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鴻寶資源有限公司
AGRITRADE RESOURCES LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 1131)

UPDATE ON THE MINING BUSINESS IN RELATION TO COAL SUPPLY CONTRACT

This announcement is made by Agritrade Resources Limited (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) on a voluntary basis to provide the shareholders and potential investors of the Company with the latest information on the recent development of the mining business of the Group.

COAL SUPPLY CONTRACT

The board (the “**Board**”) of directors of the Company is pleased to announce that on 23 February 2018, Agritrade Resources Asia Pte. Limited (the “**Seller**”), an indirect wholly-owned subsidiary of the Company, entered into a coal supply contract (the “**Contract**”) with a reputable Japanese commodity trader (the “**Buyer**”) in the Group’s ordinary course of business. Pursuant to the Contract, the Seller agrees to sell, and the Buyer agrees to purchase, a total of up to 1,000,000 tonnes of Indonesian steam coal with gross calorific value of 5,800-6,000 kcal/kg (on as-received basis) during the delivery period from 1 June 2018 to 1 June 2020. The selling price will be determined by making reference to the benchmark FOB prices from either the Newcastle Index or the Indonesian Coal Index depending on the specification of the coal delivered. The value of the Contract is estimated at approximately US\$80 million.

By entering into the Contract with the Buyer, as a sizeable and reputable Japanese trader, the Group can secure the sales quantity of coal for its mining business, which in turn will contribute a stable and sustainable revenue to the Group’s financial performance in the coming financial years.

By order of the Board
Agritrade Resources Limited
Ashok Kumar Sahoo
*Executive Director and
Chief Financial Officer*

Hong Kong, 23 February 2018

As at the date of this announcement, the Board comprises Mr. Ng Say Pek (Chairman), Mr. Ng Xinwei, Ms. Lim Beng Kim, Lulu and Mr. Ashok Kumar Sahoo as executive Directors and Mr. Chong Lee Chang, Mr. Siu Kin Wai, Mr. Terence Chang Xiang Wen, Mr. Cheng Yu and Mr. Phen Chun Shing Vincent as independent non-executive Directors.