of repurchase. The premium, if any, payable on repurchase must have been provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are repurchased. The Company may not purchase Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

POSSIBLE MATERIAL ADVERSE IMPACT

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements for the year ended 31 December 2016) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirements or the gearing levels. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

SHARE PRICES

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest prices at which Shares have been traded were as follows:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
April	0.236	0.183
May	0.204	0.167
June	0.180	0.148
July	0.169	0.132
August	0.190	0.095
September	0.174	0.150
October	0.166	0.136
November	0.155	0.133
December	0.143	0.092
2017		
January	0.133	0.094
February	0.124	0.098
March	0.118	0.103
April (up to the Latest Practicable Date)	0.103	0.103

REPURCHASES MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has purchased any of the Shares during the six months immediately preceding the Latest Practicable Date.

DIRECTORS' UNDERTAKING

The Directors have undertaken to Stock Exchange to exercise the powers of the Company to make repurchase under the Repurchase Mandate in accordance with the Listing Rules and laws of the Cayman Islands and in accordance with the regulations set out in the Memorandum of Association of the Company and Articles of Association.

EFFECT OF THE TAKEOVERS CODE

Pursuant to Rule 32 of the Takeovers Code, if as a result of repurchase of the Shares by the Company, a substantial Shareholder's proportionate interest in voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could, depending on the level of increase of the shareholding, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. In the event that the power to repurchase Shares pursuant to the Repurchase mandate is exercised in full, the number of Shares held by the public would not fall below 25%.

DIRECTORS' DEALINGS

None of the Directors nor, to the best of their knowledge having made all reasonable enquires, any of their close associates (as defined in the Listing Rules) presently intends to sell Shares to the Company in the event that the Repurchase Mandate as proposed in the Ordinary Resolution no. 5 is approved by the Shareholders.

CORE CONNECTED PERSONS

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate as proposed in the Ordinary Resolution no. 5 is approved by the Shareholders.

The biographical details of the three Directors proposed to be re-elected at the AGM are set out as follows:

Mr. NIE Dong (聶東), aged 49, has been an executive Director since August 2012. Mr. Nie was also appointed as the Chief Executive Officer and member of the Remuneration Committee of the Company on 8 March 2013. Mr. Nie graduated from Chongqing Institute of Architecture and Engineering with a degree in Architecture; and obtained a postgraduate diploma in “Integrated Marketing Communications” co-organized by the University of Hong Kong and Sun Yat-sen University in 2003. Mr. Nie has nearly 20 years’ experience in architectural design, marketing and corporate governance. Prior to joining the Group, Mr. Nie was the general manager of the marketing department of L’sea China Holdings Limited and sales director of the group from the year of 2010 to 2011 and mainly responsible for group strategic planning, commercial operation, sales and marketing, land development and customer services.

On 7 December 2015, a Director’s service agreement was entered into between the Company and Mr. Nie for a fixed term from 1 January 2016 to 31 December 2018. Mr. Nie is entitled to a monthly director’s fee of HK\$100,800 and monthly director’s salary of HK\$63,000 with a year-ended double pay bonus, which is fixed with reference to the market conditions and his duties and responsibilities with the Company. Basically, the annual increment of Mr. Nie’s remuneration is not more than 20% but subject to the Board’s decision for the plan of his remuneration. In addition, Mr. Nie is entitled to the reimbursement of (i) all travelling, hotel, entertainment and other out-of-pocket expenses reasonably incurred and (ii) the medical benefits, travel/personal accident insurance and directors/officer liability insurance provided by the Company. Mr. Nie may, at the discretion of the Board, be granted share options entitling him to subscribe for shares under any share option scheme from time to time adopted by the Company.

Save as disclosed above, Mr. Nie did not hold any directorship in other listed public company in the last three years nor any other position with the Company and other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Nie did not have any relationship with any Director, senior management, substantial or controlling Shareholders.

As at the Latest Practicable Date, Mr. Nie did not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information relating to Mr. Nie that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. CHEUNG Wai Kuen (張偉權), aged 43, has been an executive Director since December 2009. Mr. Cheung has been also a member of the Nomination Committee of the Company since March 2012. Mr. Cheung has over 12 years' extensive experience in capital management and corporate management. Mr. Cheung has established a number of enterprises in various industries in the People's Republic of China since 1997, including property investment, hospital and trading business. Mr. Cheung is currently the chairman and executive director of Common Splendor International Health Industry Group Limited (Stock Code: 00286), a company listed on Stock Exchange.

Mr. Cheung has entered into a director service agreement in respect of his appointment as executive Director for a term of three years starting from 4 December 2014 and is currently not entitled to receive any director's remuneration (such remuneration is subject to revision by the remuneration committee of the Company).

Save as disclosed above, Mr. Cheung did not hold any directorship in other listed public company in the last three years nor any other position with the Company and other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Cheung did not have any relationship with any Director, senior management, substantial or controlling Shareholders.

Save as disclosed above, as at the Latest Practicable Date, Mr. Cheung did not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information relating to Mr. Cheung that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. DENG Shichuan (鄧世川), aged 43, has been an independent non-executive Director, the members of the Audit Committee, the Remuneration Committee and the Nomination Committee since December 2014. Mr. Deng graduated from Ningxia Institute of Technology in July 1996 majoring in construction and engineering and received a master's degree in engineering. Prior to joining the Group, Mr. Deng had over 18 years' experience in construction and real estate sectors. Mr. Deng is currently the director and general manager of 寧夏辰隆房地產開發有限公司 and also the executive director and general manager of 寧夏尚益置業有限公司.

A Director's service agreement was entered into between the Company and Mr. Deng for a fixed term of three years starting from 3 December 2014. He is entitled to receive a monthly director's fee of HK\$15,000, subject to revision by the remuneration committee of the Company.

Save as disclosed above, Mr. Deng did not hold any directorship in other listed public company in the last three years nor any other position with the Company and other members of the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Deng did not have any relationship with any Director, senior management, substantial or controlling Shareholders.

As at the Latest Practicable Date, Mr. Deng did not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information relating to Mr. Deng that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



利海資源
L'SEA RESOURCES

L'SEA RESOURCES INTERNATIONAL HOLDINGS LIMITED

利海資源國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00195)

NOTICE IS HEREBY GIVEN that the annual general meeting of L'sea Resources International Holdings Limited (the “**Company**”) will be held at Suite No. 1B on 9/F, Tower 1, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 8 June 2017 at 11:00 a.m. for the following purposes.

1. To receive and consider the audited financial statements and the reports of the directors of the Company (the “**Directors**”) and of the auditors of the Company for the year ended 31 December 2016;
2. To re-elect:
 - 2.1 Mr. Nie Dong as executive Director and authorise the board of Directors to fix his remuneration;
 - 2.2 Mr. Cheung Wai Kuen as executive Director and authorise the board of Directors to fix his remuneration; and
 - 2.3 Mr. Deng Shichuan as independent non-executive Director and authorise the board of Directors to fix his remuneration;
3. To appoint Deloitte Touche Tohmatsu as the auditors of the Company and to authorise the board of Directors to fix their remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and otherwise deal with additional shares of the Company (“**Shares**”) in the capital of the Company or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make, grant, sign or execute offers,

NOTICE OF ANNUAL GENERAL MEETING

agreements or options, deeds and other documents which carry rights to subscribe for or are convertible into Shares which would or might require the exercise of such powers, subject to and in accordance with all applicable laws of the Cayman Islands and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange as amended from time to time, be and it is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make, grant, sign or execute offers, agreements or options, deeds and other documents which carry rights to subscribe for or are convertible into Shares which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below); or
 - (ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company in force from time to time; or
 - (iv) an exercise of rights of subscription or conversion under terms of any warrants issued by the Company or any securities which are convertible into Shares of the Company; or
 - (v) a specific authority granted by the shareholders of the Company,

shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly;

- (d) subject to the passing of this resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(e) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of shares open for a period fixed by the Directors to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase Shares in the capital of the Company on Stock Exchange or on any other exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and Stock Exchange for this purpose (“**Recognised Stock Exchange**”), subject to and in accordance with the applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other Recognised Stock Exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of Shares which may be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the approval pursuant to paragraph (a) of this resolution be limited accordingly;
 - (c) subject to the passing of this resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this resolution which had been granted to the Directors and which are still in effect be and hereby revoked; and
 - (d) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or the applicable laws of the Cayman Islands to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to the passing of the resolutions numbered 4 and 5 as set out in the notice (the “**Notice**”) convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares in the capital of the Company pursuant to the resolution numbered 4 as set out in the Notice be and the same is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution numbered 5 as set out in the Notice provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

By Order of the board of Directors of
L’sea Resources International Holdings Limited
NIE Dong
Executive Director and Chief Executive Officer

Hong Kong, 28 April 2017

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the board of Directors comprises the following:

Executive Directors:

Mr. NIE Dong
Mr. CHEUNG Wai Kuen
Mr. WANG Chuanhu
Dr. SHI Simon Hao

Independent Non-Executive Directors:

Mr. CHI Chi Hung, Kenneth
Mr. DENG Shichuan
Mr. James MUNN

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal place of business

in Hong Kong:
Suite No. 1B on 9/F, Tower 1
China Hong Kong City
33 Canton Road
Tsim Sha Tsui, Kowloon,
Hong Kong

Notes:

- (1) A member of the Company entitled to attend and vote at the aforesaid meeting is entitled to appoint one or (if holding two or more shares) more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (3) To be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a certified copy of that power of attorney or authority must be deposited with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 5 June 2017.
- (4) Pursuant to the articles of association of the Company, the Chairman of the meeting will demand a poll on the resolution(s) set out in this notice put to the vote at the meeting.
- (5) For the purpose of determining the entitlement of the members to attend and vote at the annual general meeting, the register of members of the Company will be closed from Friday, 2 June 2017 to Thursday, 8 June 2017, both days inclusive, during which period no transfer of shares of the Company will be registered. Members whose names appear on the register of members of the Company at the close of business on Thursday, 1 June 2017 will be entitled to attend and vote at the annual general meeting. All transfers of shares accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 1 June 2017.